



Attachments

Audit And Risk Management Committee Meeting

Tuesday, 20 February 2024

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Agenda Item 5.1.1 - Attachment 1

Minutes of the Audit And Risk Management Committee
Meeting held 12 December 2023



Published Minutes

Audit And Risk Management Committee Meeting

Tuesday, 12 December 2023

Date:	Tuesday 12 December 2023
Time:	8:30am
Location:	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
Distribution Date:	Friday 15 December 2023



Shire of Ashburton
Audit And Risk Management Committee Meeting

The Chief Executive Officer recommends the endorsement of these minutes at the next Audit And Risk Management Committee Meeting.

K Donohoe
Chief Executive Officer
15 December 2023

These minutes were confirmed by Council as a true and accurate record of proceedings at the Audit And Risk Management Committee Meeting held on Tuesday, 12 December 2023.

Presiding Member _____

Date _____

Disclaimer

The Shire of Ashburton warns anyone who has an application lodged with Council must obtain, and should only rely on, written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by Council in respect of the application. No responsibility whatsoever is implied, or accepted, by the Shire of Ashburton for any act, omission, statement, or intimation occurring during a Council meeting.

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1 Declaration Of Opening

The Chief Executive Officer declared the meeting open at 8:30am.

1.1 Acknowledgement Of Country

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and all their elders past, present and emerging.

2 Announcement Of Visitors

Nil

3 Attendance

3.1 Present

Elected Members:	Cr A Smith Cr K White Cr M Lynch Cr A Sullivan Cr L Rumble JP	Shire President Onslow Ward Tom Price Ward Paraburdoo Ward Paraburdoo Ward (deputy member)
Observers:	Cr R De Pledge Cr M Gallanagh	Ashburton-Tablelands Ward Pannawonica Ward (via electronic means)
Employees:	K Donohoe I Bishop C McGurk D Kennedy R Miller A Johnston J Bray D Weerasingha A Furfaro	Chief Executive Officer Deputy Chief Executive Officer Director Community Development Director Corporate Services Director Infrastructure Services Manager Media and Communications Manager Governance Internal Auditor Governance Officer
Guests:	Nil	
Members of Public:	There were no members of the public in attendance at the commencement of the meeting.	

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Members of media:	There were no members of the media in attendance at the commencement of the meeting.
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3.2 Apologies

Nil

3.3 Approved Leave Of Absence

Nil

3.4 Election of the Presiding Member and Deputy Presiding Member

The Chief Executive Officer to preside at the meeting in accordance with clause 3, Schedule 2.3 of the *Local Government Act 1995*, until the offices detailed are filled.

Election of Presiding Member

In accordance with section 5.12(1) and clause 2, Schedule 2.3 of the *Local Government Act 1995*, the office of Presiding Member is to be filled as the first matter dealt with at the first meeting of the committee after an ordinary election.

How elected:

The election of the Presiding Member is to be conducted in accordance with clause 4, Schedule 2.3 of the *Local Government Act 1995* as follows:

1. The committee is to elect a committee member to fill the office.
2. The election is to be conducted by the CEO in accordance with the procedure prescribed.
3. Nominations for the office are to be given to the CEO in writing before the meeting or during the meeting before the close of nominations.
4. Nominations close at the meeting at a time announced by the CEO, which is to be a sufficient time after the announcement by the CEO that nominations are about to close to allow for any nominations made to be dealt with.
5. If a committee member is nominated by another committee member the CEO is not to accept the nomination unless the nominee has advised the CEO, orally or in writing, that he or she is willing to be nominated for the office.
6. The committee members are to vote on the matter by secret ballot as if they were electors voting at an election.
7. Subject to clause 5(1), the votes cast under subclause (5) are to be counted, and the successful candidate determined, in accordance with Schedule 4.1 (which deals with determining the result of an election) as if those votes were votes cast at an election.
8. As soon as is practicable after the result of the election is known, the CEO is to declare and give notice of the result in accordance with regulations, if any.

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The Chief Executive Officer called for nominations for the position of Presiding Member.

Nominations were received, in writing, by the Chief Executive Officer for Shire President Audra Smith and Cr Alana Sullivan.

An election was conducted in accordance with clause 4, Schedule 2.3 of the Local Government Act 1995 to fill the position of Presiding Member.

The results of the election were, Shire President Audra Smith three votes, Cr Alana Sullivan two votes.

The Chief Executive Officer, as the returning officer, informed the committee that Shire President Audra Smith was elected as the Presiding Member of the Audit and Risk Management Committee Meeting.

Shire President Audra Smith assumed the chair.

Suspension of Standing Orders**Procedural Motion**

Moved Cr M Lynch

Seconded Cr K White

A motion was moved that Council suspend standing orders at 8:38 am.

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP

Against: Nil

Carried 5/0**Resumption of Standing Orders****Procedural Motion**

Moved Cr M Lynch

Seconded Cr A Sullivan

A motion was moved that Council resume standing orders at 8:46 am.

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP

Against: Nil

Carried 5/0

Election of Deputy Presiding Member

How elected

The election of the Deputy Presiding Member is to be conducted in accordance with clause 8, Schedule 2.3 of the *Local Government Act 1995* as follows:

1. The committee is to elect a committee member (other than the presiding member) to fill the office.
2. The election is to be conducted in accordance with the procedure prescribed by the presiding member, or if he or she is not present, by the CEO.
3. Nominations for the office are to be given to the person conducting the election in writing before the meeting or during the meeting before the close of nominations.
4. Nominations close at the meeting at a time announced by the person conducting the election, which is to be a sufficient time after the announcement by that person that nominations are about to close to allow for any nominations made to be dealt with.
5. If a committee member is nominated by another committee member the person conducting the election is not to accept the nomination unless the nominee has advised the person conducting the election, orally or in writing, that he or she is willing to be nominated for the office.
6. The committee members are to vote on the matter by secret ballot as if they were electors voting at an election.
7. Subject to clause 9(1) the votes cast under subclause (5) are to be counted, and the successful candidate determined, in accordance with Schedule 4.1 as if those votes were votes cast at an election.
8. As soon as is practicable after the result of the election is known, the person conducting the election is to declare and give notice of the result in accordance with regulations, if any.

The Presiding Member called for nominations for the position of Deputy Presiding Member.

Nominations were received, in writing, by the Chief Executive Officer for Cr Kerry White and Cr Alana Sullivan.

An election was conducted in accordance with clause 8, Schedule 2.3 of the Local Government Act 1995 to fill the position of Deputy Presiding Member.

The results of the election were, Cr Kerry White three votes, Cr Alana Sullivan two votes.

The Chief Executive Officer, as the returning officer, informed the committee that Cr Kerry White was elected as the Deputy Presiding Member of the Audit and Risk Management Committee Meeting.

4 Declaration By Members

4.1 Due Consideration By Councillors To The Agenda

Councillors noted they have given due consideration to all matters contained in this agenda.

4.2 Declaration Of Interest

A member who has an Impartiality, Proximity or Financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice, given to the Chief Executive Officer, prior to the meeting, or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest are disclosed –

Nil

5 Confirmation Of Minutes

5.1 Confirmation Of Previous Minutes

5.1.1 Minutes Of The Audit And Risk Management Committee Meeting Held On 10 October 2023

Committee Decision

Moved Cr L Rumble JP

Seconded Cr M Lynch

That the Minutes of the Audit And Risk Management Committee Meeting held 10 October 2023 (Item 5.1.1 Attachment 1) be confirmed as a true and accurate record.

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP

Against: Nil

Carried 5/0

6 Public Agenda Items

6.1 Audit Log Status Update

File Reference	CM52
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	I Bishop, Deputy Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 10 Oct 2023 - Item 11-AR.1 – 179/2023
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	<ol style="list-style-type: none"> 1. Report Follow-up Internal Audit Log 20 November 2023 2. Audit Log as at 20 November 2023

Report Purpose

Council is required to review the Audit Log actions.

The purpose of this report is to provide Council oversight of the implementation of actions resulting from internal audits and external reviews.

Council is requested to receive the Audit Log status updates.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire.

Internal audits and external reviews are examples of methods Council may use to ensure sound management of the Shire is occurring.

Following the finalisation of an internal audit and/or external review, recommendations are included in the Audit Log to ensure progress is monitored and recorded.

Comments

The Shire of Ashburton Internal Auditor (SOA IA) has conducted a follow up internal audit on the audit log addressing the findings reported by the internal audits and Auditor General of WA. This report covers from 22 September 2023 to 20 November 2023.

Within this report we have provided the following for your information:

- 29 actions were added to the audit log resulted from the 2023 Regulation 17 Review. Improvement actions were agreed with the respective process owners. Issues were risk rated based on risk ratings assigned to the risk themes in the risk assessment 2022.

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- b) Issues that have been closed since last report includes nine issues identified in 2023 Regulation 17 Review, which was dated 31 March 2023, as below:
- An issue identified with the airport not including the Electrical Inspection 2022 on the Airport Audit Log, has been closed by the airport including such report in their audit log and have commenced monitoring;
 - An issue of not having a comprehensive compliance monitoring framework has been closed by implementing the Attain compliance system which alerts, monitors and records compliance and related controls;
 - An issue of not conducting internal audit over regulatory compliance has been closed scheduling an internal audit in the 2024/2025 Audit Plan;
 - An issue of not reviewing/updating asset management plans since 2017 by development of a Strategic Assets Management Plan (2023-2028) and individual Assets Management Plans using an external consultant - M/S Assetivity, RFQ02.23 issued January 2023;
 - An issue of not using the Communication Request Form when the Regulatory Services department requesting public announcements to publish on the website, social media etc by implementing such form;
 - An issue identified with chemical storage at Tom Price swimming pool by rearranging and tidying up as the first step towards reviewing layout and labelling cabinets per Australian Standards for chemical storage;
 - An issue identified with Onslow Caravan Park expired fire extinguishers and tags by replacing nine fire extinguishers.
- c) Issues that have been closed since the last report includes two issues identified in previous internal audits (2020-2022 Internal Audit Plan) as below:
- Implementing a fraud and corruption related e-learning module for all staff and including a fraud and corruption related question in the exit interview form.
- d) Issues that are yet to be closed.
- There are 181 issues pending to close over various processes as of 20 November 2023 (164 as of 22 September 2023). The significant items which have categorised from "Not Started" to "In Progress" on this report are in relation to:
- Review/develop of a Fraud and Corruption Control Plan by the Financial Audit Controller in compliance to AS 8001:2021;
 - Draft developing fuel consumption monitoring worksheet by the Manager Fleet;
 - Reviewing landfill inspection checklist and regularise the filling of it by the Manager Waste Services;
 - Brainstorming and discussions on succession planning and retention strategy commenced by the Manager Organisational Development;
 - Further improvements to the Building Permits Directive;
 - Working towards ISO 45001 certification;
 - Developing a directive in relation to gifts/volunteer of the month process by the Manager Communities; and

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- Developing a compliance checklist to capture compliance related inspections requirements by the Manager Airport Services.
- e) One recommendation owner has not provided a status update for the request made by SOA IA on 13 November 2023.
- f) There are no serious Internal Audit concern(s) mentioned in the report.

Internal Audit

A summary of the progress on the implementation of internal audit recommendations is provided in the following table.

Internal Audit Topics	Not Started		In Progress		Validated		Total Item		Total Open	
	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep
Review of 2019 FMR	0	0	4	4	0	0	4	4	4	4
Procurement	2	2	5	5	16	16	23	23	7	7
Risk Management	3	3	12	12	4	4	19	19	15	15
Grants Management	10	10	0	0	1	1	11	11	10	10
Records Management [21]	2	2	3	3	10	10	15	15	5	5
Records Management [22]	7	7	6	6	19	19	32	32	13	13
Cyber Security	4	4	16	16	3	3	23	23	20	20
Business Continuity, Disaster Recovery and Incident Management	20	20	3	3	3	3	26	26	23	23
Building Permit Application Process	3	4	2	1	21	21	26	26	5	5
Contract Management	0	0	7	7	10	10	17	17	7	7
Fraud and Corruption	9	15	8	5	10	7	27	27	17	20
Payroll & HR	1	1	5	5	2	2	8	8	6	6
Regulation 17-2023	8	N/A	12	N/A	9	N/A	29	N/A	20	N/A
Totals	69	68	83	67	108	96	260	231	152	135

12 recommendations have been completed since last reported to the Audit and Risk Management Committee on 22 September 2023.

Financial Audits

A summary of the progress on the implementation of financial audit recommendations is provided in the following table.

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Internal Audit Topics	Not Started		In Progress		Validated		Total Item		Total Open	
	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep	20 Nov	22 Sep
Financial – 30 June 2016/17/18	0	0	0	0	3	3	3	3	0	0
Financial – 30 June 2019	0	0	1	1	3	3	4	4	1	1
Financial – 30 June 2020	2	2	1	1	2	2	5	5	3	3
Financial – 30 June 2021	7	7	2	2	0	0	9	9	9	9
Financial – 30 June 2022	5	5	1	1	0	0	6	6	6	6
IT General Controls 2021/22	3	3	7	7	0	0	10	10	10	10
Totals	17	17	12	12	8	8	37	37	29	29

No recommendations have been completed since last reported to the Audit and Risk Management Committee on 22 September 2023.

Consultation

The relevant members of the Executive Leadership Team and Middle Management Group were consulted on the progress of the outstanding actions on the Audit Log.

Shire's Internal Auditor has been provided updates to the Audit Log and verified evidence provided to close actions.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

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Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriate and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee, the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if areas identified for improvement are not addressed.	Possible (3)	Major (4)	High (10-16)	Implement process improvements as a result of internal audits/external reviews and provide regular progress reporting to the Audit and Risk Management Committee.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log.

Committee Decision

Moved

Cr M Lynch

Seconded

Cr L Rumble JP

That with respect to Audit Log Status Update, the Audit and Risk Management Committee recommends that Council, receives the updated Audit Log.

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP

Against: Nil

Carried 5/0

6.2 Internal Audit Status Report Q1 and Q2 2023-24

File Reference	CM53
Applicant or Proponent(s)	Not Applicable
Author	D Weerasingha, Internal Auditor
Authorising Officer	I Bishop, Deputy Chief Executive Officer
Previous Meeting Reference	Ordinary Council Meeting 08 Aug 2023 - Item 6.2 – 150/2023
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Report Purpose

Council is required to review the Audit Status Report.

The purpose of this report is to provide Council oversight of the performance/execution of the Strategic Internal Audit Plan 2023-26 (SIAP).

Council is requested to receive the Strategic Internal Audit Plan status update.

Background

The Chief Executive Officer (CEO) is required to ensure adequate systems and processes are established for the effective management and control of the Shire as per the *Local Government Act 1995* and regulation 17 of the *Local Government (Audit) Regulations 1996*.

With reference to International Internal Audit (IIA) Standards 2060, the Internal Auditor is required to periodically update Council with significant risk exposures and control issues, performance of planned audits, changes to audit plan and resource concerns among others.

Comments

Below is the summary of Internal Audits planned and their current status.

Engagement	Scheduled	Status
Regulation 17 Compliance Internal Audit - Legislative	Jul-Sep 2023	Completed and report issued to the Audit and Risk Management Committee (ARMC) and Council in October 2023.
Financial Management Review - Legislative	Jul-Sep 2023	Internal Audit has completed field works and issued Summary of Findings (SOF) to Manager Finance on 7 July 2023 requesting to arrange exit meeting discussions on SOFs. Manager Finance has requested to put hold as busy with External Audit. Internal Auditor has highlighted this delay to the Executive Leadership Team and the CEO has referred this back to the Director Corporate Services (DCS) to provide a time for exit meeting discussions. DSC has arranged time for four meetings out of a total nine meetings. DSC has

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		committed to complete the engagement before the end of 2023.
Internal Audit over Assets Management	Oct-Dec 2023	<p>Internal Audit developed and presented the planning memorandum identifying the scope of the internal audit after discussion with Directors and the CEO. Internal Audit has been advised that the Asset Management audit has been suspended based on the commencement in December 2023 of preliminary asset management works including a survey to determine the current asset maturation level through the MyData system.</p> <p>Internal Auditor has considered the risk profile of Assets Sustainability, conducted in 2022 and identified residual risk as “High” and risk acceptance as “Unacceptable”. Internal Auditor has also noted no internal audit on Asset Management was been conducted in the 2020-2022 Internal Audit Plan.</p> <p>On this basis, Internal Audit has requested an action plan be used to manage the risk from management.</p> <p>Director Infrastructure Services has developed a Strategic Asset Management Plan 2023-28 (SAMP) in mid-2023 using asset management consultant M/S Assetivity, of which page 36 and 37 shows an action plan. However, Director Corporate Services is in the process of appointment of an asset management expert for further input on streamlined controls over asset management.</p> <p>Further, the Director Infrastructure Services has informed that the positions of Manager Assets and Programming and Manager Roads and Civil Projects are currently vacant.</p> <p>On the basis of the Executive Leadership Team's request through the CEO and acknowledging the resource limitation at this point of time, Internal Auditor has accepted the CEOs request to reschedule the internal audit to a suitable future date subject to ARMC/Council approval. It is proposed to commence this audit early 2024 and commence in December the Procurement Audit (scheduled for early 2024) instead.</p>
Internal Audit on Private Swimming Pools Barrier Inspection	Oct-Dec 2023	The Executive Manager Land, Property and Regulatory Services has confirmed that a qualified private contractor has been appointed and is waiting for the time schedule from contractor.

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Follow up Internal Audit on Audit Log	July 2023 August 2023 Sep 2023 Oct 2023 Nov 2023	Completed.
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Consultation

Adopted Strategic Internal Audit Plan shows the consultation framework as follows:

Output	IIA Standard	Council	Audit and Risk Management Committee	CEO/ ELT	Audit Sponsor/ Director	Internal Audit
Internal Audit Charter	1000	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Strategic Internal Audit Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Annual Internal Audit Service Delivery Plan	2010	Adopt	Review / Recommend	Consult / Inform	Consult / Inform	Develop
Internal Audit Manual	2040	Adopt	Review / Recommend	Consult / Inform	Inform	Develop
Quality Assurance and Improvement Plan	1300, 1320	Adopt	Review / Recommend	Consult / Inform	N/A	Develop
Annual Internal Audit Status Report	2060	Receive	Review / Recommend	Inform	Inform	Develop / Approve
Audit Engagements						
Planning Memorandum	2200	N/A	N/A	Consult/ Approve	Consult	Develop / Approve
Draft Report	2400	N/A	N/A	N/A	Consult	Develop
Final Report	2400, 2440	Receive	Review / Recommend	Inform	Inform	Develop / Approve

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

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Financial ImplicationsCurrent Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

In accordance with regulation 17 of the *Local Government (Audit) Regulations 1996*, the CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to:

- Risk management,
- Internal control, and
- Legislative compliance.

The CEO is to report to the Audit and Risk Management Committee, the results of each review.

Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	Compliance failures if high risk areas identified for assurance is monitored.	Possible (3)	Major (4)	High (10-16)	Implementation of Risk Treatments and use internal audit as 3 rd line of defence.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be high.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to Internal Audit Status Update, the Audit and Risk Management Committee recommends that Council, receives the Internal Audit Status Report for quarters 1 and 2 of 2023-24.

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Committee Decision**Moved** Cr A Sullivan**Seconded** Cr K White

That with respect to Internal Audit Status Update, the Audit and Risk Management Committee recommends that Council, receives the Internal Audit Status Report for quarters 1 and 2 of 2023-24.

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP**Against:** Nil**Carried 5/0**

6.3 2024 Audit and Risk Committee Meeting Dates

File Reference	CM53
Applicant or Proponent(s)	Not Applicable
Author	A Furfaro, Governance Officer
Authorising Officer	D Kennedy, Director Corporate Services
Previous Meeting Reference	Ordinary Council Meeting 8 November 2022 - Item 6.1 – (181/2022) Ordinary Council Meeting 8 August 2023 - Item 13.4 – (157/2023)
Disclosure(s) of interest	Author – Nil
	Authorising Officer – Nil
Attachments	Nil

Report Purpose

Council is required to set and publish a schedule of meeting dates, times and locations for all committee meetings proposed to be open to the public.

The purpose of this report is to present to the Audit and Risk Management Committee (the Committee) the proposed meeting dates, times, and locations for 2024.

Council is requested to approve the 2024 Committee meeting dates as detailed in this report.

Background

In accordance with section 7.1A of the *Local Government Act 1995* (the Act), the local government must establish an audit committee. At its meeting held 8 November 2022, Council endorsed the Committee's Terms of Reference. The Terms of Reference were reaffirmed at the Council meeting held 8 August 2023 as part of the adoption of the Shire of Ashburton Committees and Working Groups Booklet.

It is a legislative requirement to publish a schedule of committee meeting dates, times, and locations on an annual basis if they are proposed to be open to members of the public, for the following calendar.

Comments

In accordance with the Terms of Reference, the Committee is to develop and agree to the schedule of meetings.

The 2024 Committee meeting dates have been scheduled to coincide with the completion of internal audits scheduled as per the Council adopted Strategic Internal Audit Plan and legislative requirements such as the adoption of the annual Compliance Audit Return. The meetings will be held in the morning, coinciding with Ordinary Council Meetings. The proposed dates, times and locations are detailed below:

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Date	Time	Location
20 February 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
21 May 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
20 August 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
10 December 2024	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price

To encourage public participation and maintain the Shire's value of openness, the Committee meetings will be open to the public.

It is a legislative requirement to publish a schedule of committee meeting dates, times, and locations on an annual basis if they are proposed to be open to members of the public, for the following calendar year therefore, the meeting details as endorsed by Council, will be published on the Shire's official website.

Consultation

The proposed meeting dates have been prepared in consultation with the elected members, Manager Governance and Internal Auditor.

Strategic Community Plan

Shire of Ashburton Strategic Community Plan 2022-2032

Strategic Objective	4. Performance - We will lead the organisation, and create the culture, to deliver demonstrated performance excellence to the community.
Strategic Outcome	4.6 Visionary community leadership with sound, diligent and accountable governance
Strategy	3 Deliver best practice governance and risk management.

Council Policy

Nil

Financial Implications

Current Financial Year

Nil

Future Financial Year(s)

Nil

Legislative Implications

Regulation 12(2)(b) of the *Local Government (Administration) Regulations 1996* requires the Chief Executive Officer to publish the meeting details for committee meetings which are intended to be open to the public, on the Shire's official website.

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Risk Management

Risk has been assessed against the Shire of Ashburton Risk Management Framework.

Theme	Risk	Likelihood	Consequence	Inherent Risk Rating	Risk Treatment
Compliance	The local government fails to publish a schedule of dates, location, and times for meetings to be held in the following calendar year.	Unlikely (2)	Minor (2)	Low (1-4)	Adoption of the proposed 2024 Committee meeting dates and ensure appropriate procedures are in place for the publishing of these dates.

Based on the inherent risk rating and risk treatments, the residual risk to the Shire is considered to be low.

Voting Requirements

Simple Majority

Officer Recommendation

That with respect to the 2024 Audit and Risk Management Committee Meeting Dates, the Audit and Risk Management Committee recommends that Council, approves the publishing of the dates, times, and locations as outlined below -

Date	Time	Location
20 February 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
21 May 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
20 August 2024	8:30am	Council Chambers, Onslow Shire Complex, Second Avenue, Onslow
10 December 2024	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price

Committee Decision**Moved** Cr M Lynch**Seconded** Cr K White

That with respect to the 2024 Audit and Risk Management Committee Meeting Dates, the Audit and Risk Management Committee recommends that Council, approves the publishing of the dates, times, and locations as outlined below -

Date	Time	Location
20 February 2024	8:30am	Council Chambers, Onslow Shire Complex Second Avenue, Onslow
21 May 2024	8:30am	Council Chambers, Onslow Shire Complex Second Avenue, Onslow
20 August 2024	8:30am	Council Chambers, Onslow Shire Complex Second Avenue, Onslow
10 December 2024	8:30am	Clem Thompson Sports Pavilion, Stadium Road, Tom Price

For: A Smith, K White, M Lynch, A Sullivan and L Rumble JP**Against:** Nil**Carried 5/0**

7 New Business Of An Urgent Nature Introduced By Council Decision

Nil

8 Next Meeting

The next Audit And Risk Management Committee Meeting will be held at 8:30am on Tuesday 20 February 2024 at Council Chambers, Onslow Shire Complex, Second Avenue, Onslow.

9 Closure Of Meeting

There being no further business, the Presiding Member closed the meeting at 8:59am.



Agenda Item 6.1 - Attachment 1

Report-Follow-up Internal Audit-Internal Audit Log-29 Jan
2024

SOA IA 29 Jan 2024

Shire of Ashburton

IA				Current Review Date:									
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
1	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	1. Review systems to ensure practices for routine reviews of the Fixed Asset Register and reconciliations are undertaken and maintained as required by documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Provide evidence of reviews undertaken on the Fixed Asset Register.	Overdue	29 Jan 2024 by DCS Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled, including documentation on capitalisation, depreciation etc which are currently under development with consultants ACEAM. Progress Update as at 2 May 2022 Request for Quote 07-21 Shire Property Assessments has been awarded that incorporates data collection on all shire owned property in Tom Price, Paraburdoo and Onslow, which will be used to verify data contained within the Shire's fixed asset register. Additional asset classes will be programmed in future years. Fixed Asset Register reconciliations are completed monthly and reviewed by the Manager Finance and Administration, with the task have been incorporated in end of month financial checklist. Status Completed	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
2	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	2. Enforce individual accountability for compliance with the Shire's documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Overdue	29 Jan 2024 by DSC Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled,	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
3	22-Apr-21	Moore Australia	Review of FMR	Debtors	3. Implement checklists to evidence preparation, review and monitoring of tasks as required by Finance Manual procedures. This will allow for management to routinely monitor compliance and to assist with ensuring procedural requirements are adhered to in a timely manner.	Medium	Manager Finance	Checklists to be implemented by EOM March 2021.	Examples of checklists implemented and completed.	Overdue	29 Jan 2024 by DSC What is required to close this one. Rates & Debtors Modules are being reconcilled on a monthly basis? Progress update as at 2 May 2022 •Rates and Sundry Debtors reconciliations are completed monthly and reviewed by the	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
6	22-Apr-21	Moore Australia	Procurement	Documented Policies & Procedures	6. Documented Policies and Procedures Create checklists for tasks and controls noted within documented policies and procedures to assist with and to evidence compliance	High	Manager Finance	To be implemented by EOM May 2021.	Examples of checklists implemented and completed.	Overdue	29 Jan 2024 by DSC Is this a Finance or a Procurement Task. Very generic recommendation and believe this should be closed and focus maintained on any findings coming from Interim or Final Audit. Progress Update: Staff are currently reviewing new procurement systems to be implemented in 2021/202. The system implementation will incorporate the review and/or development of various council policies, processed and directives, that will be inbuilt into the system to ensure compliance. Additional review of transactions associated with Muzzy's is occurring with key stakeholders set to meet in the near future to resolved issues raised. Status Ongoing	SOA IA 29 Jan 2024 Refer to Process Owner and for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
18	22-Apr-21	Moore Australia	Procurement	Variations	18. Variations Update KCA 10 Purchasing, Creditors, Procurement and Payments to provide for current requirements in relation to variations and approvals.	High	Manager Finance	Recommendation to be implemented by June 2021 .	Provide updated KCA 10	Overdue	29 Jan 2024 by DCS More details required. I don't understand the recommendation Progress Update: The induction of new systems improvements will incorporate a complete review of the overall procurement process including the review of policies and directives as identified by the reviewer. A new procurement platform is currently being investigated which will include the ability to in-build shire requirements and reflect the shire's workflow for variations. Update – September 2021. Upgrade to Altus included in 2021-2022 budget, which may include upgrade to Altus procurement / Contract Management.	SOA IA 29 Jan 2024 Refer to Process Owner for Evidence/ Confirmation to close. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress
19	22-Apr-21	Moore Australia	Procurement	Segregation of Duties	19 Segregation of Duties Review and update levels of permissions within the Shire's ERP to support segregation of duties	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Screen shots showing the level of permissions within the Shire's ERP.	Overdue	29 Jan 2024 I don't know what is required to close this out. EFTSURE has been implemented and Synergy permissions are being maintained Progress Update: New application, eftsure, is being acquired and will be implemented in July 2021. This new application incorporates payment protection, compliance monitoring and vendor onboarding by a third party. Implementation of new system will reduce the Shire's exposure to fraudulent activities as well as increasing the segregation of duties within the accounts payable team. Processes and procedures will be updated at the time of implementation, which will include a review of controls. Update – November 2021. Procurement to suitable solution has been complete, new system to be implemented in the new year. Update – February 2020. EFTSure is currently being implemented and due to go live in April 2022.	SOA IA 29 Jan 2024 Refer to Process Owner for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
21	22-Apr-21	Moore Australia	Procurement	Approval of Invoices	21. Approval of Invoices, Compliance with Policies and Procedures Consider the implementation of authorised checklists and / or workflow diagrams to assist with compliance and understanding of systems and processes to be followed.	Medium	Manager Finance	Recommendation noted	Provide examples of checklist created	Not Due	SOA IA 29 Jan 2024 Refer to ARITAG – I don't think this is an issue. A new ERP would have improved workflow capabilities but in the meantime, controls within Synergy are considered adequate Progress Update: Continued monitoring of current practices to ensure compliance. Checklists and workflows will be inbuilt into the new procurement systems to ensure compliance and meeting of best practice.	SOA IA 29 Jan 2024 In Progress, Please refer to ARCITAG 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
25	22-Apr-21	Moore Australia	Procurement	Credit Cards	25. Credit Cards Ensure processes exist to maintain adherence to and detect any deviation from established documented procedures and controls.	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Provide evidence of process to aintain adherence to and detect any deviation from established documented procedures and controls	Overdue	29 Jan 2024 by DCS New Credit Card Expense Management system currently being implemented. Believe this items is outdated and should be closed. Progress Update: A review of credit card best practices currently in progress which may include the reduction of the number of card holders and the manner in which a credit card may be used. Corporate Credit Card conditions of use to be developed in line with updated policies, processes, and directives. Continued monitoring of practices to ensure compliance.	SOA IA 29 Jan 2024 Inprogress 8 February 2023: Council Policy EMP24 Corporate Credit Card is currently under review. It is anticipated this policy will be submitted to Council in March 2023. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

Current Review Date:													
IA	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
					29. Alignment to Strategic Plan and Business Plan Consider and document current and emerging risks in the Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place.	Medium	Manager Governance	Recommendation noted	Provide updated Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place	Not Due	<p>29 Jan 2024 Refer to ARITAG. Whole new risk management framework is to be implemented. This should be closed.</p> <p>SOA IA 21 Dec 2023 Strategic Risks are documented in the Strategic Community Plan and Corporate Business Plan. These will be further defined and updated in the plans as part of their reviews in 2024.</p> <p>SOA IA 25 Aug 2023 Risk Management considerations have been included in the Corporate Business Plan.</p> <p>28 Feb 23: Strategic risks will be considered for inclusion in the Strategic Community Plan during its next review in 2024. A new Corporate Business Plan will be developed in the coming months.</p>	<p>SOA IA 21 Dec 2023 Process owner clims as completed given the strategic risks are documented in SCP and CBP. However in vieuw of recommendation and agreed action, it was not found adiqute documentation and actual proces how Strategic Risks are effectively manged. As such finding status remains unchange in progress.</p> <p>SOA IA 25 Aug 2023 In Progress</p> <p>28 Feb 23: As per mgmt progress update.</p> <p>12 December 2022: Updated SCP adopted by council, mentions risk identification but does not specify risks identified. CBP review has not yet commenced.</p> <p>12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.</p>	In Progress
					30. Councilil and Audit and Risk Management Committee Review CORP5 Risk Management Policy to better define the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Medium	Manager Governance	Recommendation to be implemented by EOM June 2021.	Provide updated CORP5 Risk Management Policy to show the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Overdue	<p>29 Jan 2024 Refer to ARITAG – Updated Risk Management Policy will form part of the risk management framework maturity body of work.</p> <p>SOA IA 21 Dec 2023 Consultant appointed. Initial meeting held 15 December 2023.</p> <p>25 Oct 2023 Risk Management and Business Continuity RFQ closed on Friday, 13 October. The panel are currently reviewing the submissions.</p> <p>25 Aug 2023 SOA IA A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.</p> <p>25 January 2023: Status update Council adopted the review of the Risk Management Policy on 13 December 2022</p> <p>12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review Policy CORP5 Risk Management. This is proposed to be presented to Audit and Risk Management Committee in February 2023.</p> <p><i>Progress Update: Term of reference to be</i></p>	<p>SOA IA 21 Dec 2023 Re mains in progress</p> <p>SOA IA 25 Oct 2023 In Progress</p> <p>25 Aug 2023 SOA IA In Progress</p> <p>31 January 2023: Risk Framework does not cover responsibilities of all relevant roles required. Have not received Policy. No status change.</p> <p>25 January 2023: Elrich: We may need to review again but it only tells you the responsibility of the CEO</p> <p>12 December 2022: Workshops held to review CORP5 Risk Mgmt - No evidence received.</p> <p>12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.</p>	In Progress
					32. Risk Management Annual Work Plan and Calendar Develop, approve, document, monitor and report on a risk management calendar and annual work plan, which identifies the risk management events that are scheduled to occur to ensure that all deadlines are met.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	<p>29 Jan 2024 Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin ance have role in ensuring accurate monitoring of contract liability</p> <p>SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.</p> <p>28 Feb 23: Annual Work Plan is currently being drafted for approval.</p>	<p>SOA IA 25 Aug 2023 In Progress</p> <p>28 Feb 23: As per mgmt progress update.</p> <p>12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.</p>	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
33	22-Apr-21	Moore Australia	Risk Management	Risk Management	33. Risk Management Annual Work Plan and Calendar Develop, approve, monitor and report on a risk management training calendar and perform induction and regular training for management, staff, contractors and volunteers. Ensure that the risk manager and risk owners have induction and regular training to ensure they understand their role and responsibility and better practice principles. This can be performed via online training and be integrated with other training performed by the Shire.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	29 Jan 2024 Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Management Training program is currently being drafted for approval.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update.	In Progress
36	22-Apr-21	Moore Australia	Risk Management	Risk Register	36. Risk Register Create, implement and maintain an organisational Risk Register and consider: - overlap, duplication and risk owners, shared risks and whether a residual risk falls within or outside the Shire's risk appetite- where business units risk registers can be used as ab effective risk management tool- more regular reviews of risks more than annually regular assessment of the shared risks and the impact on the Shire, - the risk management categories to ensure they are appropriate to assist with risk identification and management, -application of professional judgement in assessment of effectiveness of controls in line with documented systems and controls	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide implemented organisational Risk Register	Not Due	29 Jan 2024 by DCS Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future. Progress Update: Updating of the operation risk register and implementing strategic risk register to commence on the appointment of the new Audit and Government position Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in	SOA IA 25 Aug 2023 In Progress 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
37	22-Apr-21	Moore Australia	Risk Management	Risk Appetite, Risk Tolerance Statements & Treatment	37. Risk Appetite, Risk Tolerance Statements and Treatment Action Plans Develop, approve, monitor and report on a risk appetite, risk tolerance and treatment action plans and then consider these within documented risk management practices. Consider the effectiveness of controls to ensure that treatment action plans are not required to reduce risk to within risk appetite.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk appetite, risk tolerance and treatment action plan	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Appetite Statements currently being drafted based on risk categories.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
38	22-Apr-21	Moore Australia	Risk Management	Risk Management Strategy	38. Risk Management Strategy Develop, a risk management strategy and review this at least on an annual basis or when material risks are identified.	Medium	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk management strategy	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
39	22-Apr-21	Moore Australia	Risk Management	Special Activities & Project Risks	39. Special Activities and Project Risks Develop an approved risk assessment tool for special projects and activities which are being considered to be undertaken	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk assessment tool for special projects and activities	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has developed a risk assessment tool for the Shire (attached) which can be adapted and used for events and projects. This will be circulated to staff in the first quarter of 2023. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS. As part of this work LGIS has developed a tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Tool provided is for the Shire's Risk Profile and cannot be used for individual risk assessments. Proposed to revert status to In Progress. 25 January 2023: We have received the tool 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS. As part of this work LGIS has developed a tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
40	22-Apr-21	Moore Australia	Risk Management	Embedded Risk Management	40. Embedded Risk Management Consider and document how the risk management is integrated and embedded within Shire processes. Strategies that can be considered include risk champions, workshops with management and staff.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide evidence on how the risk management is integrated and embedded within Shire processes.	Not Due	25 Aug 2023 SOA IA A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	25 Aug 2023 SOA IA In Progress 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
41	22-Apr-21	Moore Australia	Risk Management	Audit & Risk Management Committee	41. Audit and Risk Management Committee Include a summary of the risk management activities as an agenda paper for Audit & Risk Management Committee meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM September 2021.	Provide examples of a summary of the risk management activities on the agenda paper for Audit & Risk Management Committee meetings	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. Client wishes to discuss with Moore. In Progress	In Progress
42	22-Apr-21	Moore Australia	Risk Management	Executive Leadership Team	42. Executive Leadership Team Include a summary of the risk management activities as an agenda paper for Executive Leadership Team meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM April 2021.	Provide examples of a summary of the risk management activities on the agenda paper for ELT meetings	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

Current Review Date:													
IA	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
					43. Compliance with Legislative Requirements Develop and implement a risk management framework / strategy and supporting systems and procedures aligned to the current risk Management Standard, ISO 31000:2018.	Medium	Manager Governance	Recommendation to be implemented	Provide risk management framework and supporting policies and procedures	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has reviewed the Shire's current Risk Management Framework (attached). This will be circulated to staff for comment in the first quarter of 2023. This will be submitted to the Audit and Risk Committee for endorsement once finalised. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: Risk management framework / strategies, systems and procedures to be reviewed against and aligned with new standards, to be carried out by the new Audit and Governance Officer. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Framework received accounts for ISO standard, yet to received Risk Management Policy. No status change. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
					44. Staff Adherence and Audits Perform regular external or internal independent assessment of Risk Management to identify improvement opportunities.	Medium	Manager Governance	Recommendation to be implemented	Provide examples for risk assessments undertaken	Not Due	25 Aug 2023 SOA IA Not Started 28 Feb 23: Risk Management review is required to be undertaken every three years in accordance with the Local Government (Audit) Regulations 1996. The next review is due to be conducted in 2023.	25 Aug 2023 SOA IA Not Started 28 Feb 23: As per client progress update.	Not Started
					45. Performance Indicators Develop, approve, document, monitor and report risk management performance indicators or measures to allow expected performance and actual performance to be compared.	Low	Manager Governance	Recommendation to be implemented	Provide copy of KPI for risk management	Not Due	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
					46. Survey of Risk Owners, Management, Staff, Contractors and Volunteers Survey a selection of risk owners, management, staff, contractors and/ or volunteers to identify continuous improvement opportunities.	Low	Manager Governance	Recommendation to be implemented	Provide copy of survey undertaken.	Not Due	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
					47. Application of Grants Improve systems and controls through establishing set criterion to support decision making and authorisation for grant applications	Medium	Manager Finance	Recommendations noted	Provide set criterion for Grants	Not Due	29 Jan 2024 by DCS Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin ance have role in ensuring accurate monitoring of contract liability Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started

SOA IA 29 Jan 2024

Shire of Ashburton

IA

Current Review Date:													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
48	22-Apr-21	Moore Australia	Grants Management	Application of Grants	48. Application of Grants Enforce individual accountability for compliance with the Shire's documented procedures	Medium	Manager Finance	Recommendations noted	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
49	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	49. Acquittal of Grants Review documented procedures to include clearer requirements to support grant acquittals to assist with a higher level review for the timely completion and submission of acquittals and audits.	Medium	Manager Finance	Recommendations noted	Provide updated Grants procedures	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
50	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	50. Acquittal of Grants Establish authorised checklists to be completed by each department managing grants to evidence the routine review of grants and the provision of any required information as required by internal policies and procedures.	Medium	Manager Finance	Recommendations noted	Provide examples of checklists completed.	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
51	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	51. Compliance with Grant Conditions Create a grants matrix to allow higher level analysis and review of compliance with grant conditions and clauses.	Medium	Manager Finance	Recommendations noted	Provide Grant matrix	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
52	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	52. Compliance with Grant Conditions In addition to the recording of compliance for grant programs, establish a register to maintain records of compliance and non-compliance.	Medium	Manager Finance	Recommendations noted	Provide copy of Grants Compliance Register	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
53	22-Apr-21	Moore Australia	Grants Management	Governance	53. Update internal resource library (intranet) to maintain live documents as required by documented procedures.	Low	Manager Governance	Recommendations noted	Provide screenshots of intranet with live documents as Grants procedures	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
54	22-Apr-21	Moore Australia	Grants Management	Governance	54. Governance Clarify KCA 3 Grants to define expected compliance requirements and create support documents as required to facilitate compliance.	Low	Manager Finance	Recommendations noted	Provide updated KCA 3 with updated compliance requirements	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
55	22-Apr-21	Moore Australia	Grants Management	Governance	55. Enforce individual accountability with documented procedures.	Low	Manager Governance	Recommendations noted	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
56	22-Apr-21	Moore Australia	Grants Management	Governance	56 Governance Undertake an evaluation of current grant programs to identify non-compliant grants and action as required.	Low	Manager Finance	Recommendations noted	Provide evidence of evaluation undertaken	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
64	22-Apr-21	Moore Australia	Records Management	Language Control	64.Language Control Review, improve and update the systems and controls for language control within record keeping systems.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence on how the Shire ensure language control in systems	Overdue	SOA IA 25 Aug 2023 A directive/procedure will be developed in Q4 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 28 Feb 23: Improvements/standardised naming conventions are being implemented across the Shire's records management system. A documented approach will be considered in preparation for the implementation of a new records management system.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
65	22-Apr-21	Moore Australia	Records Management	Language Control	65. Language Control Consider review of historic records to identify any high risk considerations which require examination and updates for compliance with approved record keeping practices.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Did the Shire review this? Provide evidence	Overdue	SOA IA 25 Aug 2023 This project will take approximately 2 years to complete. 28 Feb 23: A review of historic records is currently being undertaken. As part of this review, naming conventions are being standardised to allow for documents to be easily located.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
69	22-Apr-21	Moore Australia	Records Management	Training	69. Training Test backup procedures, usability and readability of backup tapes/discs on a regular basis.	Medium	Manager ICT	Recommendations noted	Provide test backup procedured	Not Due	29 Jan 2024 Refer to ARITAG – backup tests are being performed as part of IT disaster recovery processes. Don't understand why this is an outstanding item. Progress update as at: Corporate Services to arrange via their external ICT or other consulting providers Progress Update: The proposed new system is backed up in accordance with industry best practices standards. Regular testing to take place one system is operational, in line with the Shire's Record Keeping Plan.	25 July 2023 SOA IA - No progress update 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
70	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	70. Key Performance Indicators Refine and develop criteria to assess the performance of the recordkeeping program.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide riteria to assess the performance of the recordkeeping program	Overdue	29 Jan 2024 Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in place SOA IA 25 Aug 2023 The Shire has not implemented coordinated performance monitoring and reporting at this stage. As the organisation matures and more processes are put in place, this will be implemented. Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
71	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	71. Key Performance Indicators Implement a survey mechanism to measure levels of staff satisfaction with recordkeeping operations.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence of survey completed	Overdue	SOA IA 25 Aug 2023 A survey will be considered at a later date. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
84	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Develop a document or register that classifies key records by access or confidential level and the associated security classification	Medium	Manager Governance	Agreed	Provide register that classifies key records or confidential level and the associated security classification	Overdue	29 Jan 2024 Refer to ARITAG – This will be delivered if the Shire proceeds with the implementation of the Information Architecture that is currently being developed. SOA IA 25 Aug 2023 A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Not Started	Not Started
85	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that the document is approved by the CEO or the relevant delegated authority	Medium	Manager Governance	Agreed	Referring to item 84. Was it approved by the CEO? Evidence	Overdue	29 Jan 2024 Refer to ARITAG – CEO will signoff Information Architecture once developed SOA IA 25 Aug 2023 A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 31 Ocotber 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress	In Progress
86	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Communicate to relevant staff	Medium	Manager Governance	Agreed	Referring to item 84. Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Overdue	SOA IA 25 Aug 2023 A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Not Started	Not Started
87	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that records are classified as per the approved document.	Medium	Manager Governance	Agreed	Referring to item 84. Provide evidence to show classification.	Overdue	SOA IA 25 Aug 2023 A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Not Started	Not Started
96	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Develop KPI's for monitoring compliance and performance of the records and information management function	Medium	Manager Governance	Agreed	Provide KPI's for compliance and performance	Overdue	29 Jan 2024 Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in place SOA IA 25 Aug 2023 Not Startetd	SOA IA 25 Aug 2023 Not Startetd	Not Started
97	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Ensure KPI's are approved by the Executive or relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by ELT member or delegated authority	Overdue	SOA IA 25 Aug 2023 Not Startetd	SOA IA 25 Aug 2023 Not Startetd	Not Started

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
98	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Have a standard agenda item on a regular basis to discuss records management matters; and	Medium	Manager Governance	Agreed	Provide example of agenda paper where records management was discussed.	Overdue	SOA IA 25 Aug 2023 Not Startetd	SOA IA 25 Aug 2023 Not Startetd	Not Started
99	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Regularly report to the Executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	SOA IA 25 Aug 2023 Not Startetd	SOA IA 25 Aug 2023 Not Startetd	Not Started
100	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed	How does the Shire monitor compliance of records management	Overdue	SOA IA 25 Aug 2023 The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
101	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Regularly monitor; and report to executive and the Audit and Risk Committee the outcomes.	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	SOA IA 25 Aug 2023 The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
102	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Review the Records Emergency Management Plan	Medium	Manager Governance	Agreed	Provide update of Records Emergency Management Plan	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022 - no evidence received.	In Progress
103	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Ensure it is approved by the CEO and the relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by CEO	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress	In Progress

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Current Review Date:													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
104	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Made available to all staff.	Medium	Manager Governance	Agreed	Provided to staff? How? Email, Intranet, through learning. Provide examples.	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
105	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	High	Manager ICT	Agreed. Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Overdue	29 Jan 2024 by DSC Refer to ARITAG – Significant work has and is being done in this space. ITGC Management Letter items which are aligned to the Essential 8 framework are being put in place that should address all the Moore items. Nessus Pro network scanning system is currently being implemented and Avantgarde Technologies are about to do a complete ICT Current State Audit which will prioritise cyber related actions.	25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted.	In Progress
106	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
107	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the supporting operating procedures approved by the Director Corporate Services	Have the supporting operating procedures approved by the Director Corporate Services	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
108	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Communicate the framework and supporting operating procedures to all staff within the organisation	High	Manager ICT	Agreed. Communicate the framework and supporting operating procedures to all staff within the organisation;	Communicate the framework and supporting operating procedures to all staff within the organisation;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
109	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis	High	Manager ICT	Agreed. Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
110	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a program of reviewing framework and operating procedures at a minimum every two years	High	Manager ICT	Agreed. Establish a program of reviewing framework and operating procedures at a minimum every two years.	Establish a program of reviewing framework and operating procedures at a minimum every two years.	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
113	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Conduct cyber security risk assessment at planned intervals (including using existing information to inform the assessments)	Medium	Manager ICT	Agreed. Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
114	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Retain documented information of the results of the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
115	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Update key governance documents and processes post performing the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue		25 July 2023 SOA IA - No progress update	Not Started
116	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Establish an annual program of testing vulnerabilities (including penetration testing) which can be performed in house by staff with appropriate skills and experience or externally by consultants	Medium	Manager ICT	Agreed. Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - No progress update	Not Started
117	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Develop processes for documenting and addressing identified vulnerabilities in a timely manner	Medium	Manager ICT	Agreed. Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Transferred to In Progress	In Progress
118	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress
119	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Ensure security measures included in the framework are implemented	Ensure security measures included in the framework are implemented	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress

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Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
120	01-Nov-22	Moore Australia	Cyber Security	Reporting of Cyber Security Incidents and Threats	Establish processes for identifying recording and reporting cyber security incidents to the relevant external entities and internally to the relevant authority	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
121	01-Nov-22	Moore Australia	Cyber Security	Reporting of Cyber Security Incidents and Threats	Determine the frequency and key areas that the reporting will cover	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
122	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including Cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Overdue	22 Sep 2023 SOA IA Already have a recruitment and Retention Strategy in place – needs review. Have already commenced with review of directives and procedures.	23 February 2023: First draft completed	In Progress
124	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an ICT asset replacement program	Develop an ICT asset replacement program	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Remains In Progress 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress
125	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Transferred to In Progress	In Progress
126	01-Nov-22	Moore Australia	Cyber Security	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish a removeable media arrangement or policy that outlines the Shires expectation on the use, handling and protection of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate removeable media arrangements into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate removeable media arrangements into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
127	01-Nov-22	Moore Australia	Cyber Security	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish arrangements for monitoring unauthorised data access and excessive use of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
128	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Review the Shire's Business Continuity Management Arrangements (BCMA) to ensure they reflect current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	Overdue	29 Jan 2024 by DSC Refer to ARITAG – This is part of the Risk Management Consultants brief and will be completed over the next 12 months. SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
129	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Ensure the BCMA, are approved by the CEO or Executive Leadership Team	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Have the BCMA approved by the Executive Leadership Team.	Have the BCMA approved by the Executive Leadership Team.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started

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IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
130	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Communicate the BCMA, to all staff within the organisation	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Communicate the BCMA to all staff within the organisation.	Communicate the BCMA to all staff within the organisation.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire. Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
131	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Copies of the BCMA, be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
132	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Establish a program of reviewing the Business Continuity Management Arrangements, at a minimum every one year	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review frequency to be incorporate in the revised Business Continuity Management Arrangements.	Review frequency to be incorporate in the revised Business Continuity Management Arrangements.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
133	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Conduct Risk Assessment and Business Impact Assessment	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
134	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Use findings to update the business continuity arrangements	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
135	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Develop an ICT Disaster recovery plan which outlines the overall strategy for recovery ICT reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 28 Feb 23: In progress - draft completed.	In Progress
137	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an ICT asset replacement program.	Develop an ICT asset replacement program.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
138	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - Remains In Progress	In Progress
139	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Establish a program of exercising and testing of the BCP arrangements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
140	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Ensure the program is performed on a timely basis	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
141	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
142	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Establish an ongoing training program for staff on business continuity including refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Establish an ongoing training program for staff on business continuity including refresher training	Budget should be amended to provide appropriate training.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
143	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure that the program is approved by the CEO or the delegated authority	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
144	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Maintain an up-to-date log of when staff last completed their training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
145	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Set minimum timeframes for when staff should attend the refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
146	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure staff the attend the training and refresher courses	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
147	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Develop reporting and for monitoring compliance and performance of the Shire's business continuity management arrangements	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
148	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Ensure the requirements are approved by the CEO, Executive or relevant delegated authority	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
149	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Regularly report to the executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
150	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed. Determine the frequency and method of monitoring compliance	Determine the frequency and method of monitoring compliance	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
151	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Regularly monitor; and Report to executive and the Audit and Risk Committee the outcomes	Medium	Manager Governance	Agreed. Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
185	02-Dec-22	Moore Australia	Contract Management	Contract Register	Develop comprehensive policies and procedures to manage and review the Contract Register	Medium	Senior Procurement Officer	Develop a procedure for the management and review of the Contract Register	Develop a procedure for the management and review of the Contract Register	Overdue	<p>29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions.</p> <p>21 Dec 2023 Drafts forwarded to DCEO for comment/review.</p> <p>25 Oct 2023 Drafts forwarded to WHS Consultant and Financial Audit Controller for comment/review.</p> <p>22 Sep 2023 Drafts resent to Director Community Services for review, Deputy CEO cc'd in also</p> <p>SOA IA 25 Aug 2023 Procedure is being developed, in Draft stage, yet to be approved by Director. Feedback from staff received</p> <p>SOA IA 25 July 2023-Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet.</p> <p>2023 July 4: Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet.</p>	<p>SOA IA 21 Dec 2023 Remains in Progress</p> <p>SOA IA 25 Oct 2023 In Progress</p> <p>SOA IA 25 Aug 2023 In Progress</p> <p>SOA IA 25 July 2023 Remains in progress.</p> <p>2023 July 4: Remains in progress.</p> <p>2023 May 23: Remains in progress.</p> <p>2023 April 27: Remains in progress.</p> <p>28 March 23: Shire in process of developing procedures and Directive.</p>	In Progress
186	02-Dec-22	Moore Australia	Contract Management	Contract and Supplier Performance Management	Develop and implement comprehensive performance management policies and procedures for the purposes for contract and supplier management in line with the WA Contract Management Framework Principles published by the Department of Finance. This includes processes such as, but not limited to: *Regular and structured performance reviews; *Formal documentation requirements for performance review meetings and communication with suppliers; *Monitoring and resolving non-compliance or poor contract performance with contract conditions; and *Mechanisms to ensure consistent processes to ensure contract conditions and deliverables are assessed and recorded in a final review.	High	Senior Procurement Officer	Incorporate contract performance management in the Contract Management Directive	Incorporate contract performance management in the Contract Management Directive	Overdue	<p>29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions.</p> <p>SOA IA 21 Dec 2023 Drafts forwarded to DCEO for comment/review.</p> <p>25 Oct 2023 Forwarded to WHS Consultant and Financial Audit Controller for comment/review.</p> <p>22 Sep 2023 Drafts resent to Director Community Services for review, Deputy CEO cc'd in also</p> <p>25 Aug 2023 Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. . Feedback from staff received.</p> <p>25 July 2023- Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet.</p>	<p>SOA IA 21 Dec 2023 Remains in progress</p> <p>SOA IA 25 Oct 2023 In Progress</p> <p>SOA IA 25 Aug 2023 In Progress</p> <p>SOA IA 25 July 2023 Remains in progress.</p> <p>2023 July 4: Remains in progress.</p> <p>2023 May 23: Remains in progress.</p> <p>2023 April 27: Remains in progress.</p> <p>28 March 23: Shire in process of developing procedures and Directive.</p>	In Progress

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IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
192	02-Dec-22	Moore Australia	Contract Management	Contract Variations	Execute a review process for contract variations to determine whether the cumulative effect of variations requires a separate procurement process	High	Senior Procurement Officer	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Overdue	29 Jan 2024 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. SOA IA 21 Dec 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 25 Oct 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 22 Sep 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 25 Aug 2023 Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. Feedback from some staff received. 25 July 2023- Contract Management Software solutions are still being looked at, in the meantime a	SOA IA 21 Dec 2023 In progress 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence of review.	In Progress
193	02-Dec-22	Moore Australia	Contract Management	Training and Contract Manager Continuity	The Shire should: •Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; •Set minimum timeframes for when staff should attend the refresher training; and •Ensure staff the attend the training and refresher courses	Medium	Senior Procurement Officer	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	Overdue	29 Jan 2024 Draft sent for feedback from internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. SOA IA 21 Dec 2023 Draft sent for feedback from internal stakeholders. Draft forwarded to DCEO for comment/review. 29 Jan 2024 Feedback requested from Internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. 25 Oct 2023 Draft sent for feedback from internal stakeholders. 22 Sep 2023 No feedback received yet. SOA IA 25 Aug 2023 To be introduced once approved by Director – No feedback as yet. SOA IA 25 July 2023- To be introduced once approved by Director – No feedback as yet. 2023 July 4:	SOA IA 21 Dec 2023 In Progress SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress

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IA				Current Review Date:									
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
194	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Overdue	SOA IA 21 Dec 2023 Feedback requested from Internal stakeholders 25 Oct 2023 Feedback requested from Internal stakeholders 22 Sep 2023 Draft still 25 July 2023- Draft stage, to consult with relevant departments 2023 May 23: Draft stage, to consult with relevant departments 2023 April 27: To be raised with ELT for Performance Review Period – Procurement creating a list of roles and the proposed KPI to be introduced. Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 21 Dec 2023 In progress SOA IA 25 Oct 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress
195	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Investigate and implement system to allow for reporting	Investigate and implement system to allow for reporting	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. 21 Dec 2023 No update 25 Oct 2023 No update 22 Sep 2023 No update 25 July 2023- Once are KPI are finalised, suggestion is for these to be included into Performance review process. 2023 May 23: Once are KPI are finalised, suggestion is for these to be included into Performance review process. 2023 April 27: Ensure KPI for projects are included with any project software or forms. Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress
196	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Reporting to PCG and Audit and Risk Committee.	Reporting to PCG and Audit and Risk Committee.	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. SOA IA 21 Dec 2023 Ongoing 25 Oct 2023 Ongoing 22 Sep 2023 Ongoing 25 July 2023- As per Audit and Risk Committee schedule and ELT. Completed as ongoing 2023 April 27: As per Audit and Risk Committee schedule and ELT. Completed as ongoing Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 25 Oct 2023 Remains in progress on the basis that SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
197	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Review, update, approve and implement the Fraud and Corruption Control Plan;	Medium	Director Corporate Services	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Overdue	29 Jan 2024 Refer to ARITAG – I am not sure where this one is at. The Shire has a Fraud & Corruption Framework that Financial Audit Controller was reviewing/updating. 20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Changed to In progress	In Progress
198	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Develop Fraud and Corruption Policy and procedures	Develop Fraud and Corruption Policy and procedures	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Remains In progress 8 February 2023: Fraud and Corruption Policy currently being drafted. It is anticipated that this policy will be submitted to the March Ordinary Council Meeting.	In Progress
199	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Transferred to In progress	In Progress
200	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Outdated Public Interest Disclosure Information and related Policies and Procedures	All outdated policies and procedures should be reviewed and updated to reflect better practice and compliance requirements;	High	Manager Governance	Outdated Public Interest Disclosure information and related policies and procedures to be reviewed	Outdated Public Interest Disclosure information and related policies and procedures to be reviewed	Overdue	SOA IA 25 Aug 2023 The Gratuity Policy and Risk Management Policy were reviewed by Council on 13/12/2022. EMP16 Grievance Investigations and Resolution was repealed by Council on 8/11/2022 and is currently being converted into a Directive. The Public Interest Disclosure information on the website and Authorisations Register are currently under review.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
206	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Overdue			Not Started
207	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
208	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should improve oversight over the Shire's Executive Management team in effectively approving and implementing the FC Control Plan;	Medium	Manager Governance	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Overdue	20 Nov 2023 Draft updated Fraud and Corruption Control Plan prepared.	SOA IA 20 Nov 2023 Transferred to In progress	In Progress
209	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Undertake a risk assessment in relation to fraud and corruption.	Undertake a risk assessment in relation to fraud and corruption.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
210	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Develop a Strategic Risk Register.	Develop a Strategic Risk Register.	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
213	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	The Vendor Master files should be reviewed and updated on a timely basis to ensure all relevant information is included;	Medium	Manager Finance	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Overdue			Not Started
214	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	Any missing information, including the ones identified in this audit should be reviewed with all relevant details included as identified;	Medium	Manager Finance	Vender Master Files to be audited and relevant details updated.	Vender Master Files to be audited and relevant details updated.	Overdue			Not Started
215	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Duplicate Cheque / ERT References	Cheque processing should be closely monitored and reviewed by management to ensure that any duplicate reference numbers, including the ones identified in the audit must be investigated and appropriately adjusted;	High	Manager Finance	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Overdue			Not Started
216	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Employees Listed as Vendors in the Vendor Master File	Investigate the issues identified and assess the risk of fraud or error, and institute corrective action if necessary;	Medium	Manager Finance	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Overdue			Not Started
217	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendors Still Being Used after Being Suspension	Vendors being used after their suspension dates should be flagged and inspected to identify why they are still being used with appropriate actions taken to address;	High	Manager Finance	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Overdue			Not Started
220	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	All transactions identified in this report including those with the higher rate of usage in Appendix 5 should be monitored and reviewed on a timely basis to ensure they are free from fraud or error;	High	Manager Finance	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Overdue			Not Started

SOA IA 29 Jan 2024

Shire of Ashburton

IA				Current Review Date:									
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
221	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Any transaction without descriptions, including the ones identified through this audit, should be reconfirmed against supporting documents and necessary descriptions made accordingly;	High	Manager Finance	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	Overdue			Not Started
222	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Consider improving the requisition process to include details of officer raising and approving transactions.	High	Manager Finance	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and	Overdue			Not Started
224	01-Feb-23	Moore Australia	Payroll & HR FY22	Access to Human Resources	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll	High	Manager Organisational Development	The Shire already has the following documents in place: HR Strategic Plan (CEO endorsed), Training and Development Plan	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources	Overdue	29 Jan 2024 Please move DL to end April 24. Unable to start with so much movement. Need to	SOA IA 25 Oct 2023 Not Started	Not Started
227	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of Reporting on Human Resources and Retention	Draft approve and implement a performance measurement and reporting framework for human resources and payroll activities, including	High	Manager Organisational Development	HR reporting to ELT has historically been done via a dashboard. Due to lack of capacity, data integrity and especially lack of	Incorporate performance measurement and reporting requirements/processes in the Human Resources and Payroll Management	Overdue	29 Jan 2024 Instructed to wait for Difinitiv roll-out – with Corporate Services	SOA IA 25 Oct 2023 In Progress	In Progress
228	01-Feb-23	Moore Australia	Payroll & HR FY22	Inconsistent payroll process and documentation	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll	High	Manager Organisational Development	Our HR practices have evolved over the last 12 months. This means we continue to implement new and better practices as part of	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources	Overdue	22 Sep 2023 SOA IA Major progress made iro internal controls – ongoing effort as we identify gaps	SOA IA 25 Aug 2023 In Progress	In Progress
229	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of Control Procedures for Shire Access and Assets	Draft, approve and implement a comprehensive staff exit controls policy and procedures;	Medium	Manager Organisational Development	Agreed	Develop and implement an offboarding directive and procedure. Implement Pulse Offboarding module with automated exit interview notifications and reporting. Incorporate offboarding processes in the framework.	Overdue	29 Jan 2024 Done - Awaiting MMG and ELT approval 21 Dec 2023 Will be actioned in Jan 24 20 Nov 2023 Recently approved directives	SOA IA 20 Nov 2023 5 Directives were verified SOA IA 25 Aug 2023 In Progress 2023 May 24: In progress.	In Progress
230	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Revoke inappropriate access to the payroll system and remove ex-employee user profiles from the system; and	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Conduct an audit of SynergySoft access and remove unauthorised access.	Overdue	29 Jan 2024 Duplicate action. Similar ITGC management letter matter that has been responded to	25 July 2023 SOA IA - Remains In Progress	In Progress
231	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Implement a process to regularly review, monitor and maintain system access control to all Shire information systems.	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Incorporate the regular review, monitoring and maintenance of system access for all Shire information system in the Cybersecurity	Overdue	25 July 2023-Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
234	10-Oct-23	SOA IA	Reg 17-2023	Accuracy and completeness of Asset Register	IA agreed to recommends improve the completeness and accuracy of assets data by improving the communication flow between	High	Manager Assets and Programming	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement	Overdue	29 January 2024 Refer to ARITAG and items 1 & 2 above. Significant work being done to improve	SOA IA 21 Dec 2023 Transferred to Inprogress	In Progress
235	10-Oct-23	SOA IA	Reg 17-2023	Project management	IA agreed to recommend that the project management methodology and procedures be established in terms of establishing the scope	High	Director Infrastructure Services and Director Community Development	Comments by Director Infrastructure Services and Director Community Development Project management procedures to be	Develop Project Management Procedure including review of Terms and Conditions of contracts	Not Due			Not Started
236	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Smart keys process is now in place, 60% of vehicles now include Smart Tags and percentage is climbing with new Smart Tags	Implementation of Smart Tags 100%	Not Due	29 Jan 2024 Smart Tags are being issued to individual fleet as required. Require vehicles onsite to	SOA IA 29 Jan 2024 In Progress	In Progress
237	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Reconciliation by SmartFill System for Tom Price is now in place. Onslow will be completed by the target date.	Fuel Reconciliation by SmartFill System for TomPrice and Onslow non moving tanks will be implemented	Not Due	29 Jan 2024 PO 80984 issued for the bulk tank upgrades and rental agreement signed by DK.	SOA IA 29 Jan 2024 In Progress	In Progress
238	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	The Fleet Department are in the process of developing a separate worksheet to capture this data effectively for consumption	Implementation of Fleet Fuel consumption monitoring	Not Due	29 Jan 2024 Excel spreadsheet in progress. In progress	SOA IA 29 Jan 2024 In Progress	In Progress
239	10-Oct-23	SOA IA	Reg 17-2023	Strategic Waste Management Plan	IA agreed to recommend review the Strategic Waste Management Plan to align with the new SCP and consider implementing best practices	High	Director Infrastructure and Manager Waste Services	A review will commence in the next six months for the plan's alignment and a gap analysis for the decision-making process.	Review of Strategic Waste Management plan will commence in the next six months for the plan's alignment and a gap analysis for the	Not Due			Not Started
240	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in	An internal review will commence of the checklist and undertaken a SWOT analysis of the 2010 checklist vs the outlined condensed	Overdue	20 Nov 2023 Checklists have been reviewed, formal feedback and assessment is ongoing for	SOA IA 20 Nov 2023 Transferred to In progress.	In Progress
241	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in	Regularise recordkeeping for checklist	Overdue	20 Nov 2023 Ongoing, all new checklists are going into the digital filing system location	SOA IA 20 Nov 2023 Transferred to In progress	In Progress
244	10-Oct-23	SOA IA	Reg 17-2023	Follow up and corrective actions process of WHS	IA recommends that all WorkSafe/WHS assessments are to be logged and an appropriate follow up and corrective actions	High	Manager Organisational Development	Our WHS Consultant was mobilised onsite on 1 April 2023. While the 2022 high level desktop audit findings have been reviewed,	Everything will be addressed in due cause. (Note By IA: IA recommendation to regularise audit action status tracking and reporting	Overdue	29 Jan 2024 Await ISO Certificate	SOA IA 29 Jan 2024 Non conformance have been identified by auditor shedule dated 5 Jan 2024	In Progress
245	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	CEO and Manager OD commenced with the Shire's Succession Planning process in September 2022. A template was developed and populated by the Manager OD, guided by the CEO. The outcome of the succession planning session aligns with the individual development plans that were put in place at	Succession planning is scheduled for Q2 (Oct-Dec) of the 2023/24 year, as outlined in the OD 12-month plan and as endorsed by the CEO.	Overdue	29 Jan 2024 Have retention working group in place and will pick up succession convo's when new DCEO commences 20 Nov 2023 Meeting held with CEO – succession	SOA IA 20 Nov 2023 Email confirmation was verified. SOA IA 25 Oct 2023 Transferred to In Progress	In Progress
246	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year. The majority of recommendations as outlined in this strategy document and as endorsed by our CEO, have since been implemented.	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year.	Not Due	29 Jan 2024 Have retention working group in place and will pick up succession convo's when new DCEO commences 20 Nov 2023 Focus group established, meeting on 24/11 to commence update procedure	SOA IA 20 Nov 2023 Transferred to In progress. Team email communication was verified SOA IA 25 Oct 2023 Not started	In Progress
252	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	IA agreed to recommend that directive/procedure for gift cards/vouchers/gifts be documented and a register be developed for	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Gift Cards Procedure will be developed and implement	Overdue	20 Nov 2023 DCD email dated 21 Nov 2023-"No this policy is still being reviewed"	SOA IA 20 Nov 2023 Directove drafted-In progress	In Progress
253	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	Noted. To be completed directive/procedure/register by the end of October 2023.	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Community Grants Register will be developed and implement	Overdue	25 Oct 2023 Draft Directive complete for review.	SOA IA 25 Oct 2023 Transferred t In progress	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA		Current Review Date:											
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
254	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in atimely manner to further strengthen controls.	Medium	Manager Airport Services	TSP Audit was not undertaken in 2020/21 due to COVID travel restrictions, noting limited aviation security auditors in WA. TSP independent biennial audit has now been undertaken in Aug 2023.	TSP biennial audit has now been included in the airports Annual Compliance checklist which is in development (this document will be finalised by 31 Oct 2023). This checklist will be monitored and actioned as needed, by Manager Airport Services (MAS), Airport Administrator and Airport Reporting Officer.	Overdue	29 Jan 2024 WIP-It is a complex and time-consuming document to draft as the regulation specific to the compliance tasks are also been included in comment boxes Completion date 31 March. 25 Oct 2023 WIP. It is a complex and time-consuming	SOA IA 25 Oct 2023 Transferred to In Progress	In Progress
255	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also	Medium	Manager Airport Services	The mentioned security risk register is a subsidiary document that was developed to be incorporated into the "Transport Security	The security risk register mentioned above can I be expanded upon and incorporated into the airport's existing safety management	Overdue	25 Oct 2023 Very complex which requires the redrafting of the airport SMS and requires the	SOA IA 25 Oct 2023 Not started	Not Started
256	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also	Medium	Manager Airport Services	Technical inspection findings identified during the technical inspection are categorised based on the assessed risk implication and	The checklists will be reviewed to consider if a 'risk acceptance' criteria can be included.	Overdue	29 Jan 2024 Technical inspection due May 2024. Assessed risk and document templated to	SOA IA 25 Oct 2023 Not started	Not Started
258	10-Oct-23	SOA IA	Reg 17-2023	Finance	IA is looking forward to report to ARMC on finance aspects upon completion of FMR.	High	Director corporate Services and Finance Manager	Comments by Director Corporate Services - Noted. Documents are currently being reviewed. Meetings will be arranged to meet	Completion of FMR	Overdue	20 Nov 2023 Close out meetings to be scheduled now that External Audit nearing completion	SOA IA 20 Nov 2023 Remains in "Not Started" till confirm the time plan	Not Started

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Shire of Ashburton

OAG					Current Review Date:								
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
15	30-Jun-21	OAG	Financial	Payroll controls	We recommend the Shire to: 1. Ensure that evidence of changes to the employee master file data are matched to the audit trail report as part of an independent review process; 2. Ensure that officers with a role to independently review changes in master file data do not also have the ability to modify master file data; 3. Implement a procedure to produce audit trail reports from SynergySoft, which are independently reviewed by an independent officer; and 4. Consideration be given to developing appropriate segregation of duties around payroll processes.	High	Manager Finance	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	Overdue			Not Started
22	30-Jun-21	OAG	ITGC	Network Access Management	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principals. Operating procedures to be develop and aligned to the framework and include workflow and record keeping requirements for new, terminated and change in user accounts.	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
23	30-Jun-21	OAG	ITGC	SynergySoft Financial Application Access Management	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	High	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principles for SynergySoft. Operating procedures to be develop and aligned to the framework.	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
24	30-Jun-21	OAG	ITGC	IT Governance - Standards, Policies & Procedures	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including. Shire's Business Continuity Management Arrangements ICT Disaster Recovery Plan Cybersecurity Framework The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures.	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Overdue			Not Started
25	30-Jun-21	OAG	ITGC	Network Security Management	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of the Shire's Cybersecurity Framework and supporting operating procedures that align with the WA Government Cybersecurity Policy and the Australia Government Information Security Manual. The framework will incorporate risk assessments, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

OAG					Current Review Date:								
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
26	30-Jun-21	OAG	ITGC	Physical and Environmental Security Management	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Medium	Manager ICT	The physical security of key assets (including server rooms) has been identified as a finding within a recent Cybersecurity audit. Security measures and access restrictions to be reviewed and incorporated into the Shire's Cybersecurity Framework and implemented. This will include the monitoring and reporting of approved security measures.	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Overdue	25 July 2023 - Reviewing possibilities	25 July 2023 SOA IA - Transferred to In Progress	In Progress
27	30-Jun-21	OAG	ITGC	Change Management	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews.	Medium	Manager ICT	The recommendations will be included in the review and development of the Shire's Cybersecurity Framework. The framework will incorporate risk assessments, approvals, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed.	25 July 2023 SOA IA - Transferred to In Progress	In Progress
31	30-Jun-22	OAG	Financial	Fixed Asset Depreciation Rates	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	High	Manager Finance	A full review of depreciation rates will be conducted in FY23 and will utilise the infrastructure valuation report due by 30 June 2023. This valuation report containing useful life and valuation will form a major part of the depreciation rates assessment.	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	Overdue			Not Started
36	30-Jun-22	OAG	ITGC	Risk management	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations have been incorporated into the reviewed Cybersecurity Framework including assessment of Risk. The document is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process Operating procedures to be developed and aligned to the frameworks and include workflow and record keeping requirements for An internal audit road map 2023-2026 has been developed and includes implementing Risk Management Framework ISO 31000, including develop / update operational risk registers. This will include IT Risk Management.	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Not Due			Not Started
38	30-Jun-22	OAG	ITGC	Business continuity management	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans including. Business Continuity Management Arrangements ICT Disaster recovery Plan Cybersecurity Framework. The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures. The Cybersecurity Framework document has been prepared and is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process. Business Continuity Plans and ICT disaster recovery plan is scheduled to commence development shortly.	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Overdue			Not Started
39	30-Jun-23	OAG	Financial	Completeness of road data	The Shire should review and implement processes that involve a thorough examination of how roads data is maintenance and updated in the Shire roads	High	Manager Assets and Programming/ Manager Finance	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an	Not Due			Not Started
40	30-Jun-23	OAG	Financial	Incorrect depreciation rate used on new additions of data	It is recommended the Shire review and revise their depreciation methodology to ensure it aligns with the Shire's Policies, depreciation expense should	High	Manager Assets and Programming/ Manager Finance	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls	Not Due			Not Started

SOA IA 29 Jan 2024

Shire of Ashburton

OAG					Current Review Date:								
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
41	30-Jun-23	OAG	Financial	Completeness of Data provided to the valuer	Ensure that all relevant and updated information, including any additions or modifications to the asset base, is communicated to the valuer. This includes changes occurring throughout the fiscal year to ensure that the valuer is working with the most	High	Manager Assets and Programming	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were	Not Due			Not Started
42	30-Jun-23	OAG	Financial	Review of general journals	We recommend that all manual journals raised undergo independent appropriate level of review from a staff member.	Medium	Manager Finance	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by	Not Due			Not Started
43	30-Jun-23	OAG	Financial	Recording/ Provision of annual leave	The Shire should regularly review and reconcile annual leave records, implement robust internal controls, and ensure compliance with relevant labour	Low	Manager Finance	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with	Not Due			Not Started



Agenda Item 6.1 - Attachment 2

Audit Log Pending Items - 29 January 2024

SOA IA 29 Jan 2024

Shire of Ashburton

IA <div>Current Review Date:</div>													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
1	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	1. Review systems to ensure practices for routine reviews of the Fixed Asset Register and reconciliations are undertaken and maintained as required by documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Provide evidence of reviews undertaken on the Fixed Asset Register.	Overdue	29 Jan 2024 by DCS Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled, including documentation on capitalisation, depreciation etc which are currently under development with consultants ACEAM. Progress Update as at 2 May 2022 Request for Quote 07-21 Shire Property Assessments has been awarded that incorporates data collection on all shire owned property in Tom Price, Paraburdoo and Onslow, which will be used to verify data contained within the Shire's fixed asset register. Additional asset classes will be programmed in future years. Fixed Asset Register reconciliations are completed monthly and reviewed by the Manager Finance and Administration, with the task have been incorporated in end of month financial checklist. Status Completed	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
2	22-Apr-21	Moore Australia	Review of FMR	Fixed Asset Register	2. Enforce individual accountability for compliance with the Shire's documented procedures.	Medium	Manager Finance	Review of Finance Manual to be undertaken by EOM May 2021.	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Overdue	29 Jan 2024 by DSC Work is being done to make the MyData Asset Management System the Shire's sole Asset Register. I believe this item can be closed as is essentially a duplication of the Management Letter items from the 22/23 Audit in connection with the 22/23 Infrastructure Revaluation. By 30 June 2024 the Asset Register will have been completely reviewed and overhauled, including documentation on capitalisation, depreciation etc which are currently under development with consultants ACEAM.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
3	22-Apr-21	Moore Australia	Review of FMR	Debtors	3. Implement checklists to evidence preparation, review and monitoring of tasks as required by Finance Manual procedures. This will allow for management to routinely monitor compliance and to assist with ensuring procedural requirements are adhered to in a timely manner.	Medium	Manager Finance	Checklists to be implemented by EOM March 2021.	Examples of checklists implemented and completed.	Overdue	29 Jan 2024 by DSC What is required to close this one. Rates & Debtors Modules are being reconciled on a monthly basis? Progress update as at 2 May 2022 •Rates and Sundry Debtors reconciliations are completed monthly and reviewed by the Manager Finance and Administration, with the task have been incorporated in end of month financial checklist. •Incorporated into the EOM process and checklist is the provision to review end of month reconciliations and ensure the checklists has been completed prior to the preparation and finalization of the monthly financial statements. Status Complete	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
6	22-Apr-21	Moore Australia	Procurement	Documented Policies & Procedures	6. Documented Policies and Procedures Create checklists for tasks and controls noted within documented policies and procedures to assist with and to evidence compliance	High	Manager Finance	To be implemented by EOM May 2021.	Examples of checklists implemented and completed.	Overdue	29 Jan 2024 by DSC Is this a Finance or a Procurement Task. Very generic recommendation and believe this should be closed and focus maintained on any findings coming from Interim or Final Audit. Progress Update: Staff are currently reviewing new procurement systems to be implemented in 2021/202. The system implementation will incorporate the review and/or development of various council policies, processed and directives, that will be inbuilt into the system to ensure compliance. Additional review of transactions associated with Muzzy's is occurring with key stakeholders set to meet in the near future to resolved issues raised. Status Ongoing	SOA IA 29 Jan 2024 Refer to Process Owner and for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
18	22-Apr-21	Moore Australia	Procurement	Variations	18. Variations Update KCA 10 Purchasing, Creditors, Procurement and Payments to provide for current requirements in relation to variations and approvals.	High	Manager Finance	Recommendation to be implemented by June 2021 .	Provide updated KCA 10	Overdue	29 Jan 2024 by DCS More details required. I don't understand the recommendation Progress Update: The induction of new systems improvements will incorporate a complete review of the overall procurement process including the review of policies and directives as identified by the reviewer. A new procurement platform is currently being investigated which will include the ability to in-build shire requirements and reflect the shire's workflow for variations. Update – September 2021. Upgrade to Altus included in 2021-2022 budget, which may include upgrade to Altus procurement / Contract Management.	SOA IA 29 Jan 2024 Refer to Process Owner for Evidence/ Confirmation to close. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress
19	22-Apr-21	Moore Australia	Procurement	Segregation of Duties	19 Segregation of Duties Review and update levels of permissions within the Shire's ERP to support segregation of duties	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Screen shots showing the level of permissions within the Shire's ERP.	Overdue	29 Jan 2024 I don't know what is required to close this out. EFTSURE has been implemented and Synergy permissions are being maintained Progress Update: New application, eftsure, is being acquired and will be implemented in July 2021. This new application incorporates payment protection, compliance monitoring and vendor onboarding by a third party. Implementation of new system will reduce the Shire's exposure to fraudulent activities as well as increasing the segregation of duties within the accounts payable team. Processes and procedures will be updated at the time of implementation, which will include a review of controls. Update – November 2021. Procurement to suitable solution has been complete, new system to be implemented in the new year. Update – February 2020. EFTSure is currently being implemented and due to go live in April 2022.	SOA IA 29 Jan 2024 Refer to Process Owner for Evidence/ Confirmation to close. 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA <div>Current Review Date:</div>													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
21	22-Apr-21	Moore Australia	Procurement	Approval of Invoices	21. Approval of Invoices, Compliance with Policies and Procedures Consider the implementation of authorised checklists and / or workflow diagrams to assist with compliance and understanding of systems and processes to be followed.	Medium	Manager Finance	Recommendation noted	Provide examples of checklist created	Not Due	SOA IA 29 Jan 2024 Refer to ARITAG – I don't think this is an issue. A new ERP would have improved workflow capabilities but in the meantime, controls within Synergy are considered adequate Progress Update: Continued monitoring of current practices to ensure compliance. Checklists and workflows will be inbuilt into the new procurement systems to ensure compliance and meeting of best practice.	SOA IA 29 Jan 2024 In Progress, Please refer to ARCITAG 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
25	22-Apr-21	Moore Australia	Procurement	Credit Cards	25. Credit Cards Ensure processes exist to maintain adherence to and detect any deviation from established documented procedures and controls.	Medium	Manager Finance	Recommendation to be implemented by April 2021 .	Provide evidence of process to aintain adherence to and detect any deviation from established documented procedures and controls	Overdue	29 Jan 2024 by DCS New Credit Card Expense Management system currently being implemented. Believe this items is outdated and should be closed. Progress Update: A review of credit card best practices currently in progress which may include the reduction of the number of card holders and the manner in which a credit card may be used. Corporate Credit Card conditions of use to be developed in line with updated policies, processes, and directives. Continued monitoring of practices to ensure compliance.	SOA IA 29 Jan 2024 Inprogress 8 February 2023: Council Policy EMP24 Corporate Credit Card is currently under review. It is anticipated this policy will be submitted to Council in March 2023. 8 June 2022: Renae Lynch - This recommendation is the responsibility of the Finance Manager - Taryn Dayman.	In Progress
29	22-Apr-21	Moore Australia	Risk Management	Alignment to Strategic Plan & Business Plan	29. Alignment to Strategic Plan and Business Plan Consider and document current and emerging risks in the Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place.	Medium	Manager Governance	Recommendation noted	Provide updated Strategic Community Plan 2017-2027 and the Corporate Business Plan and how effective risk management is in place	Not Due	29 Jan 2024 Refer to ARITAG, Whole new risk management framework is to be implemented. This should be closed. SOA IA 21 Dec 2023 Strategic Risks are documented in the Strategic Community Plan and Corporate Business Plan. These will be further defined and updated in the plans as part of their reviews in 2024. SOA IA 25 Aug 2023 Risk Management considerations have been included in the Corporate Business Plan. 28 Feb 23: Strategic risks will be considered for inclusion in the Strategic Community Plan during its next review in 2024. A new Corporate Business Plan will be developed in the coming months.	SOA IA 21 Dec 2023 Process owner clims as completed given the strategic risks are documented in SCP and CBP. However in veiw of recommendation and agreed action, it was not found adiqute documentation and actual proces how Strategic Risks are effectively manged. As such finding status remains unchange in progress. SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per mgmt progress update. 12 December 2022: Updated SCP adopted by council, mentions risk identification but does not specify risks identified. CBP review has not yet commenced. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
30	22-Apr-21	Moore Australia	Risk Management	Council & Audit & Risk Mgmt Committee	30. Council and Audit and Risk Management Committee Review CORP5 Risk Management Policy to better define the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Medium	Manager Governance	Recommendation to be implemented by EOM June 2021.	Provide updated CORP5 Risk Management Policy to show the responsibilities of the Council, the Audit & Risk Management Committee, management and other stakeholders.	Overdue	29 Jan 2024 Refer to ARITAG – Updated Risk Management Policy will form part of the risk management framework maturity body of work. SOA IA 21 Dec 2023 Consultant appointed. Initial meeting held 15 December 2023. 25 Oct 2023 Risk Management and Business Continuity RFQ closed on Friday, 13 October. The panel are currently reviewing the submissions. 25 Aug 2023 SOA IA A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: Status update Council adopted the review of the Risk Management Policy on 13 December 2022 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review Policy CORP5 Risk Management. This is proposed to be presented to Audit and Risk Management Committee in February 2023. Progress Update: Term of reference to be reviewed based on department guidelines and best practice. To be presented for discussion with the audit committee.	SOA IA 21 Dec 2023 Re mains in progress SOA IA 25 Oct 2023 In Progress 25 Aug 2023 SOA IA In Progress 31 January 2023: Risk Framework does not cover responsibilities of all relevant roles required. Have not received Policy. No status change. 25 January 2023: Elrich: We may need to review again but it only tells you the responsibility of the CEO 12 December 2022: Workshops held to review CORP5 Risk Mgmt - No evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
32	22-Apr-21	Moore Australia	Risk Management	Risk Management	32. Risk Management Annual Work Plan and Calendar Develop, approve, document, monitor and report on a risk management calendar and annual work plan, which identifies the risk management events that are scheduled to occur to ensure that all deadlines are met.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	29 Jan 2024 Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Annual Work Plan is currently being drafted for approval.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per mgmt progress update. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

Current Review Date:													
IA	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
	33	22-Apr-21	Moore Australia	Risk Management	33. Risk Management Annual Work Plan and Calendar Develop, approve, monitor and report on a risk management training calendar and perform induction and regular training for management, staff, contractors and volunteers. Ensure that the risk manager and risk owners have induction and regular training to ensure they understand their role and responsibility and better practice principles. This can be performed via online training and be integrated with other training performed by the Shire.	Low	Manager Governance	Recommendation to be implemented by EOM July 2021.	Provide annual workplan for risk management and training dates	Overdue	29 Jan 2024 Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Management Training program is currently being drafted for approval.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update.	In Progress
	36	22-Apr-21	Moore Australia	Risk Management	36. Risk Register Create, implement and maintain an organisational Risk Register and consider: - overlap, duplication and risk owners, shared risks and whether a residual risk falls within or outside the Shire's risk appetite- where business units risk registers can be used as ab effective risk management tool- more regular reviews of risks more than annually regular assessment of the shared risks and the impact on the Shire, - the risk management categories to ensure they are appropriate to assist with risk identification and management, -application of professional judgement in assessment of effectiveness of controls in line with documented systems and controls	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide implemented organisational Risk Register	Not Due	29 Jan 2024 by DCS Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Fin.ance have role in ensuring accurate monitoring of contract liability 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future - no evidence received. Progress Update: Updating of the operation risk register and implementing strategic risk register to commence on the appointment of the new Audit and Government position Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	SOA IA 25 Aug 2023 In Progress 12 December 2022: Status update – Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. The Operational Risk Register is currently being reviewed by staff and will be submitted to ELT for endorsement in the near future - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
	37	22-Apr-21	Moore Australia	Risk Management	37. Risk Appetite, Risk Tolerance Statements and Treatment Action Plans Develop, approve, monitor and report on a risk appetite, risk tolerance and treatment action plans and then consider these within documented risk management practices. Consider the effectiveness of controls to ensure that treatment action plans are not required to reduce risk to within risk appetite.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk appetite, risk tolerance and treatment action plan	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Risk Appetite Statements currently being drafted based on risk categories. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
	38	22-Apr-21	Moore Australia	Risk Management	38. Risk Management Strategy Develop, a risk management strategy and review this at least on an annual basis or when material risks are identified.	Medium	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk management strategy	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	SOA IA 25 Aug 2023 In Progress 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

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Current Review Date:													
IA	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
	39	22-Apr-21	Moore Australia	Risk Management	Special Activities & Project Risks	39. Special Activities and Project Risks Develop an approved risk assessment tool for special projects and activities which are being considered to be undertaken	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide risk assessment tool for special projects and activities	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has developed a risk assessment tool for the Shire (attached) which can be adapted and used for events and projects. This will be circulated to staff in the first quarter of 2023. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS. As part of this work LGIS has developed a tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Tool provided is for the Shire's Risk Profile and cannot be used for individual risk assessments. Proposed to revert status to In Progress. 25 January 2023: We have received the tool for the Shire to assess risks. This will be implemented following Council's adoption of the documents mentioned above - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
	40	22-Apr-21	Moore Australia	Risk Management	Embedded Risk Management	40. Embedded Risk Management Consider and document how the risk management is integrated and embedded within Shire processes. Strategies that can be considered include risk champions, workshops with management and staff.	High	Manager Governance	Risk Register to be reviewed subject to consultant availability	Provide evidence on how the risk management is integrated and embedded within Shire processes.	25 Aug 2023 SOA IA A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. Progress Update: This will be addressed on the appointment of the new Audit and Governance position. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	25 Aug 2023 SOA IA In Progress 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
	41	22-Apr-21	Moore Australia	Risk Management	Audit & Risk Management Committee	41. Audit and Risk Management Committee Include a summary of the risk management activities as an agenda paper for Audit & Risk Management Committee meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM September 2021.	Provide examples of a summary of the risk management activities on the agenda paper for Audit & Risk Management Committee meetings	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. Client wishes to discuss with Moore. In Progress	In Progress
	42	22-Apr-21	Moore Australia	Risk Management	Executive Leadership Team	42. Executive Leadership Team Include a summary of the risk management activities as an agenda paper for Executive Leadership Team meetings.	Medium	Manager Governance	Recommendation to be implemented by EOM April 2021.	Provide examples of a summary of the risk management activities on the agenda paper for ELT meetings	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 28 Feb 23: Reporting requirements are being considered as part of the Risk Management Framework review.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
	43	22-Apr-21	Moore Australia	Risk Management	Compliance with Legislative Requirements	43. Compliance with Legislative Requirements Develop and implement a risk management framework / strategy and supporting systems and procedures aligned to the current risk Management Standard, ISO 31000:2018.	Medium	Manager Governance	Recommendation to be implemented	Provide risk management framework and supporting policies and procedures	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire. 25 January 2023: LGIS has reviewed the Shire's current Risk Management Framework (attached). This will be circulated to staff for comment in the first quarter of 2023. This will be submitted to the Audit and Risk Committee for endorsement once finalised. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023. Progress Update: Risk management framework / strategies, systems and procedures to be reviewed against and aligned with new standards, to be carried out by the new Audit and Governance Officer. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 In Progress 31 January 2023: Framework received accounts for ISO standard, yet to received Risk Management Policy. No status change. 12 December 2022: Workshops were held with ELT and MMG, facilitated by LGIS, to review and prepare the Shire's Risk Management Policy, Framework and Register in July 2022. These documents are currently being reviewed by staff and are proposed to be presented to the Audit and Risk Management Committee in February 2023 - no evidence received. 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	In Progress
	44	22-Apr-21	Moore Australia	Risk Management	Staff Adherence and Audits	44. Staff Adherence and Audits Perform regular external or internal independent assessment of Risk Management to identify improvement opportunities.	Medium	Manager Governance	Recommendation to be implemented	Provide examples for risk assessments undertaken	25 Aug 2023 SOA IA Not Started 28 Feb 23: Risk Management review is required to be undertaken every three years in accordance with the Local Government (Audit) Regulations 1996. The next review is due to be conducted in 2023.	25 Aug 2023 SOA IA Not Started 28 Feb 23: As per client progress update.	Not Started
	45	22-Apr-21	Moore Australia	Risk Management	Performance Indicators	45. Performance Indicators Develop, approve, document, monitor and report risk management performance indicators or measures to allow expected performance and actual performance to be compared.	Low	Manager Governance	Recommendation to be implemented	Provide copy of KPI for risk management	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
	46	22-Apr-21	Moore Australia	Risk Management	Survey of Risk Owners, Management, Staff, Contractors & Volunteers	46. Survey of Risk Owners, Management, Staff, Contractors and Volunteers Survey a selection of risk owners, management, staff, contractors and/ or volunteers to identify continuous improvement opportunities.	Low	Manager Governance	Recommendation to be implemented	Provide copy of survey undertaken.	SOA IA 25 Aug 2023 Not Started Progress Update: To be incorporated as part of the above and coordinated by the new Audit and Governance Officer and development of a new system. Update – September 2021. Organisational structure incorporating new position has been endorsed by Council and funded in the 2021-2022 budget. Recruitment to commence	SOA IA 25 Aug 2023 Not Started 12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started

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47	22-Apr-21	Moore Australia	Grants Management	Application of Grants	47. Application of Grants Improve systems and controls through establishing set criterion to support decision making and authorisation for grant applications.	Medium	Manager Finance	Recommendations noted	Provide set criterion for Grants	Not Due	29 Jan 2024 by DCS Refer to ARITAG – Need to determine priority of this and where best this sits. For example Communities are currently advertising for a Grants Administration Person. The Shire receives significant grants funds but typically part of agreements with Miners under ESG obligations and are recurring. Finance have role in ensuring accurate monitoring of contract liability Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
48	22-Apr-21	Moore Australia	Grants Management	Application of Grants	48. Application of Grants Enforce individual accountability for compliance with the Shire's documented procedures	Medium	Manager Finance	Recommendations noted	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: Workflow to be developed that ensures that grant applications are assessed against council's priorities and integrated planning documents prior to submission. Grant Register to be expanded to incorporate the requirements of funding and monitor compliance and ensure best practice is met.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
49	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	49. Acquittal of Grants Review documented procedures to include clearer requirements to support grant acquittals to assist with a higher level review for the timely completion and submission of acquittals and audits.	Medium	Manager Finance	Recommendations noted	Provide updated Grants procedures	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
50	22-Apr-21	Moore Australia	Grants Management	Acquittal of Grants	50. Acquittal of Grants Establish authorised checklists to be completed by each department managing grants to evidence the routine review of grants and the provision of any required information as required by internal policies and procedures.	Medium	Manager Finance	Recommendations noted	Provide examples of checklists completed.	Not Due	Progress Update: Development of suitable reporting system to collate and monitor funding performance data which is reported regularly to each department for review and/or action to be delivered in the new financial year.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
51	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	51. Compliance with Grant Conditions Create a grants matrix to allow higher level analysis and review of compliance with grant conditions and clauses.	Medium	Manager Finance	Recommendations noted	Provide Grant matrix	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
52	22-Apr-21	Moore Australia	Grants Management	Compliance with Grant Conditions	52. Compliance with Grant Conditions In addition to the recording of compliance for grant programs, establish a register to maintain records of compliance and non-compliance.	Medium	Manager Finance	Recommendations noted	Provide copy of Grants Compliance Register	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
53	22-Apr-21	Moore Australia	Grants Management	Governance	53. Update internal resource library (intranet) to maintain live documents as required by documented procedures.	Low	Manager Governance	Recommendations noted	Provide screenshots of intranet with live documents as Grants procedures	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
54	22-Apr-21	Moore Australia	Grants Management	Governance	54. Governance Clarify KCA 3 Grants to define expected compliance requirements and create support documents as required to facilitate compliance.	Low	Manager Finance	Recommendations noted	Provide updated KCA 3 with updated compliance requirements	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
55	22-Apr-21	Moore Australia	Grants Management	Governance	55. Enforce individual accountability with documented procedures.	Low	Manager Governance	Recommendations noted	Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting scheduled for 16 June 2022 to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
56	22-Apr-21	Moore Australia	Grants Management	Governance	56 Governance Undertake an evaluation of current grant programs to identify non-compliant grants and action as required.	Low	Manager Finance	Recommendations noted	Provide evidence of evaluation undertaken	Not Due	Progress Update: To be incorporated into the reporting system – as above.	12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	Not Started
64	22-Apr-21	Moore Australia	Records Management	Language Control	64. Language Control Review, improve and update the systems and controls for language control within record keeping systems.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence on how the Shire ensure language control in systems	Overdue	SOA IA 25 Aug 2023 A directive/procedure will be developed in Q4 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 28 Feb 23: Improvements/standardised naming conventions are being implemented across the Shire's records management system. A documented approach will be considered in preparation for the implementation of a new records management system.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
65	22-Apr-21	Moore Australia	Records Management	Language Control	65. Language Control Consider review of historic records to identify any high risk considerations which require examination and updates for compliance with approved record keeping practices.	High	Manager Governance	Recommendation to be initiated by EOM April 2021.	Did the Shire review this? Provide evidence	Overdue	SOA IA 25 Aug 2023 This project will take approximately 2 years to complete. 28 Feb 23: A review of historic records is currently being undertaken. As part of this review, naming conventions are being standardised to allow for documents to be easily located.	SOA IA 25 Aug 2023 In Progress 28 Feb 23: As per client progress update. In Progress	In Progress
69	22-Apr-21	Moore Australia	Records Management	Training	69. Training Test backup procedures, usability and readability of backup tapes/discs on a regular basis.	Medium	Manager ICT	Recommendations noted	Provide test backup procedured	Not Due	29 Jan 2024 Refer to ARITAG – backup tests are being performed as part of IT disaster recovery processes. Don't understand why this is an outstanding item. Progress update as at: Corporate Services to arrange via their external ICT or other consulting providers Progress Update: The proposed new system is backed up in accordance with industry best practices standards. Regular testing to take place one system is operational, in line with the Shire's Record Keeping Plan.	25 July 2023 SOA IA - No progress update 12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.	In Progress

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70	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	70. Key Performance Indicators Refine and develop criteria to assess the performance of the recordkeeping program.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide criteria to assess the performance of the recordkeeping program	Overdue	<div>29 Jan 2024</div> <div>Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in place</div> <div>SOA IA 25 Aug 2023</div> <div>The Shire has not implemented coordinated performance monitoring and reporting at this stage. As the organisation matures and more processes are put in place, this will be implemented.</div> <div>Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Started</div> <div>12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.</div>	Not Started
71	22-Apr-21	Moore Australia	Records Management	Key Performance Indicators	71. Key Performance Indicators Implement a survey mechanism to measure levels of staff satisfaction with recordkeeping operations.	Medium	Manager Governance	Recommendation to be initiated by EOM April 2021.	Provide evidence of survey completed	Overdue	<div>SOA IA 25 Aug 2023</div> <div>A survey will be considered at a later date. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.</div> <div>Progress Update: Collection and review of statistics will commence on the implementation of the new EDRSM and will form part of the Shire's performance management platform and written into the Shire's reviewed Record Keeping Plan.</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Started</div> <div>12 June 2022: Meeting request sent to RO to discuss the evidence required to finalise the implementation of the recommendation.</div>	Not Started
84	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Develop a document or register that classifies key records by access or confidential level and the associated security classification	Medium	Manager Governance	Agreed	Provide register that classifies key records or confidential level and the associated security classification	Overdue	<div>29 Jan 2024</div> <div>Refer to ARITAG – This will be delivered if the Shire proceeds with the implementation of the Information Architecture that is currently being developed.</div> <div>SOA IA 25 Aug 2023</div> <div>A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Started</div>	Not Started
85	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that the document is approved by the CEO or the relevant delegated authority	Medium	Manager Governance	Agreed	Referring to item 84. Was it approved by the CEO? Evidence	Overdue	<div>29 Jan 2024</div> <div>Refer to ARITAG – CEO will signoff Information Architecture once developed</div> <div>SOA IA 25 Aug 2023</div> <div>A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.</div> <div>31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.</div>	<div>SOA IA 25 Aug 2023</div> <div>In Progress</div>	In Progress
86	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Communicate to relevant staff	Medium	Manager Governance	Agreed	Referring to item 84. Awareness provided i.e. email communications etc to remind employees about Shire's documented procedures.	Overdue	<div>SOA IA 25 Aug 2023</div> <div>A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Started</div>	Not Started
87	15-Jul-22	Moore Australia	Records Management 22	Systems access and records classification	Ensure that records are classified as per the approved document.	Medium	Manager Governance	Agreed	Referring to item 84. Provide evidence to show classification.	Overdue	<div>SOA IA 25 Aug 2023</div> <div>A directive/procedure will be developed in Q3 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Started</div>	Not Started
96	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Develop KPI's for monitoring compliance and performance of the records and information management function	Medium	Manager Governance	Agreed	Provide KPI's for compliance and performance	Overdue	<div>29 Jan 2024</div> <div>Refer to ARITAG – it is recognised that major work needs to be done to improve record keeping. KPI's are unnecessary at this point until a better system is in place</div> <div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	Not Started
97	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Ensure KPI's are approved by the Executive or relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by ELT member or delegated authority	Overdue	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	Not Started
98	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Have a standard agenda item on a regular basis to discuss records management matters; and	Medium	Manager Governance	Agreed	Provide example of agenda paper where records management was discussed.	Overdue	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	Not Started
99	15-Jul-22	Moore Australia	Records Management 22	Management Reporting on the Shire's Records Management Practices	Regularly report to the Executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	<div>SOA IA 25 Aug 2023</div> <div>Not Starteld</div>	Not Started
100	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed	How does the Shire monitor compliance of records management	Overdue	<div>SOA IA 25 Aug 2023</div> <div>The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.</div>	<div>SOA IA 25 Aug 2023</div> <div>Transferred to In Progress</div>	In Progress

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101	15-Jul-22	Moore Australia	Records Management 22	Compliance Monitoring and Evaluation	Regularly monitor; and report to executive and the Audit and Risk Committee the outcomes.	Medium	Manager Governance	Agreed	Examples of reports to ELT and ARC.	Overdue	SOA IA 25 Aug 2023 The Shire has introduced the Attain Compliance Calendar which documents various legislative requirements across multiple pieces of legislation. Tasks are allocated to the appropriate officer. The officer is required to evidence their compliance in the system. Quarterly reporting of outstanding compliance calendar tasks will be reported to ELT commencing in October 2023. Please note: compliance matters are reported to the Audit and Risk Management Committee as part of the DLGSC annual Compliance Audit Return (CAR). Currently outside of the CAR, no other legislative compliance reporting is presented to the Audit and Risk Management Committee. This will be investigated at a later date.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
102	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Review the Records Emergency Management Plan	Medium	Manager Governance	Agreed	Provide update of Records Emergency Management Plan	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress 12 December 2022: The review of the Records Emergency Management Plan has commenced and is being undertaken in conjunction with the Recordkeeping Plan review. It is proposed these documents will be presented to the State Records Office by 31 December 2022 - no evidence received.	In Progress
103	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Ensure it is approved by the CEO and the relevant delegated authority	Medium	Manager Governance	Agreed	Was it approved by CEO	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built. 31 October 2022: A review of the Shire's Recordkeeping Plan has commenced. This will be included in this review. It is anticipated the review will be finalised by 31 December 2022.	SOA IA 25 Aug 2023 In Progress	In Progress
104	15-Jul-22	Moore Australia	Records Management 22	Records Emergency Management Plan	Made available to all staff.	Medium	Manager Governance	Agreed	Provided to staff? How? Email, Intranet, through learning. Provide examples.	Overdue	SOA IA 25 Aug 2023 The Records Emergency Management Plan reviewed will be finalised in Q2 of 2023/2024. Records projects have been prioritised to ensure readiness for relocation to an alternative location whilst the new Administration Building is being built.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
105	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	High	Manager ICT	Agreed. Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Develop a Cybersecurity Framework and supporting procedures that align with the WA Government Cybersecurity Policy and the Australian Government Information Security Manual	Overdue	25 Jan 2024 by DSC Refer to ARITAG – Significant work has and is being done in this space. ITGC Management Letter items which are aligned to the Essential 8 framework are being put in place that should address all the Moore items. Nessus Pro network scanning system is currently being implemented and Avantgarde Technologies are about to do a complete ICT Current State Audit which will prioritise cyber related actions.	25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted.	In Progress
106	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Have the Cybersecurity Framework endorsed by the ICT Working group and Executive Leadership Team	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
107	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Ensure the Cyber Security Framework and supporting operating procedures are approved by the CEO, Executive Leadership Team or the relevant delegated authority	High	Manager ICT	Agreed. Have the supporting operating procedures approved by the Director Corporate Services	Have the supporting operating procedures approved by the Director Corporate Services	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
108	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Communicate the framework and supporting operating procedures to all staff within the organisation	High	Manager ICT	Agreed. Communicate the framework and supporting operating procedures to all staff within the organisation;	Communicate the framework and supporting operating procedures to all staff within the organisation;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
109	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis	High	Manager ICT	Agreed. Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Copies of the framework and operating procedures be made available and easily accessible to staff and relevant contractors at induction and ongoing basis;	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
110	01-Nov-22	Moore Australia	Cyber Security	Cyber Security Framework and Supporting Operational Procedures	Establish a program of reviewing framework and operating procedures at a minimum every two years	High	Manager ICT	Agreed. Establish a program of reviewing framework and operating procedures at a minimum every two years.	Establish a program of reviewing framework and operating procedures at a minimum every two years.	Overdue		25 July 2023 SOA IA - No progress update 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
113	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Conduct cyber security risk assessment at planned intervals (including using existing information to inform the assessments)	Medium	Manager ICT	Agreed. Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Schedule of planned intervals for conducting cybersecurity risk assessments to be incorporated into the Cybersecurity Framework and operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
114	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Retain documented information of the results of the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - Remains in Not Started	Not Started
115	01-Nov-22	Moore Australia	Cyber Security	Risk Assessment for Cyber Security threats	Update key governance documents and processes post performing the risk assessment	Medium	Manager ICT	Agreed. Register maintained of risk assessments conducted in accordance with the framework and procedures	Register maintained of risk assessments conducted in accordance with the framework and procedures	Overdue		25 July 2023 SOA IA - No progress update	Not Started
116	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Establish an annual program of testing vulnerabilities (including penetration testing) which can be performed in house by staff with appropriate skills and experience or externally by consultants	Medium	Manager ICT	Agreed. Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Incorporate an annual program of testing vulnerabilities into the Cybersecurity Framework and supporting operating procedures	Overdue	25 July 2023 -Reoccurring task to be set	25 July 2023 SOA IA - No progress update	Not Started
117	01-Nov-22	Moore Australia	Cyber Security	Testing for control weakness and Cyber security threats (including penetration testing)	Develop processes for documenting and addressing identified vulnerabilities in a timely manner	Medium	Manager ICT	Agreed. Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Develop processes for documenting and addressing identified vulnerabilities in a timely manner.	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Transferred to In Progress	In Progress

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Shire of Ashburton

IA				Current Review Date:									
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
118	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Review current security measures and incorporate acceptable restrictions for authorised access into the Shire's Cybersecurity Framework	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress
119	01-Nov-22	Moore Australia	Cyber Security	Physical security of key assets (including Server rooms)	Ensure that physical access to the server room is restricted to only those with authorised access to protected information systems and monitored to prevent unauthorised access and accidental damage	Medium	Manager ICT	Agreed. Ensure security measures included in the framework are implemented	Ensure security measures included in the framework are implemented	Overdue		25 July 2023 SOA IA - No progress update 23 February 2023: With the current uses of the server room, it is not possible to restrict access in this way	In Progress
120	01-Nov-22	Moore Australia	Cyber Security	Reporting of Cyber Security Incidents and Threats	Establish processes for identifying recording and reporting cyber security incidents to the relevant external entities and internally to the relevant authority	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
121	01-Nov-22	Moore Australia	Cyber Security	Reporting of Cyber Security Incidents and Threats	Determine the frequency and key areas that the reporting will cover	Medium	Manager ICT	Agreed. Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Incorporate cybersecurity recording, and reporting measures and frequency in the Cybersecurity Framework, including regular reporting to the ICT Working Group and Executive Leadership Team	Overdue	25 July 2023 -Procedure developed. In review stage	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
122	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including Cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Overdue	22 Sep 2023 SOA IA Already have a recruitment and Retention Strategy in place – needs review. Have already commenced with review of directives and procedures.	23 February 2023: First draft completed	In Progress
124	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an ICT asset replacement program	Develop an ICT asset replacement program	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Remains In Progress 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress
125	01-Nov-22	Moore Australia	Cyber Security	Strategies and Plans for Recovery from Cyber security attacks and Threats	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Overdue	25 July 2023-Capital funding for replacement of hardware approved. Yet to be ordered	25 July 2023 SOA IA - Transferred to In Progress	In Progress
126	01-Nov-22	Moore Australia	Cyber Security	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish a removeable media arrangement or policy that outlines the Shires expectation on the use, handling and protection of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate removeable media arrangements into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate removeable media arrangements into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
127	01-Nov-22	Moore Australia	Cyber Security	Management of removable media devices (USB and Flash drives) & Trusted Insider Program	Establish arrangements for monitoring unauthorised data access and excessive use of removable media	High	Manager ICT	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Agree in part. Options will need to be discussed with ELT. Incorporate monitoring arrangements of non-permitted use of removable media into the Cybersecurity Framework	Overdue	25 July 2023-Still to be determined	25 July 2023 SOA IA - Remains In Progress 8 February 2023: Cybersecurity Framework is currently being drafted	In Progress
128	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Review the Shire's Business Continuity Management Arrangements (BCMA) to ensure they reflect current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review Business Continuity Management Arrangements (BCMA) ensuring it adheres current practice requirements and better practice principles from AS ISO 22301:2020 Security and Resilience.	Overdue	29 Jan 2024 by DSC Refer to ARITAG – This is part of the Risk Management Consultants brief and will be completed over the next 12 months. SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
129	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Ensure the BCMA, are approved by the CEO or Executive Leadership Team	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Have the BCMA approved by the Executive Leadership Team.	Have the BCMA approved by the Executive Leadership Team.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
130	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Communicate the BCMA, to all staff within the organisation	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Communicate the BCMA to all staff within the organisation.	Communicate the BCMA to all staff within the organisation.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started

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Shire of Ashburton

IA				Current Review Date:										
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment	
131	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Copies of the BCMA, be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	BCMA be made available and easily accessible to staff and relevant contractors at induction and ongoing basis; and hard copies to be retained by those with BCP role responsibilities within the Shire.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
132	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Business continuity management arrangements	Establish a program of reviewing the Business Continuity Management Arrangements, at a minimum every one year	Medium	Manager Governance	There is no reason for the BCMA's to record the Local Recovery Centers (LRC). LRCs are for community use and do not play a role in BCMA. It should be remembered that they are separate processes. It is agreed that a system should be put in place to ensure the BCMA is updated annually, and all appropriate measures are put in place to ensure it is relevant, staff are aware of it and hard copies are maintained. This should commence with internal ownership being assigned and a consultant engaged to train and assist staff to develop BCMA's for service units and the organization as a whole. Review frequency to be incorporate in the revised Business Continuity Management Arrangements.	Review frequency to be incorporate in the revised Business Continuity Management Arrangements.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
133	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Conduct Risk Assessment and Business Impact Assessment	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Incorporate Risk and Business Impact Assessment into Shire Business Continuity Management Arrangements, including regular reviews.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
134	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Risk and Business Impact Assessment	Use findings to update the business continuity arrangements	Medium	Manager Governance	Agreed. Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Shire to engage a suitably qualified consultant to ensure these measures are implemented. Identified findings to be incorporate in the review of the Shire Business Continuity Management Arrangements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
135	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Develop an ICT Disaster recovery plan which outlines the overall strategy for recovery ICT reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire	Medium	Manager ICT	Agreed. Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Develop an ICT Disaster Recovery Plan which outlines the overall strategy for recovery ICT (including cybersecurity threats and incidents), reasons and the activities required to implement the strategy, including timeliness for recovering each specific technology component as required by the Shire;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 28 Feb 23: In progress - draft completed.	In Progress	
137	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Review the end-of-life cycle of the backup Information and Communication Technology infrastructure installed at the airport in late 2016	Medium	Manager ICT	Agreed. Develop an ICT asset replacement program.	Develop an ICT asset replacement program.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - No progress update 2023 June 15: Insufficient evidence. 28 Feb 23: Management considers closed - no evidence received.	In Progress	
138	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Disaster Recovery (ICT Infrastructure)	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle	Medium	Manager ICT	Agreed. Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Replace the backup infrastructure at the Shire's disaster recovery site (Onslow Airport) at end of its expected life cycle.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 In Progress 25 July 2023 SOA IA - Remains In Progress	In Progress	
139	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Establish a program of exercising and testing of the BCP arrangements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Establish a program of exercising and testing of the BCP arrangements;	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
140	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Ensure the program is performed on a timely basis	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Ensure the program is performed on a timely basis;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
141	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Scenario Testing and Post exercise review	Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements	Medium	Manager Governance	Agreed. Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Scenario testing should be completed by a facilitator and staff with a post exercise review undertaken. Document post testing exercise reports that contain outcomes, recommendations and actions to implement improvements.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
142	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Establish an ongoing training program for staff on business continuity including refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Establish an ongoing training program for staff on business continuity including refresher training	Budget should be amended to provide appropriate training.	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
143	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure that the program is approved by the CEO or the delegated authority	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Budget should be amended to provide appropriate training. Ensure that the program is approved by the CEO or the delegated authority	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	
144	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Maintain an up-to-date log of when staff last completed their training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Budget should be amended to provide appropriate training. Maintain an up-to-date log of when staff last completed their training	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started	

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IA <div>Current Review Date:</div>													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
145	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Set minimum timeframes for when staff should attend the refresher training	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Budget should be amended to provide appropriate training. Set minimum timeframes for when staff should attend the refresher training	Overdue	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
146	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Staff awareness and training	Ensure staff the attend the training and refresher courses	Medium	Manager Governance	Agreed. Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Budget should be amended to provide appropriate training. Ensure staff the attend the training and refresher courses.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
147	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Develop reporting and for monitoring compliance and performance of the Shire's business continuity management arrangements	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Appropriate governance framework should be developed whilst undertaking a major review. Develop reporting for monitoring compliance and performance of the Shire's business continuity management arrangements	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
148	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Ensure the requirements are approved by the CEO, Executive or relevant delegated authority	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Appropriate governance framework should be developed whilst undertaking a major review. Ensure the requirements are approved by the CEO, Executive or relevant delegated authority;	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
149	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Reporting to the Executive, Audit and Risk Committee and Council	Regularly report to the executive and Audit and Risk Committee level	Medium	Manager Governance	Agreed. Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Appropriate governance framework should be developed whilst undertaking a major review. Regularly report to the Executive Leadership Team.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
150	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Determine the frequency and method of monitoring compliance	Medium	Manager Governance	Agreed. Determine the frequency and method of monitoring compliance	Determine the frequency and method of monitoring compliance	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
151	01-Nov-22	Moore Australia	Business Continuity, Disaster Recovery and Incident Management	Compliance Monitoring	Regularly monitor; and Report to executive and the Audit and Risk Committee the outcomes	Medium	Manager Governance	Agreed. Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Regularly monitor; and report to the Executive Leadership Team on the outcomes.	Not Due	SOA IA 25 Aug 2023 Funds for business continuity were approved in the 2023/2024 Annual Budget. A draft scope for RFQ has been prepared for the review of business continuity arrangements at the Shire.	SOA IA 25 Aug 2023 Not Started	Not Started
185	02-Dec-22	Moore Australia	Contract Management	Contract Register	Develop comprehensive policies and procedures to manage and review the Contract Register	Medium	Senior Procurement Officer	Develop a procedure for the management and review of the Contract Register	Develop a procedure for the management and review of the Contract Register	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. 21 Dec 2023 Drafts forwarded to DCEO for comment/review. 25 Oct 2023 Drafts forwarded to WHS Consultant and Financial Audit Controller for comment/review. 22 Sep 2023 Drafts resent to Director Community Services for review, Deputy CEO cc'd in also SOA IA 25 Aug 2023 Procedure is being developed, in Draft stage, yet to be approved by Director. Feedback from staff received SOA IA 25 July 2023-Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. 2023 July 4: Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. 2023 May 23: Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval.	SOA IA 21 Dec 2023 Remains in Progress SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 28 March 23: Shire in process of developing procedures and Directive.	In Progress

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Shire of Ashburton

Current Review Date:													
IA													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
186	02-Dec-22	Moore Australia	Contract Management	Contract and Supplier Performance Management	Develop and implement comprehensive performance management policies and procedures for the purposes for contract and supplier management in line with the WA Contract Management Framework Principles published by the Department of Finance. This includes processes such as, but not limited to: •Regular and structured performance reviews; •Formal documentation requirements for performance review meetings and communication with suppliers; •Monitoring and resolving non-compliance or poor contract performance with contract conditions; and •Mechanisms to ensure consistent processes to ensure contract conditions and deliverables are assessed and recorded in a final review.	High	Senior Procurement Officer	Incorporate contract performance management in the Contract Management Directive	Incorporate contract performance management in the Contract Management Directive	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. SOA IA 21 Dec 2023 Drafts forwarded to DCEO for comment/review. 25 Oct 2023 Forwarded to WHS Consultant and Financial Audit Controller for comment/review. 22 Sep 2023 Drafts resent to Director Community Services for review, Deputy CEO cc'd in also 25 Aug 2023 Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. . Feedback from staff received. 25 July 2023- Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. 2023 July 4: Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval. No feedback as yet. 2023 May 23: Directive & Procedure is being developed, in Draft stage, yet to be approved by Director before ELT approval.	SOA IA 21 Dec 2023 Remains in progress SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 28 March 23: Shire in process of developing procedures and Directive.	In Progress
192	02-Dec-22	Moore Australia	Contract Management	Contract Variations	Execute a review process for contract variations to determine whether the cumulative effect of variations requires a separate procurement process	High	Senior Procurement Officer	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Investigate Contract Management Software to resolve issues with tracking budget and variations, including performance reviews and retention monies	Overdue	29 Jan 2024 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. SOA IA 21 Dec 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 25 Oct 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 22 Sep 2023 Still investigating Software, ICT Group hoping that any new software will be able to incorporate Contract Management. 25 Aug 2023 Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. Feedback from some staff received. 25 July 2023- Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. No feedback as yet. 2023 July 4: Contract Management Software solutions are still being looked at, in the meantime a request to used Contract Management Forms is to be approved by ELT. No feedback as yet.	SOA IA 21 Dec 2023 In progress 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence of review.	In Progress
193	02-Dec-22	Moore Australia	Contract Management	Training and Contract Manager Continuity	The Shire should: •Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; •Set minimum timeframes for when staff should attend the refresher training; and •Ensure staff the attend the training and refresher courses	Medium	Senior Procurement Officer	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	•Establish an ongoing training program for all staff on basic and standardised approach to contract management including refresher training; •Establish an ongoing training program specifically for contract managers to ensure expectations and standards are maintained especially during a handover of responsibility; •Ensure that the program is approved by the CEO or the delegated authority; •Maintain an up-to-date log of when staff last completed their training; and •Set minimum timeframes for when staff must attend the refresher training	Overdue	29 Jan 2024 Draft sent for feedback from internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. SOA IA 21 Dec 2023 Draft sent for feedback from internal stakeholders. Draft forwarded to DCEO for comment/review. 29 Jan 2024 Feedback requested from Internal stakeholders. Drafts forwarded to MMG for comment/review as per ADCEO instructions. 25 Oct 2023 Draft sent for feedback from internal stakeholders. 22 Sep 2023 No feedback received yet. SOA IA 25 Aug 2023 To be introduced once approved by Director – No feedback as yet. SOA IA 25 July 2023- To be introduced once approved by Director – No feedback as yet. 2023 July 4: To be introduced once approved by Director – No feedback as yet. 2023 May 23: To be introduced once approved by Director	SOA IA 21 Dec 2023 In Progress SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress 2023 July 4: Remains in progress. 2023 May 23: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
194	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Development of KPI's will be done in conjunction with Organisational Development for relevant officers	Overdue	SOA IA 21 Dec 2023 Feedback requested from Internal stakeholders 25 Oct 2023 Feedback requested from Internal stakeholders 22 Sep 2023 Draft still 25 July 2023- Draft stage, to consult with relevant departments 2023 May 23: Draft stage, to consult with relevant departments 2023 April 27: To be raised with ELT for Performance Review Period – Procurement creating a list of roles and the proposed KPI to be introduced. Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 21 Dec 2023 In progress SOA IA 25 Oct 2023 In Progress SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress
195	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Investigate and implement system to allow for reporting	Investigate and implement system to allow for reporting	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. 21 Dec 2023 No update 25 Oct 2023 No update 22 Sep 2023 No update 25 July 2023- Once are KPI are finalised, suggestion is for these to be included into Performance review process. 2023 May 23: Once are KPI are finalised, suggestion is for these to be included into Performance review process. 2023 April 27: Ensure KPI for projects are included with any project software or forms. Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress
196	02-Dec-22	Moore Australia	Contract Management	Performance Monitoring and Reporting	The Shire Should: •Develop KPIs for monitoring compliance and performance of the contract management function based on policies, procedures and better practice principles and standards; •Ensure KPI's are approved by the Executive or relevant delegated authority; •Have a standard agenda item on a regular basis to discuss contract management matters; and •Regularly report to the Executive and Audit and Risk Committee level.	Medium	Senior Procurement Officer	Reporting to PCG and Audit and Risk Committee.	Reporting to PCG and Audit and Risk Committee.	Overdue	29 Jan 2024 Drafts forwarded to MMG for comment/review as per ADCEO instructions. SOA IA 21 Dec 2023 Ongoing 25 Oct 2023 Ongoing 22 Sep 2023 Ongoing 25 July 2023- As per Audit and Risk Committee schedule and ELT. Completed as ongoing 2023 April 27: As per Audit and Risk Committee schedule and ELT. Completed as ongoing Progress Update as at 12 January 2023 Ongoing. Procurement to develop with Project officers and ELT	SOA IA 25 Oct 2023 Remains in progress on the basis that SOA IA 25 July 2023 Remains in progress. 2023 July 4: Remains in progress. 2023 April 27: Remains in progress. 31 January 2023: No evidence provided.	In Progress
197	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Review, update, approve and implement the Fraud and Corruption Control Plan;	Medium	Director Corporate Services	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Review and implement the draft Fraud and Corruption Control Plan in line with appropriate accounting standards, to be approved by ELT.	Overdue	29 Jan 2024 Refer to ARITAG – I am not sure where this one is at. The Shire has a Fraud & Corruption Framework that Financial Audit Controller was reviewing/updating. 20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Changed to In progress	In Progress
198	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Develop Fraud and Corruption Policy and procedures	Develop Fraud and Corruption Policy and procedures	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Remains In progress 8 February 2023: Fraud and Corruption Policy currently being drafted. It is anticipated that this policy will be submitted to the March Ordinary Council Meeting.	In Progress
199	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Fraud and Corruption Control Framework Limitations	Draft, approve and implement a Fraud and Corruption policy and procedure;	Medium	Director Corporate Services	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Identified corporate documents, i.e Financial Manual, to have reference to the Fraud and Corruption Plan, policy and procedures as required.	Overdue	20 Nov 2023 ARMC adopted a F&CCP in 2019. Financial Audit Controller currently updating	SOA IA 20 Nov 2023 Transferred to In progress	In Progress

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
200	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Outdated Public Interest Disclosure Information and related Policies and Procedures	All outdated policies and procedures should be reviewed and updated to reflect better practice and compliance requirements;	High	Manager Governance	Outdated Public Interest Disclosure information and related policies and procedures to be reviewed	Outdated Public Interest Disclosure information and related policies and procedures to be reviewed	Overdue	SOA IA 25 Aug 2023 The Gratuity Policy and Risk Management Policy were reviewed by Council on 13/12/2022. EMP16 Grievance Investigations and Resolution was repealed by Council on 8/11/2022 and is currently being converted into a Directive. The Public Interest Disclosure information on the website and Authorisations Register are currently under review.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
206	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Include review, monitoring and reporting of fraud and corruption risks in the Fraud and Corruption Control Plan.	Overdue			Not Started
207	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should devote appropriate time for discussions on Fraud and Corruption risks during meetings;	Medium	Manager Governance	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Fraud and Corruption risks to be included in the standard agenda for ARMC.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
208	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of Oversight of Fraud and Corruption Risks	The ARMC should improve oversight over the Shire's Executive Management team in effectively approving and implementing the FC Control Plan;	Medium	Manager Governance	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Fraud and Corruption Control Plan to be approved by ARMC and Council.	Overdue	20 Nov 2023 Draft updated Fraud and Corruption Control Plan prepared.	SOA IA 20 Nov 2023 Transferred to In progress	In Progress
209	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Undertake a risk assessment in relation to fraud and corruption.	Undertake a risk assessment in relation to fraud and corruption.	Overdue	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
210	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Lack of a Fraud and Corruption Risk Assessment and Alignment with Standards	The Shire should perform a comprehensive fraud and corruption risk assessment and ensure proper alignment with the Australian Standards for Fraud and Corruption, AS 8001:2021;	High	Manager Governance	Develop a Strategic Risk Register.	Develop a Strategic Risk Register.	Not Due	SOA IA 25 Aug 2023 A draft scope for RFQ has been prepared for the implementation of risk management at the Shire.	SOA IA 25 Aug 2023 Transferred to In Progress	In Progress
213	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	The Vendor Master files should be reviewed and updated on a timely basis to ensure all relevant information is included;	Medium	Manager Finance	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Vender Master File requirements and practices to be reviewed and incorporated into the Shire's Financial Manual.	Overdue			Not Started
214	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendor Master File with Incomplete Records	Any missing information, including the ones identified in this audit should be reviewed with all relevant details included as identified;	Medium	Manager Finance	Vender Master Files to be audited and relevant details updated.	Vender Master Files to be audited and relevant details updated.	Overdue			Not Started
215	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Duplicate Cheque / ERT References	Cheque processing should be closely monitored and reviewed by management to ensure that any duplicate reference numbers, including the ones identified in the audit must be investigated and appropriately adjusted;	High	Manager Finance	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Reference naming convention to be developed for reoccurring "Invoices" and documented in the finance manual.	Overdue			Not Started
216	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Employees Listed as Vendors in the Vendor Master File	Investigate the issues identified and assess the risk of fraud or error, and institute corrective action if necessary;	Medium	Manager Finance	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Establish if SynergySoft is able to provide reports for the purpose of exception reporting to identify duplications. Review against approved secondary employment declarations.	Overdue			Not Started
217	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Vendors Still Being Used after Being Suspension	Vendors being used after their suspension dates should be flagged and inspected to identify why they are still being used with appropriate actions taken to address;	High	Manager Finance	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Suspended Creditors procedure to be reviewed and if possible, increase measures placed on suspended creditors, including Auto Display Memo's. Finance Manual to be updated as required and incorporate monitoring and reporting measures.	Overdue			Not Started
220	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	All transactions identified in this report including those with the higher rate of usage in Appendix 5 should be monitored and reviewed on a timely basis to ensure they are free from fraud or error;	High	Manager Finance	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Include review, monitoring and reporting of fraud and corruption risks, including the Benford's Law test, in the Fraud and Corruption Control Plan and incorporate into the Shire's Finance Manual	Overdue			Not Started
221	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Any transaction without descriptions, including the ones identified through this audit, should be reconfirmed against supporting documents and necessary descriptions made accordingly;	High	Manager Finance	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	An audit of the identified transactions to be conducted to confirm no fraudulent and corrupt practices have occurred. The outcome of the audit to be presented to Council and include the re-presenting of the accounts for payment information in full, including descriptions, for Council endorsement.	Overdue			Not Started
222	01-Feb-23	Moore Australia	Fraud and Corruption FY22	Creditor Expenditure Transactions Concerns	Consider improving the requisition process to include details of officer raising and approving transactions.	High	Manager Finance	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and approving invoices	Review systems controls, including Financial Software upgrades, that provide for the electronic record keeping of raising and approving invoices	Overdue			Not Started
224	01-Feb-23	Moore Australia	Payroll & HR FY22	Absence of Human Resources Payroll Management Framework, Policies and Procedures.	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll Management framework, including associated policies and procedures;	High	Manager Organisational Development	The Shire already has the following documents in place: HR Strategic Plan (CEO endorsed), Training and Development Plan (to be executed as part of 2023/24 budget year, Shire Recruitment and Retention Strategy (due for update); HR Service Plan (previous and new draft with KPI's), earlier this year we completed Workforce Plan phase 1 we are currently working on the completion of Workforce Plan phase 2. Leading on from this is a People Plan, which is already drafted. Most of these documents were discussed with the auditors when they were on site. In addition, the Shire has already developed a draft Skills matrix, which will be aligned with training programs in the 2022/23 year. We have finalised our policy review and have already commenced with a review of all HR directives and procedures, which will be finalised in 2023, as part of an organisation-wide initiative. Agree with comments around cancellation of systems/IT access as well as recovery of Shire assets and understanding where this sit to ensure sufficient rigour and control in future. + Manager Finance	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources and Payroll Management Framework, including associated policies and procedures.	Overdue	29 Jan 2024 Please move DL to end April 24. Unable to start with so much movement. Need to finalise structure assessment first, before we can focus on a glossy. Work to be done in lead up to new FY. 25 Oct 2023 Commencing Dec 23 only 25 Aug 2023 Not Started 2023 July 4: As previously mentioned, to action next year – include in 2023/2 budget – not for this FY 2023 May 24: Cost included in 2023/24 budget 28 Feb 23: Review of all HR policies complete (Governance can confirm), ready to commence with Directive review (await go ahead from Governance), yet to commence with OD Management Plan	SOA IA 25 Oct 2023 Not Started SOA IA 25 Aug 2023 Not Started 2023 May 24: Not started. 28 Feb 23: In progress.	Not Started

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	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
227	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of reporting on Human Resources and Payroll activities	Draft approve and implement a performance measurement and reporting framework for human resources and payroll activities, including self-assessment protocols;	High	Manager Organisational Development	HR reporting to ELT has historically been done via a dashboard. Due to lack of capacity, data integrity and especially lack of appropriate software to provide automated and accurate analytics, we have been unable to provide this level of reporting. Reporting is however provided to the CEO and ELT (where required) relating to onboarding survey data, exit data and analysis, employee engagement survey results, training completion reports, Performance Improvement Plans, Workplace Investigations and our annual Performance Review Process (PRP) reporting. In addition, the Manager Organisational Development has formed an LG network with other HR teams for benchmarking purposes. Examples of this are understanding how other Councils recognise and reward their staff, gaining insight into how other Councils (at national level) perform their Workplace Health and Safety function and salary benchmarking for Managers and Executive. Manager Organisational Development has regular scheduled meetings with Shire CEO and has KPI's that aligns with the Shire's strategic community plan. This follows through to the team. All HR team members are experienced HR practitioners and members of the Australian Institute of Human Resources to ensure skills are current and they stay abreast of market and legislative changes. Each Advisor is assigned to a particular stakeholder group to enable work outcomes and individual and team accountability. There are existing KPI's within the HR Service Plan for measurement and each Advisor receives regular Net Promoter Scoring (NPS) from their relevant stakeholder group, thereby driving a culture of service delivery and accountability. We do however take onboard the comment with regards to the Office of the Auditor General report and will use this in future as additional measure. + Manager Finance	Incorporate performance measurement and reporting requirements/processes in the Human Resources and Payroll Management Framework.	Overdue	29 Jan 2024 Instructed to wait for Difinitiv roll-out – with Corporate Services 25 Oct 2023 Instructed to wait for Difinitiv roll-out 22 Sep 2023 Await Definitive system implementation for HR/OD analytics and reporting, however, the following information is already reported to our CEO, which he has access to: OD team NPS service scores and feedback, Market insight, WHS, PRP, eLearning status, onboarding survey data, exit survey data, leave accruals, employee engagement survey data. Happy to show you these. 25 Aug 2023 Waiting on Altius Payroll 2023 July 4: As previously mentioned, to action next year – include in 2023/2 budget – not for this FY 2023 May 24: Using existing data, which the CEO has access to for monthly reporting (EAP, EES, Exit, Onboarding, Incidents, Leave Accruals, PRP and Workers Comp). ELT receives a weekly Incident Management Report. Request for new workforce planning software submitted to ICT Committee and budget proposal submitted for 2023/24. Have been working with Pulse for a while on enhancement requests relating to their analytics capability.	SOA IA 25 Oct 2023 In Progress SOA IA 25 Aug 2023 In Progress 2023 May 24: In progress.	In Progress
228	01-Feb-23	Moore Australia	Payroll & HR FY22	Inconsistencies in payroll process and documentation	Develop, approve and implement a comprehensive Workforce Strategy, Workforce Plan, Human Resources and Payroll Management framework,	High	Manager Organisational Development	Our HR practices have evolved over the last 12 months. This means we continue to implement new and better practices as part of our business process improvement initiatives. The auditors asked the team to provide	Develop, approve and implement a comprehensive Workforce Plan, Recruitment and Retention Strategy, Human Resources and Payroll Management Framework,	Overdue	22 Sep 2023 SOA IA Major progress made iro internal controls – ongoing effort as we identify gaps	SOA IA 25 Aug 2023 In Progress	In Progress
229	01-Feb-23	Moore Australia	Payroll & HR FY22	Lack of Control Procedures for Shire Access and Assets	Draft, approve and implement a comprehensive staff exit controls policy and procedures;	Medium	Manager Organisational Development	Agreed	Develop and implement an offboarding directive and procedure. Implement Pulse Offboarding module with automated exit interview notifications and reporting. Incorporate offboarding processes in the framework.	Overdue	29 Jan 2024 Done - Awaiting MMG and ELT approval 21 Dec 2023 Will be actioned in Jan 24 20 Nov 2023 Recently approved directives	SOA IA 20 Nov 2023 5 Directives were verified SOA IA 25 Aug 2023 In Progress 2023 May 24: In progress.	In Progress
230	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Revoke inappropriate access to the payroll system and remove ex-employee user profiles from the system; and	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Conduct an audit of SynergySoft access and remove unauthorised access.	Overdue	29 Jan 2024 Duplicate action. Similar ITGC management letter matter that has been responded to and will be closed out fully at next review	25 July 2023 SOA IA - Remains In Progress 2023 May 24:	In Progress
231	01-Feb-23	Moore Australia	Payroll & HR FY22	Inappropriate System Access Control	Implement a process to regularly review, monitor and maintain system access control to all Shire information systems.	Low	Manager ICT	Agreed. Risk rating should be medium to high due to the significant risk relating to cyber security and potential breaches.	Incorporate the regular review, monitoring and maintenance of system access for all Shire information system in the Cybersecurity Framework.	Overdue	25 July 2023 -Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
234	10-Oct-23	SOA IA	Reg 17-2023	Accuracy and completeness of Asset Register	IA agreed to recommends improve the completeness and accuracy of assets data by improving the communication flow between Finance Department and	High	Manager Assets and Programming	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement by ELT. For distribution and action by Project Mangers through MMG.	Project closeout workflow and procedures to be reviewed by Assets and Programming, with approval by Finance, and endorsement by ELT	Overdue	29 January 2024 Refer to ARITAG and items 1 & 2 above. Significant work being done to improve quality of asset management data	SOA IA 21 Dec 2023 Transferred to Inprogress	In Progress
235	10-Oct-23	SOA IA	Reg 17-2023	Project management	IA agreed to recommend that the project management methodology and procedures be established in terms of establishing the scope both at pre-budget level and	High	Director Infrastructure Services and Director Community Development	Comments by Director Infrastructure Services and Director Community Development Project management procedures to be reviewed and endorsed by ELT.	Develop Project Management Procedure including review of Terms and Conditions of contracts	Not Due			Not Started
236	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Smart keys process is now in place, 60% of vehicles now include Smart Tags and percentage is climbing with new Smart Tags recently arriving.	Implementation of Smart Tags 100%	Not Due	29 Jan 2024 Smart Tags are being issued to individual fleet as required. Require vehicles onsite to issue 70% Complete	SOA IA 29 Jan 2024 In Progress	In Progress
237	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	Reconciliation by SmartFill System for Tom Price is now in place. Onslow will be completed by the target date.	Fuel Reconciliation by SmartFill System for TomPrice and Onslow non moving tanks will be implemented	Not Due	29 Jan 2024 PO 80984 issued for the bulk tank upgrades and rental agreement signed by DK. Installation January	SOA IA 29 Jan 2024 In Progress	In Progress
238	10-Oct-23	SOA IA	Reg 17-2023	Fuel stock	IA agreed to recommend monitoring consumption on regular basis and record the monitoring and actions taken based on results.	High	Manager Fleets	The Fleet Department are in the process of developing a separate worksheet to capture this data effectively for consumption monitoring.	Implementation of Fleet Fuel consumption monitoring	Not Due	29 Jan 2024 Excel spreadsheet in progress. In progress	SOA IA 29 Jan 2024 In Progress	In Progress
239	10-Oct-23	SOA IA	Reg 17-2023	Strategic Waste Management Plan	IA agreed to recommend review the Strategic Waste Management Plan to align with the new SCP and consider implementing best practices to the extent practicable with a funding strategy.	High	Director Infrastructure and Manager Waste Services	A review will commence in the next six months for the plan's alignment and a gap analysis for the decision-making process. Outcome of a new strategic plan or amended will be decided at the time of the analysis review.	Review of Strategic Waste Management plan will commence in the next six months for the plan's alignment and a gap analysis for the decision-making process. Outcome of a new strategic plan or amended will be decided at the time of the analysis review.	Not Due			Not Started
240	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	An internal review will commence of the checklist and undertaken a SWOT analysis of the 2010 checklist vs the outlined condensed version that is in application now	Overdue	20 Nov 2023 Checklists have been reviewed, formal feedback and assessment is ongoing for next stage. GAP and SWAT analysis	SOA IA 20 Nov 2023 Transferred to In progress.	In Progress
241	10-Oct-23	SOA IA	Reg 17-2023	Landfill inspection checklist	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	High	Director Infrastructure and Manager Waste Services	IA agreed to recommend that management review the checklist for adequacy and ensure compliant recordkeeping practices are in place.	Regularise recordkeeping for checklist	Overdue	20 Nov 2023 Ongoing, all new checklists are going into the digital filing system location	SOA IA 20 Nov 2023 Transferred to In progress	In Progress

SOA IA 29 Jan 2024

Shire of Ashburton

IA <div>Current Review Date:</div>													
	Date of Report	Auditor	Audit Topic	Finding Title	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia / SOA IA Comment	Status After Assessment
244	10-Oct-23	SOA IA	Reg 17-2023	Follow up and corrective actions process of WHS	IA recommends that all WorkSafe/WHS assessments are to be logged and an appropriate follow up and corrective actions process be implemented which reports progress to ELT or relevant internal committee.	High	Manager Organisational Development	Our WHS Consultant was mobilised onsite on 1 April 2023. While the 2022 high level desktop audit findings have been reviewed, the consultant had to complete more detailed audits of each work area to fully understand the findings including some identified gaps as outlined in the 2022 report. Our onsite WHS Consulting has made great progress to date, including supporting the Shire in achieving its ISO45001 accreditation, which no doubt will address many of the identified issues in the 2022 report. Once the accreditation has been issued, then they will support us in WorkSafe accreditation, which means that everything will be addressed in due course. WHS Consultant progress to date: •Created WHS scope progress plan, socialised with Executive •WHS Dashboard created for Executive reporting •Developed WHS Master Document Register, socialised with Executive •Site audits and safety inspection reports produced by location and site and sent to Executive •Attending toolbox meetings •Workers, supervisor, manager, director coaching and support •Established WHS Committee with Terms of Reference •WHS Skills matrix developed •WHS Risk and Opportunities register developed •Drafted a number of new templates, procedures and reviewing directives •Developed WHS objectives and targets register •Busy developing a WHS Manual •Provisional ISO accreditation received •Continue to drive a safety-first culture.	Everything will be addressed in due cause. (Note By IA: IA recommendation to regularise audit action status tracking and reporting process)	Overdue	29 Jan 2024 Await ISO Certificate 20 Nov 2023 SAI Global ISO Accreditation Audit - Final stage on site 2-6 Jan 24 25 Oct 2023 SAI Global ISO Accreditation Audit confirmed for 8-10 Nov 23	SOA IA 29 Jan 2024 Non conformance have been identified by auditor shedule dated 5 Jan 2024 SOA IA 20 Nov 2023 ISO 45000 Stage 1 (Preperation) Report/ Checklist from SAI Global was verified. SOA IA 25 Oct 2023 Transferred to In progress	In Progress
245	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	CEO and Manager OD commenced with the Shire's Succession Planning process in September 2022. A template was developed and populated by the Manager OD, guided by the CEO. The outcome of the succession planning session aligns with the individual development plans that were put in place at the time, by individual. Succession planning is again scheduled for Q2 (Oct-Dec) of the 2023/24 year, as outlined in the OD 12-month plan and as endorsed by the CEO.	Succession planning is scheduled for Q2 (Oct-Dec) of the 2023/24 year, as outlined in the OD 12-month plan and as endorsed by the CEO.	Overdue	29 Jan 2024 Have retention working group in place and will pick up succession convo's when new DCEO commences 20 Nov 2023 Meeting held with CEO – succession planning complete for ELT 25 Oct 2023 Meeting scheduled with CEO for 24 October	SOA IA 20 Nov 2023 Email confirmation was verified. SOA IA 25 Oct 2023 Transferred to In Progress	In Progress
246	10-Oct-23	SOA IA	Reg 17-2023	Succession planning and retention of employees	IA recommends that effective succession planning and retention strategies be implemented, and programs be conducted towards improving the organisational maturity.	Medium	Manager Organisational Development	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year. The majority of recommendations as outlined in this strategy document and as endorsed by our CEO, have since been implemented.	The Shire's Recruitment and Retention Strategy is due for a review, which is scheduled for Q3 (Jan – March) for the 2023/24 year.	Not Due	29 Jan 2024 Have retention working group in place and will pick up succession convo's when new DCEO commences 20 Nov 2023 Focus group established, meeting on 24/11 to commence update procedure 25 Oct 2023 Recruitment and Retention Strategy review due Jan-March 24 only.	SOA IA 20 Nov 2023 Transferred to In progress. Team email communication was verified SOA IA 25 Oct 2023 Not started	In Progress
252	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	IA agreed to recommend that directive/procedure for gift cards/vouchers/gifts be documented and a register be developed for community grants.	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Gift Cards Procedure will be developed and implement	Overdue	20 Nov 2023 DCD email dated 21 Nov 2023-"No this policy is still being reviewed" 25 Oct 2023 Registrar and Process for Grants completed – aligned to current Policy	SOA IA 20 Nov 2023 Directove drafted-In progress SOA IA 25 Oct 2023 Transferred to in progress. Procedure has been drafted side of the register. This need review and present with correct procedure format used by Shire.	In Progress
253	10-Oct-23	SOA IA	Reg 17-2023	Community gift cards/vouchers/gifts and grants	Noted. To be completed directive/procedure/register by the end of October 2023.	Low	Manager Communities	Noted. To be completed directive/procedure/register by the end of October 2023.	Community Grants Register will be developed and implement	Overdue	25 Oct 2023 Draft Directive complete for review.	SOA IA 25 Oct 2023 Transferred t In progress	In Progress
254	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in atimely manner to further strengthen controls.	Medium	Manager Airport Services	TSP Audit was not undertaken in 2020/21 due to COVID travel restrictions, noting limited aviation security auditors in WA. TSP independent biennial audit has now been undertaken in Aug 2023.	TSP biennial audit has now been included in the airports Annual Compliance checklist which is in development (this document will be finalised by 31 Oct 2023). This checklist will be monitored and actioned as needed, by Manager Airport Services (MAS), Airport Administrator and Airport Reporting Officer.	Overdue	29 Jan 2024 WIP-It is a complex and time-consuming document to draft as the regulation specific to the compliance tasks are also been included in comment boxes Completion date 31 March. 25 Oct 2023 WIP. It is a complex and time-consuming document to draft as the regulation specific to the compliance tasks are also been included in comment boxes.	SOA IA 25 Oct 2023 Transferred to In Progress	In Progress
255	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in atimely manner to further strengthen controls.	Medium	Manager Airport Services	The mentioned security risk register is a subsidiary document that was developed to be incorporated into the 'Transport Security Risk Assessment' for the airport back in 2014 when the airport was applying to become a screening authority. There is no regulatory requirement to run a risk register for security operations. The risk register has been superseded by the airport TSP.	The security risk register mentioned above can I be expanded upon and incorporated into the airport's existing safety management system (SMS). The airport's SMS is currently a safety-based document; however, it can be amended to include security risks as well. The risks to be included will be the risks from the initial security risk register, updated security risks (if any) and passenger screening operational risk. This action could be completed by December 31, 2023.	Overdue	25 Oct 2023 Very complex which requires the redrafting of the airport SMS and requires the assistance of a consultant	SOA IA 25 Oct 2023 Not started	Not Started
256	10-Oct-23	SOA IA	Reg 17-2023	Onslow Airport	IA recommends that regular reviews of documents, regular risk assessments and regular inspections be carried out. IA also recommends that the audit log is regular maintained (Actions Checklist) and actioned in atimely manner to further strengthen controls.	Medium	Manager Airport Services	Technical inspection findings identified during the technical inspection are categorised based on the assessed risk implication and the recommended time frame for implementation of corrective actions. [TABLE] The airport's 'actions checklist' is designed around the risk implications in the reports received from the inspectors.	The checklists will be reviewed to consider if a 'risk acceptance' criteria can be included.	Overdue	29 Jan 2024 Technical inspection due May 2024. Assessed risk and document templatized to be review in conjunction with technical inspector Completion date end 31 May 2024 25 Oct 2023 The next technical inspection is not until June next year. The new risk acceptance will commence then (Requested to change Target Completion 30 June 2024)	SOA IA 25 Oct 2023 Not started	Not Started
258	10-Oct-23	SOA IA	Reg 17-2023	Finance	IA is looking forward to report to ARMC on finance aspects upon completion of FMR.	High	Director corporate Services and Finance Manager	Comments by Director Corporate Services - Noted. Documents are currently being reviewed. Meetings will be arranged to meet target date.	Completion of FMR	Overdue	20 Nov 2023 Close out meetings to be scheduled now that External Audit nearing completion	SOA IA 20 Nov 2023 Remains in "Not Started" till confirm the time plan	Not Started

SOA IA 29 Jan 2024

Shire of Ashburton

OAG									Current Review Date:				
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
15	30-Jun-21	OAG	Financial	Payroll controls	We recommend the Shire to: 1. Ensure that evidence of changes to the employee master file data are matched to the audit trail report as part of an independent review process; 2. Ensure that officers with a role to independently review changes in master file data do not also have the ability to modify master file data; 3. Implement a procedure to produce audit trail reports from SynergySoft, which are independently reviewed by an independent officer; and 4. Consideration be given to developing appropriate segregation of duties around payroll processes.	High	Manager Finance	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	A number of increase control measures have been implemented as part of the payroll review process, including the action of independent reviews of amendments to payroll Masterfile data. Review of payroll processes and procedures to be reviewed and documented, including addressing the above matters raised.	Overdue			Not Started
22	30-Jun-21	OAG	ITGC	Network Access Management	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principals. Operating procedures to be develop and aligned to the framework and include workflow and record keeping requirements for new, terminated and change in user accounts.	The Shire should: Develop, document, and implement access management policies / procedures that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Privileged and generic account management o Deactivate inactive/dormant accounts Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Perform regular privilege user access reviews to ensure appropriate access is maintained Perform regular user access review to ensure terminated users is removed timely and identify and remove redundant or dormant accounts.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
23	30-Jun-21	OAG	ITGC	SynergySoft Financial Application Access Management	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	High	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations to be incorporated into the reviewed Cybersecurity Framework and will include access management principles for SynergySoft. Operating procedures to be develop and aligned to the framework.	The Shire should: Document, review, approve and implement an access management policy that should include: o Onboarding & offboarding of users, including privileged and generic accounts o Generic account management o User access review requirements Ensure new user provisions are adequately documented and appropriate management approval is received before account creation Regularly review user access to the SynergySoft application to ensure terminated users are disabled timely. Ensure SoD requirements and controls are appropriately defined and implemented for the SynergySoft application.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
24	30-Jun-21	OAG	ITGC	IT Governance - Standards, Policies & Procedures	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including: Shire's Business Continuity Management Arrangements ICT Disaster Recovery Plan Cybersecurity Framework The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures.	The Shire should: Develop, document, and publish policies / procedures / guidelines / governance documents as required and ensure these documents are appropriately governed Periodically review and endorse all Shire policies / procedures / governance documents ensuring they have a documented review frequency Define, document, and implement a risk management framework that outlines key risk management processes Design and implement the BCP and IT DRP to align with the Shire's recovery requirements (i.e., Recovery scenarios, processes, and timeframes). To help maintain the effectiveness of these plans it should be regularly reviewed and appropriately tested. The IT DRP tests should be used to confirm key IT systems and services can be recovered in accordance with the agreed recovery requirements.	Overdue			Not Started
25	30-Jun-21	OAG	ITGC	Network Security Management	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of the Shire's Cybersecurity Framework and supporting operating procedures that align with the WA Government Cybersecurity Policy and the Australia Government Information Security Manual. The framework will incorporate risk assessments, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should: Develop, document, review and implement a security / vulnerability assessment policy / procedure which contains the requirement to periodically perform vulnerability assessments and periodic penetration (security) testing Define, document, and implement a process for performing periodic reviews of firewall event logs and updating firewall rules accordingly.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed. Regularly reoccurring task has been set	25 July 2023 SOA IA - Transferred to In Progress	In Progress
26	30-Jun-21	OAG	ITGC	Physical and Environmental Security Management	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Medium	Manager ICT	The physical security of key assets (including server rooms) has been identified as a finding within a recent Cybersecurity audit. Security measures and access restrictions to be reviewed and incorporated into the Shire's Cybersecurity Framework and implemented. This will include the monitoring and reporting of approved security measures.	The Shire should: Define and document a datacentre access policy / procedure which includes the requirements to periodically perform access reviews to ensure staff are only allowed access to the datacentre based on business needs Investigate and implement appropriate physical security measures to protect against unauthorised access and modification, such as access and operation logs Investigate and implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage. Remove potentially flammable materials from the datacentre. Document and maintain a datacentre operator logbook to record any significant events/incidents in the Data Centre and corrective action taken to solve issues.	Overdue	25 July 2023 - Reviewing possibilities	25 July 2023 SOA IA - Transferred to In Progress	In Progress
27	30-Jun-21	OAG	ITGC	Change Management	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews.	Medium	Manager ICT	The recommendations will be included in the review and development of the Shire's Cybersecurity Framework. The framework will incorporate risk assessments, approvals, monitoring, testing, and reporting requirements, which will be included in operating procedures	The Shire should consider: Developing, implementing, and endorsing a change management policy to ensure that changes are appropriately requested, logged, approved, and tested. Create a change register to track and monitor all changes made to the Shire's IT infrastructure Ensuring all changes are adequately documented containing: o Approvals o Implementation testing o Backout plans o Post implementation reviews.	Overdue	25 July 2023 - Procedure has been drafted. Still to be reviewed.	25 July 2023 SOA IA - Transferred to In Progress	In Progress
31	30-Jun-22	OAG	Financial	Fixed Asset Depreciation Rates	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	High	Manager Finance	A full review of depreciation rates will be conduction in FY23 and will utilise the infrastructure valuation report due by 30 June 2023. This valuation report containing useful life and valuation will form a major part of the depreciation rates assessment.	The Shire should conduct a full review of the FAR to verify that the depreciation rates are consistent with the Shire's depreciation policy. The review should also include an evaluation of the asset's useful life.	Overdue			Not Started

SOA IA 29 Jan 2024

Shire of Ashburton

OAG													
Current Review Date:													
No	Date of Report	Auditor	Audit Topic	Finding Topic	Recommendation	Risk Rating	Recommendation Owner	Management Comment in Report	Agreed Action	Overdue Status	Client Progress Update	Moore Australia/ SOA IA Comment	Status After Assessment
36	30-Jun-22	OAG	ITGC	Risk management	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans, including Cybersecurity Framework. Recommendations have been incorporated into the reviewed Cybersecurity Framework including assessment of Risk. The document is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process. Operating procedures to be developed and aligned to the frameworks and include workflow and record keeping requirements for An internal audit road map 2023-2026 has been developed and includes implementing Risk Management Framework ISO 31000, including develop / update operational risk registers. This will include IT Risk Management.	The Shire should: Define, document, and implement an IT risk management policy and/or procedure Create an IT risk register and use it to track/manage newly identified and existing risks. It should also detail their mitigating controls and resolution status.	Not Due			Not Started
38	30-Jun-22	OAG	ITGC	Business continuity management	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Medium	Manager ICT	A recent internal audit has identified the requirement for the review and development of several plans including. Business Continuity Management Arrangements ICT Disaster recovery Plan Cybersecurity Framework. The Shire has made a commitment to review and develop the above-mentioned documents, incorporating the required standards as well as developing and documenting processes and procedures. The Cybersecurity Framework document has been prepared and is in its final review to ensure it meets all applicable standards, best practices and matters raised within the audit process. Business Continuity Plans and ICT disaster recovery plan is scheduled to commence development shortly.	The Shire should: Define, document and publish a backup policy Develop, document, test and publish a Disaster Recovery Plan and IT Business Continuity Plan Develop, document and publish an Incident Response Plan. Periodically review the above mentioned plans to ensure that they are relevant and adequate to support the Shire's operations.	Overdue			Not Started
39	30-Jun-23	OAG	Financial	Completeness of road data	The Shire should review and implement processes that involve a thorough examination of how roads data is maintenance and updated in the Shire roads database.	High	Manager Assets and Programming/ Manager Finance	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an Asset Management Consultant to assist with this process.	Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an Asset Management Consultant to assist with this process.	Not Due			Not Started
40	30-Jun-23	OAG	Financial	Incorrect depreciation rate used on new additions added to existing infrastructure assets	It is recommended the Shire review and revise their depreciation methodology to ensure it aligns with the Shire's Policies, depreciation expense should accurately be applied and reflect the remaining useful life of assets. Conducting a comprehensive assessment of the affected assets and adjusting the depreciation charges accordingly will help rectify the inaccuracies and improve the reliability of financial reporting. It is also recommended the Shire ensures it applies its revised depreciation	High	Manager Assets and Programming/ Manager Finance	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.	Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.	Not Due			Not Started
41	30-Jun-23	OAG	Financial	Completeness of Data provided to the valuer	Ensure that all relevant and updated information, including any additions or modifications to the asset base, is communicated to the valuer. This includes changes occurring throughout the fiscal year to ensure that the valuer is working with the most current and accurate dataset.	High	Manager Assets and Programming	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were conducted on assets excluded from the independent valuer valuations to ensure the Shire was compliant with valuation requirements.	Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer. It is noted Management Valuations were conducted on assets excluded from the independent valuer valuations to ensure the Shire was compliant with valuation requirements.	Not Due			Not Started
42	30-Jun-23	OAG	Financial	Review of general journals	We recommend that all manual journals raised undergo independent appropriate level of review from a staff member.	Medium	Manager Finance	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by the Auditors in 2022. It should be noted that the Finance Manager was acting in the position of Director Corporate Services for the majority of the year, limiting the staff with higher hierarchy. A review of internal controls surrounding processing of journals to be develop and documented, aligning to the Shire's risk management objectives.	Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by the Auditors in 2022. It should be noted that the Finance Manager was acting in the position of Director Corporate Services for the majority of the year, limiting the staff with higher hierarchy. A review of internal controls surrounding processing of journals to be develop and documented, aligning to the Shire's risk management objectives.	Not Due			Not Started
43	30-Jun-23	OAG	Financial	Recording/ Provision of annual leave	The Shire should regularly review and reconcile annual leave records, implement robust internal controls, and ensure compliance with relevant labour laws and regulations. Additionally, promptly addressing and rectifying any identified inconsistencies is crucial to maintaining trust and transparency within the Shire.	Low	Manager Finance	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with internal control measures to ensure that all leave is processed and approved via the leave system and not entered directly into the timesheets. Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.	Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with internal control measures to ensure that all leave is processed and approved via the leave system and not entered directly into the timesheets. Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.	Not Due			Not Started



Agenda Item 6.2 - Attachment 1

Financial Report 2022/23 Shire of Ashburton

SHIRE OF ASHBURTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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The Shire of Ashburton conducts the operations of a local government with the following community vision:

We will be a welcoming, sustainable, and socially active district, offering a variety of opportunities to community.

Principal place of business:
Lot 246, Poinciana Street
Tom Price W A 6751

**SHIRE OF ASHBURTON
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

STATEMENT BY CEO

The accompanying financial report of the Shire of Ashburton has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 21st day of December 2023



Chief Executive Officer

Kenn Donohoe

Name of Chief Executive Officer



|:

SHIRE OF ASHBURTON
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

		2023 Actual	2023 Budget	* Restated 2022 Actual
	NOTE	\$	\$	\$
Revenue				
Rates	2(a),27	51,938,722	52,255,600	48,510,515
Grants, subsidies and contributions	2(a)	7,361,333	6,862,900	8,940,834
Fees and charges	2(a)	8,618,174	7,510,700	8,415,635
Interest revenue	2(a)	1,573,658	1,525,500	172,852
Other revenue	2(a)	1,106,327	3,432,600	1,429,045
		70,598,214	71,587,300	67,468,881
Expenses				
Employee costs	2(b)	(20,749,745)	(23,488,300)	(18,683,802)
Materials and contracts		(14,879,586)	(29,256,800)	(16,596,361)
Utility charges		(1,541,981)	(1,585,400)	(1,342,156)
Depreciation		(18,434,113)	(14,105,200)	(14,224,377)
Finance costs	2(b)	(209,240)	(58,100)	(195,084)
Insurance		(1,369,123)	(1,248,600)	(1,200,484)
Other expenditure	2(b)	(679,928)	(1,172,600)	(937,601)
		(57,863,716)	(70,915,000)	(53,179,865)
		12,734,498	672,300	14,289,016
Capital grants, subsidies and contributions	2(a)	23,419,718	15,921,500	12,709,072
Profit on asset disposals		87,389	162,604	78,235
Loss on asset disposals		(12,619)	(163,756)	(53,069)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	142,607	0	0
Loss on revaluation of Other infrastructure - Airport	9(a)	(6,292,892)	0	0
Loss on revaluation of Other infrastructure - Towns	9(a)	(1,912,707)	0	0
Loss on revaluation of Other infrastructure - Waste	9(a)	(1,557,238)	0	0
		13,874,258	15,920,348	12,734,238
Net result for the period	26(b)	26,608,756	16,592,648	27,023,254
Other comprehensive income for the period				
Changes in asset revaluation surplus	17	61,532,577	0	0
Total other comprehensive income for the period	17	61,532,577	0	0
Total comprehensive income for the period		88,141,333	16,592,648	27,023,254

This statement is to be read in conjunction with the accompanying notes.

Refer to Note 32 - Correction of Prior Period Error



|:

SHIRE OF ASHBURTON
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	NOTE	2023	Restated*	Restated*
		\$	2022	1-Jul-21
			\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	32,512,807	38,699,652	66,833,788
Trade and other receivables	5	3,704,752	1,753,148	2,558,199
Other financial assets	4(a)	39,133,155	33,020,712	158,098
Inventories	6	139,890	141,925	320,192
Other assets	7	1,910,958	371,287	0
TOTAL CURRENT ASSETS		77,401,562	73,986,724	69,870,277
NON-CURRENT ASSETS				
Other financial assets	4(b)	142,607	0	0
Inventories	6	715,042	1,312,849	1,204,116
Property, plant and equipment	8	187,261,616	135,092,981	126,612,835
Infrastructure	9	413,187,895	389,401,388	370,494,710
Right-of-use assets	11(a)	117,354	184,413	0
TOTAL NON-CURRENT ASSETS		601,424,514	525,991,631	498,311,661
TOTAL ASSETS		678,826,076	599,978,355	568,181,938
CURRENT LIABILITIES				
Trade and other payables	12	3,037,508	5,979,479	4,789,938
Other liabilities	13	7,720,016	13,169,357	9,720,512
Lease liabilities	11(b)	67,589	65,398	0
Borrowings	14	426,437	492,862	475,420
Employee related provisions	15	1,684,601	1,816,689	1,508,105
TOTAL CURRENT LIABILITIES		12,936,151	21,523,785	16,493,975
NON-CURRENT LIABILITIES				
Lease liabilities	11(b)	52,174	119,764	0
Borrowings	14	872,578	1,299,015	1,791,877
Employee related provisions	15	292,126	259,128	261,790
Other provisions	16	4,189,919	4,434,868	4,315,753
TOTAL NON-CURRENT LIABILITIES		5,406,797	6,112,775	6,369,420
TOTAL LIABILITIES		18,342,948	27,636,560	22,863,395
NET ASSETS		660,483,128	572,341,795	545,318,543
EQUITY				
Retained surplus		304,997,416	277,335,255	239,334,066
Reserve accounts	30	45,926,431	46,979,836	57,957,773
Revaluation surplus	17	309,559,281	248,026,704	248,026,704
TOTAL EQUITY		660,483,128	572,341,795	545,318,543

This statement is to be read in conjunction with the accompanying notes.

* Refer to Note 32 - Correction of Prior Period Error



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**SHIRE OF ASHBURTON
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Reported Balance as at 1 July 2021		237,717,948	57,957,773	290,679,294	586,355,015
Correction of prior period error	32	1,616,116	0	(42,652,590)	(41,036,474)
Restated balance at the beginning of the financial year		239,334,064	57,957,773	248,026,704	545,318,541
Comprehensive income for the period					
Net result for the period (restated)	32	27,023,254	0	0	27,023,254
Total comprehensive income for the period		27,023,254	0	0	27,023,254
Transfers from reserve accounts	30	16,885,045	(16,885,045)	0	0
Transfers to reserve accounts	30	(5,907,108)	5,907,108	0	0
Balance as at 30 June 2022		277,335,255	46,979,836	248,026,704	572,341,795
Comprehensive income for the period					
Net result for the period		26,608,756	0	0	26,608,756
Other comprehensive income for the period	17	0	0	61,532,577	61,532,577
Total comprehensive income for the period		26,608,756	0	61,532,577	88,141,333
Transfers from reserve accounts	30	7,308,897	(7,308,897)	0	0
Transfers to reserve accounts	30	(6,255,492)	6,255,492	0	0
Balance as at 30 June 2023		304,997,416	45,926,431	309,559,281	660,483,128

This statement is to be read in conjunction with the accompanying notes.



SHIRE OF ASHBURTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		51,861,138	48,299,720
Grants, subsidies and contributions		5,139,949	13,091,642
Fees and charges		8,590,181	8,413,782
Interest revenue		1,573,658	173,149
Goods and services tax received		4,264,885	2,270,854
Other revenue		1,106,327	1,428,748
		<u>72,536,138</u>	<u>73,677,895</u>
Payments			
Employee costs		(20,823,643)	(18,291,713)
Materials and contracts		(19,299,710)	(17,721,134)
Utility charges		(1,541,981)	(1,342,156)
Finance costs		(62,116)	(195,084)
Insurance paid		(1,369,123)	(1,200,484)
Goods and services tax paid		(4,002,195)	(2,593,420)
Other expenditure		(651,933)	(613,925)
		<u>(47,750,701)</u>	<u>(41,957,916)</u>
Net cash provided by (used in) operating activities	18(b)	<u>24,785,437</u>	<u>31,719,979</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment		(6,986,814)	(11,365,445)
Payments for construction of infrastructure	9(a)	(24,746,142)	(28,086,954)
Capital grants, subsidies and contributions		7,110,377	12,828,187
Payment for Financial assets at amortised cost		(6,112,443)	(33,020,712)
Proceeds from sale of property, plant & equipment		321,001	282,245
		<u>(30,414,021)</u>	<u>(59,362,679)</u>
Net cash provided by (used in) investing activities		<u>(30,414,021)</u>	<u>(59,362,679)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	29(a)	(492,862)	(475,420)
Payments for principal portion of lease liabilities	29(b)	(65,399)	(16,016)
		<u>(558,261)</u>	<u>(491,436)</u>
Net cash provided by (used in) financing activities		<u>(558,261)</u>	<u>(491,436)</u>
Net increase (decrease) in cash held		<u>(6,186,845)</u>	<u>(28,134,136)</u>
Cash at beginning of year		<u>38,699,652</u>	<u>66,833,788</u>
Cash and cash equivalents at the end of the year	18(a)	<u>32,512,807</u>	<u>38,699,652</u>

This statement is to be read in conjunction with the accompanying notes.



**SHIRE OF ASHBURTON
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023**

				*Restated
	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	27	51,926,782	52,244,300	48,510,515
Rates excluding general rates	27	11,940	11,300	0
Grants, subsidies and contributions		7,361,333	6,862,900	8,940,834
Fees and charges		8,618,174	7,510,700	8,415,635
Interest revenue		1,573,658	1,525,500	172,852
Other revenue		1,106,327	3,432,600	1,429,045
Profit on asset disposals		87,389	162,604	78,235
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	142,607	0	0
		70,828,210	71,749,904	67,547,116
Expenditure from operating activities				
Employee costs		(20,749,745)	(23,488,300)	(18,683,802)
Materials and contracts		(14,879,586)	(29,256,800)	(16,596,361)
Utility charges		(1,541,981)	(1,585,400)	(1,342,156)
Depreciation		(18,434,113)	(14,105,200)	(14,224,377)
Finance costs		(209,240)	(58,100)	(195,084)
Insurance		(1,369,123)	(1,248,600)	(1,200,484)
Other expenditure		(679,928)	(1,172,600)	(937,601)
Loss on asset disposals		(12,619)	(163,756)	(53,069)
Loss on revaluation of non-current assets		(9,762,837)	0	0
		(67,639,172)	(71,078,756)	(53,232,934)
Non-cash amounts excluded from operating activities	28(a)	28,159,700	14,106,352	14,206,933
Amount attributable to operating activities		31,348,738	14,777,500	28,521,115
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		12,559,718	15,921,500	12,709,072
Proceeds from disposal of assets		321,001	939,000	282,245
		12,880,719	16,860,500	12,991,317
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(17,846,814)	(12,321,400)	(13,403,762)
Purchase and construction of infrastructure	9(a)	(24,746,142)	(36,714,500)	(28,447,755)
		(42,592,956)	(49,035,900)	(41,851,517)
Non-cash amounts excluded from investing activities	28(b)	10,860,000	0	0
Amount attributable to investing activities		(18,852,237)	(32,175,400)	(28,860,200)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	30	7,308,897	12,491,500	16,885,045
		7,308,897	12,491,500	16,885,045
Outflows from financing activities				
Repayment of borrowings	29(a)	(492,862)	(492,861)	(475,420)
Payments for principal portion of lease liabilities	29(b)	(65,399)	0	(16,016)
Transfers to reserve accounts	30	(6,255,492)	(6,065,028)	(5,907,108)
		(6,813,753)	(6,557,889)	(6,398,544)
Amount attributable to financing activities		495,144	5,933,611	10,486,501
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	28(c)	6,041,363	11,464,289	(4,106,053)
Amount attributable to operating activities		31,348,738	14,777,500	28,521,115
Amount attributable to investing activities		(18,852,237)	(32,175,400)	(28,860,200)
Amount attributable to financing activities		495,144	5,933,611	10,486,501
Surplus or deficit after imposition of general rates	28(c)	19,033,008	0	6,041,363

This statement is to be read in conjunction with the accompanying notes.

* Refer to Note 32 - Correction of Prior Period Error



**SHIRE OF ASHBURTON
FOR THE YEAR ENDED 30 JUNE 2023
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SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity
All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 31 of the financial report.

Judgements and estimates
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, and infrastructure.
- estimation uncertainties made in relation to lease accounting

Initial application of accounting standards
During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 *Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- AASB 2021-7a *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]*
- AASB 2022-3 *Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*

These amendments have no material impact on the current annual financial report

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*
The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price.

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	51,926,782	11,940	51,938,722
Grants, subsidies and contributions	5,925,304	0	0	1,436,029	7,361,333
Fees and charges	0	0	2,337,387	6,280,787	8,618,174
Service charges	0	0	0	0	0
Interest revenue	0	0	71,594	1,502,064	1,573,658
Other revenue	0	0	0	1,106,327	1,106,327
Capital grants, subsidies and contributions	0	23,419,718	0	0	23,419,718
Total	5,925,304	23,419,718	54,335,763	10,337,147	94,017,932

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	48,510,515	0	48,510,515
Grants, subsidies and contributions	2,645,339	0	0	6,295,495	8,940,834
Fees and charges	0	0	1,627,831	6,787,804	8,415,635
Interest revenue	0	0	67,043	105,809	172,852
Other revenue	0	0	0	1,429,045	1,429,045
Capital grants, subsidies and contributions	0	12,709,072	0	0	12,709,072
Total	2,645,339	12,709,072	50,205,389	14,618,152	80,177,953

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	Note	2023 Actual	2022 Actual
		\$	\$
Assets and services acquired below fair value			
Contributed assets	8(a)	10,860,000	0
Interest revenue			
Interest on reserve account funds		1,471,210	94,639
Trade and other receivables overdue interest		71,594	67,043
Other interest revenue		30,854	11,170
		<u>1,573,658</u>	<u>172,852</u>
The 2023 original budget estimate in relation to: Trade and other receivables overdue interest was \$6,000			
Fees and charges relating to rates receivable			
Charges on instalment plan		71,594	67,043
The 2023 original budget estimate in relation to: Charges on instalment plan was \$73,200.			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		92,180	55,000
- Other services – grant acquittals		420	870
		<u>92,600</u>	<u>55,870</u>
Employee Costs			
Employee benefit costs		19,454,199	17,241,576
Other employee costs		1,295,546	1,442,226
		<u>20,749,745</u>	<u>18,683,802</u>
Finance costs			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		62,116	75,969
Provisions: unwinding of discount		147,124	119,115
		<u>209,240</u>	<u>195,084</u>
Impairment losses on trade receivables		27,993	323,678
Sundry expenses		651,935	613,923
		<u>679,928</u>	<u>937,601</u>

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

3. CASH AND CASH EQUIVALENTS

Note	2023	2022
	\$	\$
Cash at bank and on hand	25,719,531	24,740,528
Term deposits	6,793,276	13,959,124
Total cash and cash equivalents	32,512,807	38,699,652
Held as		
- Unrestricted cash and cash equivalents	17,999,515	11,571,171
- Restricted cash and cash equivalents	14,513,292	27,128,481
	32,512,807	38,699,652

SIGNIFICANT ACCOUNTING POLICIES
Cash and cash equivalents
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets
Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

	2023	2022
	\$	\$
(a) Current assets		
Financial assets at amortised cost	39,133,155	33,020,712
	39,133,155	33,020,712
Other financial assets at amortised cost		
Term deposits	39,133,155	33,020,712
	39,133,155	33,020,712
Held as		
- Restricted other financial assets at amortised cost	39,133,155	33,020,712
	39,133,155	33,020,712
(b) Non-current assets		
Financial assets at fair value through profit or loss	142,607	0
	142,607	0
Financial assets at fair values through other comprehensive income [describe]	0	0
	0	0
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	0	0
Movement attributable to fair value increment	142,607	0
Units in Local Government House Trust - closing balance	142,607	0

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 29(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES
Other financial assets at amortised cost
The Shire classifies financial assets at amortised cost if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierachy (see Note 25 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss
The Shire has elected to classify the following financial assets at fair value through profit or loss:
- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.

Impairment and risk
Information regarding impairment and exposure to risk can be found at Note 23.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

5. TRADE AND OTHER RECEIVABLES

	Note	2023	2022
		\$	\$
Current			
Rates and statutory receivables		624,631	631,721
Trade receivables		3,147,316	953,925
GST receivable		228,490	491,180
Allowance for credit losses of trade receivables	23(b)	(295,685)	(323,678)
		3,704,752	1,753,148

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:		30 June 2023	30 June 2022	1 July 2021
	Note	Actual	Actual	Actual
		\$	\$	\$
Allowance for credit losses of trade receivables	5	(295,685)	(323,678)	(325,531)
Total trade and other receivables from contracts with customers		(295,685)	(323,678)	(325,531)

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers including grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

6. INVENTORIES

	Note	2023	2022
		\$	\$
Current			
Fuel and materials		43,758	56,719
Visitor centre stock		96,132	82,293
Corporate Uniforms		0	2,913
		139,890	141,925
Non-current			
Land held for resale			
Cost of acquisition		0	400,892
Development costs		715,042	911,957
		715,042	1,312,849
The following movements in inventories occurred during the year:			
Balance at beginning of year		1,454,774	1,362,215
Transferred to Property, Plant and Equipment	8	(599,842)	0
Additions to inventory		0	92,559
Balance at end of year		854,932	1,454,774

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the council's intentions to release for sale.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

Other assets - current

Prepayments

Accrued income

2023	2022
\$	\$
263,484	5,503
1,647,474	365,784
1,910,958	371,287

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Accrued Income

Accrued income represents income that has been earned however to to be received within the reporting period.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

		Buildings - non- specialised	Buildings - specialised	Total land and buildings not subject to operating lease	Total land and buildings	Furniture and equipment	Plant and equipment	Buildings - work in progress	Total property, plant and equipment
	Land	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	16,201,518	14,162,204	84,571,674	114,935,396	114,935,396	950,833	8,745,751	1,980,855	126,612,835
Additions	2,165,603	0	3,037,456	5,203,059	5,203,059	459,504	1,065,404	6,675,795	13,403,762
Disposals	0	0	0	0	0	(1,920)	(255,159)	0	(257,079)
Depreciation	0	(615,786)	(3,156,607)	(3,772,393)	(3,772,393)	(227,103)	(667,041)	0	(4,666,537)
Transfers	0	0	58,861	58,861	58,861	0	0	(58,861)	0
Balance at 30 June 2022	18,367,121	13,546,418	84,511,384	116,424,923	116,424,923	1,181,314	8,888,955	8,597,789	135,092,981
Comprises:									
Gross balance amount at 30 June 2022	18,367,121	14,768,894	91,191,256	124,327,271	124,327,271	1,846,850	10,588,046	8,597,789	145,359,956
Accumulated depreciation at 30 June 2022	0	(1,222,476)	(6,679,872)	(7,902,348)	(7,902,348)	(665,536)	(1,699,091)	0	(10,266,975)
Balance at 30 June 2022	18,367,121	13,546,418	84,511,384	116,424,923	116,424,923	1,181,314	8,888,955	8,597,789	135,092,981
Additions*	2,795,000	8,597,032	4,199,974	15,592,006	15,592,006	363,572	1,728,511	162,725	17,846,814
Disposals	0	0	0	0	0	0	(246,231)	0	(246,231)
Revaluation increments / (decrements) transferred to revaluation surplus	0	12,531,381	23,182,663	35,714,044	35,714,044	0	0	0	35,714,044
Land held for resale reclassified to land	597,806	0	0	597,806	597,806	0	0	0	597,806
Depreciation	0	(699,479)	(3,484,585)	(4,184,064)	(4,184,064)	(455,552)	(1,859,300)	0	(6,498,916)
Transfers ¹	2,791,038	(2,059,571)	9,165,240	9,896,707	9,896,707	475,490	2,922,132	(8,539,211)	4,755,118
Balance at 30 June 2023	24,550,965	31,915,781	117,574,676	174,041,422	174,041,422	1,564,824	11,434,067	221,303	187,261,616
Comprises:									
Gross balance amount at 30 June 2023	24,550,965	31,915,781	117,574,676	174,041,422	174,041,422	2,685,912	14,847,741	221,303	191,796,378
Accumulated depreciation at 30 June 2023	0	0	0	0	0	(1,121,088)	(3,413,674)	0	(4,534,762)
Balance at 30 June 2023	24,550,965	31,915,781	117,574,676	174,041,422	174,041,422	1,564,824	11,434,067	221,303	187,261,616

*The Shire acquired Land, valued at \$2,450,000, and residential housing, valued at \$8,410,000, at a purchase price of \$23 within the 2022-2023 reporting period.

Transfers ¹. Transfers from Infrastructure

**SHIRE OF ASHBURTON
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8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties.	Independent registered valuers	June 2020	While the unit rates based on square metres could be supported from market evidence (level 2) other inputs such as zoning, restrictions, accessibility (level 3) required extensive professional judgement and impacted significantly on the final determination.
Buildings - non-specialised	2	Market approach using recent observable market data for similar properties.	Management Valuation	June 2023	Market or estimated price per square meter
Buildings - specialised	2 & 3	Cost approach using depreciation replacement cost.	Management Valuation	June 2023	This required estimating the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. Other inputs such as residual value, useful life, pattern of consumption and asset condition required extensive professional judgement and impact significantly on the final determination
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment		Costs	Costs		Purchase Cost
Plant and equipment		Costs	Costs		Purchase Cost

SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023

9. INFRASTRUCTURE

(a) Movements in Balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Other infrastructure - Pathways	Other infrastructure - Drainage	Other infrastructure - Airport	Other infrastructure - Bridges	Other infrastructure - Parks and Recreation	Other infrastructure - Towns	Other infrastructure - Waste	Other infrastructure - Regional Waste	Other infrastructure - Works In Progress	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	224,512,609	10,185,480	30,641,766	44,745,334	1,410,271	26,265,899	6,458,206	6,541,631	0	19,733,514	370,494,710
Additions	9,825,305	371,146	224,790	3,346,695	0	9,249,234	811,360	0	0	4,619,225	28,447,755
Depreciation	(6,307,981)	(226,542)	(566,826)	(836,605)	(32,848)	(950,691)	(305,765)	(313,819)	0	0	(9,541,077)
Transfers	755,310	1,800	23,753	1,145,475	0	637,273	11,998	0		(2,575,609)	0
Balance at 30 June 2022	228,785,243	10,331,884	30,323,483	48,400,899	1,377,423	35,201,715	6,975,799	6,227,812	0	21,777,130	389,401,388
Comprises:											
Gross balance at 30 June 2022	310,087,075	13,315,065	52,092,353	56,455,208	2,627,875	45,322,161	9,300,558	8,523,774	0	21,777,130	519,501,199
Accumulated depreciation at 30 June 2022	(81,301,832)	(2,983,181)	(21,768,870)	(8,054,309)	(1,250,452)	(10,120,446)	(2,324,759)	(2,295,962)	0	0	(130,099,811)
Balance at 30 June 2022	228,785,243	10,331,884	30,323,483	48,400,899	1,377,423	35,201,715	6,975,799	6,227,812	0	21,777,130	389,401,388
Additions	5,066,031	0	0	26,995	0	14,251,288	1,601,386	0	101,184	3,699,258	24,746,142
Revaluation increments / (decrements) transferred to revaluation surplus	36,989,782	(3,674,773)	(7,614,473)	(3,316,303)	497,546	1,813,293	0	731,386	0	0	25,426,458
Revaluation (loss) / reversals transferred to profit or loss			0	(6,292,892)	0	0	(1,912,707)	(1,557,238)	0	0	(9,762,837)
Depreciation	(7,627,982)	(297,223)	(549,830)	(88,922)	(57,922)	(1,477,028)	(267,945)	(487,010)	(1,014,276)	0	(11,868,138)
Transfers ²	308,649	0	0	(2,718,616)	0	(984,719)	173,747	333,926	16,217,441	(18,085,546)	(4,755,118)
Balance at 30 June 2023	263,521,723	6,359,888	22,159,180	36,011,161	1,817,047	48,804,549	6,570,280	5,248,876	15,304,349	7,390,842	413,187,895
Comprises:											
Gross balance at 30 June 2023	263,521,723	6,359,888	22,159,180	36,011,161	1,817,047	48,804,549	6,570,280	5,248,876	15,304,349	7,390,842	413,187,895
Balance at 30 June 2023	263,521,723	6,359,888	22,159,180	36,011,161	1,817,047	48,804,549	6,570,280	5,248,876	15,304,349	7,390,842	413,187,895

Transfers ² Transfers from Property, Plant and Equipment

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FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Infrastructure - roads	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Pathways	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Drainage	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Airport	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Bridges	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Parks and Recreat	3	Cost approach using depreciated replacement cost.	Independent registered valuers and Management Valuations	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Towns	3	Cost approach using depreciated replacement cost.	Independent registered valuers and Management Valuations	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure - Waste	3	Cost approach using depreciated replacement cost.	Independent registered valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Buildings - non-specialised	15 to 100 years
Buildings - specialised	15 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	3 to 20 years
Infrastructure - roads	10 to 80 years
Other infrastructure - Pathways	35 to 50 years
Other infrastructure - Drainage	60 to 100 years
Other infrastructure - Airport	10 to 100 years
Other infrastructure - Bridges	80 to 100 years
Other infrastructure - Parks and Recreation	7 to 150 years
Other infrastructure - Towns	10 to 100 years
Other infrastructure - Waste	10 to 100 years

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	2023	2022
	\$	\$
Buildings - specialised	1,395	1,395
Furniture and equipment	97,430	94,730
Plant and equipment	121,800	0
Other infrastructure - Pathways	64,210	64,210
	284,835	160,335

SHIRE OF ASHBURTON
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10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value (as indicated), less any accumulated depreciation and impairment losses.

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire.

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - plant and equipment \$	Right-of-use assets Total \$
Balance at 1 July 2021		0	0
Additions		201,178	201,178
Depreciation		(16,765)	(16,765)
Balance at 30 June 2022		184,413	184,413
Gross balance amount at 30 June 2022		201,178	201,178
Accumulated depreciation at 30 June 2022		(16,765)	(16,765)
Balance at 30 June 2022		184,413	184,413
Depreciation		(67,059)	(67,059)
Balance at 30 June 2023		117,354	117,354
Gross balance amount at 30 June 2023		201,178	201,178
Accumulated depreciation at 30 June 2023		(83,824)	(83,824)
Balance at 30 June 2023		117,354	117,354

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

		2023 Actual \$	2022 Actual \$
Depreciation on right-of-use assets		(67,059)	(16,765)
Finance charge on lease liabilities	29(b)	(5,127)	(1,616)
Total amount recognised in the statement of comprehensive income		(72,186)	(18,381)
Total cash outflow from leases		(70,526)	(17,632)
(b) Lease Liabilities			
Current		67,589	65,398
Non-current	29(b)	52,174	119,764
		119,763	185,162

The Shire has one lease relating to plant and equipment. The lease / supply and ongoing maintenance contract is at a fixed price for a period of three (3) years, with the option of two (2) additional twelve (12) month extensions or part thereof.

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

**SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023**

11. LEASES (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 29(b).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(c) Lessor - Property, Plant and Equipment Subject to Lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year
1 to 2 years
2 to 3 years

2023 Actual	2022 Actual
\$	\$
67,589	65,398
52,175	65,398
0	54,366
119,764	185,162

SIGNIFICANT ACCOUNTING POLICIES

The Shire as Lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 to allocate the consideration under the contract to each component.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

12. TRADE AND OTHER PAYABLES

Current

	2023 \$	2022 \$
Sundry creditors	500,374	(2,231)
Prepaid rates	89,357	174,031
Accrued payroll liabilities	553,713	528,521
Bonds and deposits held	361,850	632
Other Payables	217,903	415,960
Accrued Expenses	1,307,432	4,855,429
Accrued Interest	6,879	7,137
	3,037,508	5,979,479

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.

SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023

13. OTHER LIABILITIES

	2023	2022
	\$	\$
Current		
Contract liabilities	3,640,998	212,798
Capital grant/contributions liabilities	4,079,018	12,956,559
	7,720,016	13,169,357
Reconciliation of changes in contract liabilities		
Opening balance	212,798	9,720,512
Additions	7,720,016	212,798
Revenue from contracts with customers included as a contract liability at the start of the period	(212,798)	(9,720,512)
	7,720,016	212,798
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,400,000 (2022: \$3,500,000)		
The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Additions	(8,877,541)	12,956,559
	4,079,018	12,956,559

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

14. BORROWINGS

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
WA Treasury Corporation		426,437	872,578	1,299,015	492,862	1,299,015	1,791,877
Total unsecured borrowings	29(a)	426,437	872,578	1,299,015	492,862	1,299,015	1,791,877

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs
Borrowing costs are recognised as an expense when incurred except where where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierachy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

Risk
Details of individual borrowings required by regulations are provided at Note 29(a). Information regarding exposure to risk can be found at Note 23.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions	
	2023
	2022
	\$
	\$
Current provisions	
Employee benefit provisions	
Annual leave	1,074,930
Long service leave	609,671
	1,684,601
	1,816,689
Total current employee related provisions	1,684,601
	1,816,689
Non-current provisions	
Employee benefit provisions	
Long service leave	292,126
	259,128
	292,126
	259,128
Total non-current employee related provisions	292,126
	259,128
Total employee related provisions	1,976,727
	2,075,817

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Note	2023	2022
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		1,192,978	1,326,176
More than 12 months from reporting date		783,749	749,641
		1,976,727	2,075,817

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The Shire’s obligations for employees’ annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire’s obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire’s obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire’s obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**SHIRE OF ASHBURTON
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16. OTHER PROVISIONS

	Waste Rehabilitation Provision	Total
	\$	\$
Opening balance at 1 July 2022		
Non-current provisions	4,434,868	4,434,868
	4,434,868	4,434,868
- Revaluation	(392,073)	(392,073)
- unwinding of discount	147,124	147,124
Balance at 30 June 2023	4,189,919	4,189,919
Comprises		
Non-current	4,189,919	4,189,919
	4,189,919	4,189,919

Other provisions

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Landfill Rehabilitation Provision

Under the licence for the operation of the Shire of Ashburton waste landfill site, the Shire has a legal obligation to restore the site.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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17. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	2022 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	30,564,476	0	30,564,476	30,564,476	30,564,476
Revaluation surplus - Buildings - non-specialised	0	12,531,382	12,531,382	0	0
Revaluation surplus - Buildings - specialised	0	23,182,663	23,182,663	0	0
Revaluation surplus - Furniture and equipment	612,552	0	612,552	612,552	612,552
Revaluation surplus - Plant and equipment	827,843	0	827,843	827,843	827,843
Revaluation surplus - Infrastructure - roads	188,583,661	36,989,782	225,573,443	188,583,661	188,583,661
Revaluation surplus - Other infrastructure - Pathways	4,562,594	(3,674,774)	887,820	4,562,594	4,562,594
Revaluation surplus - Other infrastructure - Drainage	18,554,989	(7,614,473)	10,940,516	18,554,989	18,554,989
Revaluation surplus - Other infrastructure - Airport	3,316,303	(3,316,303)	0	3,316,303	3,316,303
Revaluation surplus - Other infrastructure - Bridges	1,003,670	497,548	1,501,218	1,003,670	1,003,670
Revaluation surplus - Other infrastructure - Parks and Recreation	0	1,813,293	1,813,293	0	0
Revaluation surplus - Other infrastructure - Towns	0	0	0	0	0
Revaluation surplus - Other infrastructure - Waste	616	1,123,459	1,124,075	616	616
	248,026,704	61,532,577	309,559,281	248,026,704	248,026,704

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

18. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	32,512,807	38,699,652
Restrictions			
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	14,513,292	27,128,481
- Financial assets at amortised cost	4	39,133,155	33,020,712
		53,646,447	60,149,193
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	30	45,926,431	46,979,836
Contract liabilities	13	3,640,998	212,798
Capital grant liabilities	13	4,079,018	12,956,559
Total restricted financial assets		53,646,447	60,149,193

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		26,608,756	27,023,254
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(142,607)	
Depreciation/amortisation		18,433,843	14,224,377
(Profit)/loss on sale of asset		(74,770)	(25,166)
Loss on revaluation of fixed assets		9,762,837	0
Assets received for substantially less than fair value		(10,860,000)	0
Reversal of loss on revaluation of fixed assets		0	0
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(1,951,604)	805,051
(Increase)/decrease in other assets		(2,137,477)	(51,095)
(Increase)/decrease in inventories		599,842	(92,559)
Increase/(decrease) in trade and other payables		(2,941,971)	(1,209,578)
Increase/(decrease) in employee related provisions		(99,090)	305,922
Increase/(decrease) in other provisions		147,396	119,115
Increase/(decrease) in other liabilities		(5,449,341)	3,448,845
Capital grants, subsidies and contributions		(7,110,377)	(12,828,187)
Net cash provided by/(used in) operating activities		24,785,437	31,719,979

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Bank overdraft limit	0	0
Bank overdraft at balance date	0	0
Credit card limit	45,000	45,000
Credit card balance at balance date	(5,993)	(13,694)
Total amount of credit unused	39,007	31,306

Loan facilities

Loan facilities - current	426,437	492,862
Loan facilities - non-current	872,578	1,299,015
Total facilities in use at balance date	1,299,015	1,791,877

Unused loan facilities at balance date	0	0
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**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

19. CONTINGENT LIABILITIES

Wittenoom Asbestos

The present outlook for the Shire in relation to Wittenoom litigation is being carefully monitored by the Council and the Executive on a monthly basis. The amount of potential claims and the Shire's potential contribution to the settlement of these has remained relatively steady over the current period.

Total future potential claims in respect of Wittenoom are not reliably quantifiable; however, the changing nature of damages claims and their defence means that individual cases could potentially place the Shire at a greater financial risk.

The Shire has a commitment from the State Government that it will support a financial contribution if the Wittenoom impost becomes too onerous for the Shire. All cases to date have been settled out of court with a number of parties contributing to the settlement process. Out of court settlements result in no judgement being reached by the court.

The amount of on-going claims and the manner in which they were concluded have not been disclosed as this may prejudice the Shire's position in an individual case.

In the event that a number of cases brought against the Shire and additional defendants are ruled in favour of the plaintiff, the financial impact on the Shire may result in significant losses being incurred which in turn may convert to higher rating levels, or a reduction in services provided to ratepayers.

20. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	1,710,094	18,180,329
- plant & equipment purchases	1,067,373	853,804
	2,777,467	19,034,133
Payable:		
- not later than one year	2,777,467	19,034,133

The capital expenditure projects outstanding at the end of the current report period represent the a variety of projects currently undergoing construction. Major projects include Pilbara Regional Waste Facility, Onslow North Precinct, Paraburdoo Cenotaph and Ozeave View Caravan Park Phase 3

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2023 Actual \$	2023 Budget \$	2022 Actual \$
President's annual allowance	64,938	65,000	63,354
President's meeting attendance fees	31,928	31,900	31,149
President's annual allowance for ICT expenses	3,000	3,000	2,500
President's travel and accommodation expenses	6,294	4,500	5,528
	106,160	104,400	102,531
Deputy President's annual allowance	16,234	16,200	15,838
Deputy President's meeting attendance fees	23,811	23,800	23,230
Deputy President's annual allowance for ICT expenses	3,000	3,000	2,500
Deputy President's travel and accommodation expenses	4,077	4,500	4,203
	47,122	47,500	45,771
All other council member's meeting attendance fees	166,677	166,800	155,736
All other council member's child care expenses	0	1,100	0
All other council member's annual allowance for ICT expenses	21,000	21,000	16,760
All other council member's travel and accommodation expenses	21,241	31,500	19,588
	208,918	220,400	192,084
21(b)	362,200	372,300	340,386

(b) Key Management Personnel (KMP) Compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Note	2023 Actual \$	2022 Actual \$
Short-term employee benefits	1,059,076	1,175,085
Post-employment benefits	135,108	125,628
Employee - other long-term benefits	125,528	23,925
Employee - termination benefits	137,819	13,700
Council member costs	362,200	340,386
21(a)	1,819,730	1,678,724

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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21. RELATED PARTY TRANSACTIONS

Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2023 Actual	2022 Actual
	\$	\$
Sale of goods and services	5,954	5,747
Amounts outstanding from related parties:		
Trade and other receivables	2,948	1,842

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b)

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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22. JOINT ARRANGEMENTS

Share of joint operations

Communities Housing (Homeswest):

Purpose

The Shire of Ashburton, in conjunction with Homeswest, is providing rental accommodation for senior citizens who are eligible.

Address: 46 Second Avenue, Onslow 6710 (Carinya Units 1 - 5)

Number and Type of Dwellings:

5 Dwellings - Freehold / Certificate of Title Volume 3042 Folio 6 / Drawing No. 190235

Legal Agreements:

Joint Venture Agreement dated 2 August 1994, for fifty years from this date.

	2023 Actual	2022 Actual
Statement of Financial Position		
Cash and cash equivalents	\$ 5,200	\$ 5,070
Land and Buildings	460,930	460,930
Less: accumulated depreciation	(114,248)	(71,558)
Total assets	351,882	394,442
Reserve accounts	5,200	5,070
Total equity	5,200	5,070
Statement of Comprehensive Income		
Other revenue	13,323	14,480
Other expense	(48,074)	(22,349)
Profit/(loss) for the period	(34,751)	(7,869)
Total comprehensive income for the period	(34,751)	(7,869)
Statement of Cash Flows		
Other revenue	13,323	14,480
Depreciation	(48,074)	(22,349)
Net cash provided by (used in) operating activities	(34,751)	(7,869)

SIGNIFICANT ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023

23. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance department under policies approved by the council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

(a) Interest rate risk

Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2023					
Cash and cash equivalents	3.37%	32,512,807	6,793,276	25,717,248	2,283
Financial assets at amortised cost - term deposits	5.78%	39,133,155	39,133,155	0	0
2022					
Cash and cash equivalents	0.00%	38,699,652	13,959,124	24,482,669	257,859
Financial assets at amortised cost - term deposits	2.69%	33,020,712	33,020,712	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2023	2022
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	257,172	244,827

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 29(a).

**SHIRE OF ASHBURTON
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23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Shire’s major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Trade receivables					
Expected credit loss	0.01%	0.14%	0.75%	18.21%	
Gross carrying amount	1,385,783	125,752	14,050	1,621,731	3,147,316
Loss allowance	105	174	105	295,301	295,685
30 June 2022					
Trade receivables					
Expected credit loss	0.05%	1.45%	3.11%	78.83%	
Gross carrying amount	514,380	20,314	9,706	409,526	953,926
Loss allowance	260	295	302	322,821	323,678

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Other receivables		Contract Assets	
	2023 Actual	2022 Actual	2023 Actual	2022 Actual	2023 Actual	2022 Actual
Opening loss allowance as at 1 July	\$ 323,678	\$ 325,531	\$ 0	\$ 0	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	27,993	323,678	0	0	0	0
Receivables written off during the year as uncollectible	20,922	0	0	0	0	0
Unused amount reversed	(76,908)	(325,531)	0	0	0	0
Closing loss allowance at 30 June	295,685	323,678	0	0	0	0

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract Assets

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(c).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<u>2023</u>					
Trade and other payables	3,037,508	0	0	3,037,508	3,037,508
Borrowings	426,437	686,857	185,721	1,299,015	1,299,015
Contract Liabilities	7,720,016	0	0	7,720,016	7,720,016
Lease liabilities	67,589	52,174	0	119,763	119,763
	<u>11,251,550</u>	<u>739,031</u>	<u>185,721</u>	<u>12,176,302</u>	<u>12,176,302</u>
<u>2022</u>					
Trade and other payables	5,979,478	0	0	5,979,478	5,979,478
Borrowings	492,862	1,055,341	243,674	1,791,877	1,791,877
Contract Liabilities	13,169,357	0	0	13,169,357	13,169,357
Lease liabilities	65,398	119,764	0	185,162	185,162
	<u>19,707,095</u>	<u>1,175,105</u>	<u>243,674</u>	<u>21,125,874</u>	<u>21,125,874</u>

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There has been no material events after the reporting period which would effect the financial report of the Shire of Ashburton for the year ended 30 June 2023 or which would require additional disclosures.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

25. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification
The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures
All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures
Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures
Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation
The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities
Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue
Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy
AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques
The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach
Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach
Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach
Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets
In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

**SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

26. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
Governance The provision of decision -making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer community.	Supervision of various by-laws, fire prevention, emergency services and animal control.
Health To assess and manage risks to public health and create and maintain environments that promote good public health.	Food safety, traders permits, septic approvals, analysis of drinking water, public pool safety, monitoring and control of mosquitoes, noise - dust or odour complaints, public building inspections, Environmental Health support to Aboriginal communities, provision of public information on issues such as asbestos, mosquitoes, food hygiene.
Education and welfare To meet the needs of the community in these areas.	Maintenance of pre-school facilities & donations to schools. Assistance to welfare groups and Youth Services.
Housing To manage housing.	Maintenance of staff and rental housing.
Community amenities To provide services required but the community.	Rubbish collections, refuse site operations, litter control, administration of the town planning scheme, cemetery operations, public toilet facilities and protection of the environment.
Recreation and culture To establish and manage efficiently infrastructure and resources which help the social well being of the community.	Maintenance of Halls, Swimming pools, sporting facilities, parks and associated facilities, provision of library services in Tom Price, Onslow, Pannawonica & Paraburdoo.
Transport To provide effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, footpaths; street lighting, traffic management and airport. Purchase and disposal of Council's Road Plant.
Economic services To help promote the Shire and improve it's economic well-being.	Building control, management of tourist bureau, tourism and area promotion and standpipes.
Other property and services To provide support services for works and plant operations.	Private works operations, plant repairs and operation costs, stock and materials, salaries and wages of Council employees.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

26. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses	* Reinstated	
	2023 Actual	2022 Actual
	\$	\$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	0	316,994
General purpose funding	53,517,613	48,733,559
Law, order, public safety	93,382	61,994
Health	138,410	139,305
Education and welfare	1,021,531	45,388
Housing	11,611,298	481,802
Community amenities	4,190,945	3,056,224
Recreation and culture	9,218,182	468,605
Transport	2,509,227	3,091,114
Economic services	1,837,976	1,705,103
Other property and services	2,748,030	506,193
	86,886,594	58,606,281
Grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	0	(72,742)
General purpose funding	4,168,778	4,787,401
Law, order, public safety	2,668	2,251,880
Health	109,396	145,319
Education and welfare	0	2,778,924
Housing	0	85
Community amenities	51,233	1,308,307
Recreation and culture	1,338,686	5,449,057
Transport	0	4,962,851
Economic services	75,455	38,824
Other property and services	1,615,118	0
	7,361,334	21,649,906
Total Income	94,247,928	80,256,187
Expenses		
Governance	(1,455,579)	(4,556,606)
General purpose funding	(156,203)	(136,358)
Law, order, public safety	(1,137,122)	(1,095,869)
Health	(466,534)	(510,233)
Education and welfare	(693,035)	(326,287)
Housing	(2,050,592)	(1,593,799)
Community amenities	(13,073,228)	(8,262,654)
Recreation and culture	(15,745,403)	(15,003,813)
Transport	(20,814,530)	(16,657,432)
Economic services	(5,726,574)	(4,664,130)
Other property and services	(6,320,372)	(425,754)
Total expenses	(67,639,172)	(53,232,935)
Net result for the period	26,608,756	27,023,252
(c) Total Assets		
Governance	24,460,919	20,063,213
General purpose funding	8,182,058	8,036,121
Law, order, public safety	4,190,991	3,091,246
Health	31,936	31,936
Education and welfare	13,667,359	11,776,747
Housing	45,153,573	21,877,117
Community amenities	27,290,579	29,473,615
Recreation and culture	113,395,368	77,192,907
Transport	373,474,987	360,125,776
Economic services	26,344,033	29,045,505
Other property and services	13,957,697	14,813,626
Unallocated	28,676,576	24,450,546
	678,826,076	599,978,355

* Refer to Note 32 - Correction of Prior Period Error

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

27. RATING INFORMATION

(a) General Rates

				2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2021/22
				Actual	Actual	Actual	Actual	Budget	Budget	Budget	Actual
RATE TYPE		Rate in	Number	Rateable	Rate	Interim	Total	Rate	Interim	Total	Total
Rate Description	Basis of valuation	\$	of Properties	Value*	Revenue	Rates	Revenue	Revenue	Rate	Revenue	Revenue
				\$	\$	\$	\$	\$	\$	\$	\$
Residential / Community	Gross rental valuation	0.0942	2,254	47,528,376	4,475,311	4,709	4,480,020	4,467,468	0	4,467,468	4,469,779
Commercial / Industrial	Gross rental valuation	0.0860	140	14,425,154	1,237,295	1,824	1,239,119	1,237,767	0	1,237,767	851,490
Transient Workforce Accom.	Gross rental valuation	0.1700	20	18,795,480	3,195,232	0	3,195,232	3,195,232	0	3,195,232	2,504,121
Pastoral	Unimproved valuation	0.1887	32	6,794,989	897,755	0	897,755	1,282,931	0	1,282,931	911,459
Non-Pastoral	Unimproved valuation	0.3696	644	110,494,291	40,838,690	129,646	40,968,336	40,805,271	517,039	41,322,310	39,113,204
Non-Rateable			273	1,945,786	0	0	0	0	0	0	336,497
Total general rates			3,363	199,984,076	50,644,283	136,179	50,780,462	50,988,669	517,039	51,505,708	48,186,550
Minimum payment											
		Minimum Payment \$									
Residential / Community	Gross rental valuation	1,288	359	3,522,514	462,392	0	462,392	449,512	0	449,512	191,900
Commercial / Industrial	Gross rental valuation	1,288	45	284,189	57,960	0	57,960	55,384	0	55,384	75,780
Transient Workforce Accom.	Gross rental valuation	1,288	4	80	5,152	0	5,152	5,152	0	5,152	2,526
Pastoral	Unimproved valuation	1,288	2	9,529	2,576	0	2,576	2,576	0	2,576	5,052
Non-Pastoral	Unimproved valuation	1,288	480	1,354,241	618,240	0	618,240	625,968	0	625,968	601,188
Total minimum payments			890	5,170,553	1,146,320	0	1,146,320	1,138,592	0	1,138,592	876,446
Total general rates and minimum payments			4,253	205,154,629	51,790,603	136,179	51,926,782	52,127,261	517,039	52,644,300	49,062,996
Ex-gratia Rates											
				0	11,940	0	11,940	0	11,300	11,300	11,525
Total amount raised from rates (excluding general rates)			0	0	11,940	0	11,940	0	11,300	11,300	11,525
Concessions										(400,000)	(564,006)
Total Rates							51,938,722			52,255,600	48,510,515
Rate instalment interest							34,386			22,700	15,813
Rate overdue interest							36,501			50,000	51,230

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

*Rateable Value at time of raising of rate.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

28. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23 Budget	2021/22
	2022/23 (30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(87,389)	(162,604)	(78,235)
Less: Reversal of prior year loss on revaluation of fixed assets	0	0	0
Less: Fair value adjustments to financial assets at fair value through profit or loss	(142,607)	0	0
Add: Loss on disposal of assets	12,619	163,756	53,069
Add: Loss on revaluation of fixed assets	9(a) 9,762,837	0	0
Add: Depreciation	10(a) 18,433,845	14,105,200	14,224,377
Non-cash movements in non-current assets and liabilities:			
Assets held for sale	7 (597,806)	0	0
Employee benefit provisions	32,997	0	(2,660)
Other provisions	147,397	0	119,115
Inventory	597,807	0	(108,733)
Non-cash amounts excluded from operating activities	28,159,700	14,106,352	14,206,933
Property, plant and equipment received for substantially less than fair value	8(a) 10,860,000	0	0
Non-cash amounts excluded from investing activities	10,860,000	0	0
(c) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	30 (45,926,431)	(40,551,081)	(46,979,836)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 426,437	(492,861)	492,862
- Current portion of lease liabilities	11(b) 67,589	0	65,398
Total adjustments to net current assets	(45,432,405)	(41,043,942)	(46,421,576)
Net current assets used in the Statement of Financial Activity			
Total current assets	77,401,562	55,966,117	73,986,724
Less: Total current liabilities	(12,936,151)	(14,922,175)	(21,523,785)
Less: Total adjustments to net current assets	(45,432,405)	(41,043,942)	(46,421,576)
Surplus or deficit after imposition of general rates	19,033,006	0	6,041,363

SHIRE OF ASHBURTON
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FOR THE YEAR ENDED 30 JUNE 2023

28. DETERMINATION OF SURPLUS OR DEFICIT (Continued)

(d)	
The 2021/2022 carried forward surplus has been adjusted by \$5,892,558.	
This adjustment relates to correction of misstatements in the prior financial year statements, including	
2019/2020	
Incorrect treatment of contract liabilities added back	4,189,479
Incorrect treatment of leave provision added back	597,576
	<hr/> 4,787,055
2020/2021	
Incorrect treatment of leave provision added back	1,105,503
Total Adjustment	5,892,558

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

29. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual							Budget			
Purpose	Note	Principal at	New Loans	Principal	Principal at 30	New Loans	Principal	Principal at	Principal at 1	New Loans	Principal	Principal at
		1 July 2021	During 2021-22	Repayments During 2021-22	June 2022	During 2022-23	Repayments During 2022-23	30 June 2023	July 2022	During 2022-23	Repayments During 2022-23	30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Onslow Administration Building*		600,185	0	(46,055)	554,130	0	(47,590)	506,540	555,130	0	(47,591)	507,539
Staff Housing*		155,852	0	(75,793)	80,059	0	(80,059)	0	80,060	0	(80,058)	2
Onslow Transfer Station*		1,398,345	0	(333,725)	1,064,620	0	(344,083)	720,537	1,064,620	0	(344,083)	720,537
Onslow Aerodrome Upgrade*		112,915	0	(19,847)	93,068	0	(21,130)	71,938	93,428	0	(21,129)	72,299
Total		2,267,297	0	(475,420)	1,791,877	0	(492,862)	1,299,015	1,793,238	0	(492,861)	1,300,377
Borrowing Finance Cost Payments												
Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023		Budget for year ending 30 June 2023	Actual for year ending 30 June 2022			
						\$		\$	\$			
Onslow Administration Building*		124	WATC*	3.31%	31/05/2032		(17,952)	(19,000)		(19,487)		
Staff Housing*		117	WATC*	5.45%	5/06/2023		(3,287)	(3,300)		(7,476)		
Onslow Transfer Station*		122	WATC*	3.08%	30/04/2025		(30,162)	(30,200)		(40,519)		
Onslow Aerodrome Upgrade*		119	WATC*	6.36%	30/06/2026		(5,588)	(5,600)		(6,871)		
Total							(56,989)	(58,100)		(74,353)		
Total Finance Cost Payments							(56,989)	(58,100)		(74,353)		

* WA Treasury Corporation

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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29. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

		Actual						Budget				
Purpose	Note	Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	Principal at 1 July 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023
Photocopier Lease		0	201,178	(16,016)	185,162	0	(65,399)	119,763	0	0	0	0
Total Lease Liabilities	11(b)	0	201,178	(16,016)	185,162	0	(65,399)	119,763	0	0	0	0

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term
Photocopier Lease		-	-	28.00%	31/03/2025	\$ (5,127)	\$ 0	\$ (1,616)	36 months
Total Finance Cost Payments						(5,127)	0	(1,616)	

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

30. RESERVE ACCOUNTS	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Financial Risk Reserve	5,550,885	142,721	0	5,693,606	5,550,642	166,000	0	5,716,642	6,167,012	5,624	(621,752)	5,550,885
(b) Future Projects Reserve	16,486,674	423,894	(5,906,873)	11,003,695	16,485,837	3,936,928	(5,987,500)	14,435,265	21,170,305	3,019,306	(7,702,937)	16,486,674
(c) Housing Reserve	72	2	0	74	0	0	0	0	1,832,096	1,671	(1,833,694)	72
(d) Infrastructure Reserve	535,492	13,768	0	549,260	535,410	16,000	(532,100)	19,310	2,091,533	551,907	(2,107,948)	535,492
(e) Joint Venture Housing Reserve	5,070	130	0	5,200	5,070	0	0	5,070	5,065	5	0	5,070
(f) Onslow Aerodrome Reserve	9,816,642	252,399	(585,433)	9,483,608	9,816,140	294,000	(2,557,900)	7,552,240	12,694,049	11,576	(2,888,983)	9,816,642
(g) Onslow Community Infrastructure Reserve	199,126	4,533	0	203,659	199,126	5,000	0	204,126	198,990	136	0	199,126
(h) Plant Replacement Reserve	1,330,733	882,215	(281,077)	1,931,871	1,330,680	887,000	(1,209,200)	1,008,480	1,330,334	781,213	(780,814)	1,330,733
(i) Property Development Reserve	3,009,244	77,372	0	3,086,616	3,009,125	90,000	0	3,099,125	3,006,502	2,742	0	3,009,244
(j) Tom Price Administration Building Reserve	7,683,072	4,397,706	0	12,080,778	7,682,829	230,000	0	7,912,829	6,153,161	1,529,911	0	7,683,072
(k) Waste Services Reserve	1,995,292	51,302	(351,614)	1,694,980	1,995,193	159,000	(2,020,900)	133,293	2,481,529	2,263	(488,500)	1,995,292
(l) COVID-19 Relief & Stimulus	367,534	9,450	(183,900)	193,084	367,501	11,000	(183,900)	194,601	827,195	754	(460,417)	367,534
(m) Regional Waste Facility	0	0	0	0	0	270,100	0	270,100	0	0	0	0
	46,979,836	6,255,492	(7,308,897)	45,926,431	46,977,553	6,065,028	(12,491,500)	40,551,081	57,957,771	5,907,108	(16,885,045)	46,979,836

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Financial Risk Reserve	To contribute towards mitigating, or funding, significant financial impacts through legal or other reasons.
(b) Future Projects Reserve	To contribute towards the funding of high-cost, significant projects as identified in long-term plans.
(c) Housing Reserve	To contribute towards the provision for housing to maintain, improve or increase Council's housing portfolio.
(d) Infrastructure Reserve	To contribute towards funding new and renewal initiatives associated with Council assets and infrastructure.
(e) Joint Venture Housing Reserve	To contribute towards Council's contribution for repairs and maintenance to Join Venture Housing.
(f) Onslow Aerodrome Reserve	To contribute towards operational deficits and improvements and receive operational surpluses for the Onslow Airport.
(g) Onslow Community Infrastructure Reserve	To contribute towards the development of community facilities in Onslow.
(h) Plant Replacement Reserve	To contribute towards the funding of new and replacement plant and machinery.
(i) Property Development Reserve	To contribute towards purchasing, developing and selling property for economic benefit.
(j) Tom Price Administration Building Reserve	To contribute towards funding a new Council Administration Facility in Tom Price.
(k) Waste Services Reserve	To contribute towards initiatives, upgrade and modifications to Council Waste Facilities.
(l) COVID-19 Relief & Stimulus	To contribute towards support and relief initiatives for those impacted by COVID-19.
(m) Regional Waste Facility	To contribute towards initiatives, upgrades and modifications to the Regional Waste Management Facility.

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

31. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2022	Amounts Received	Amounts Paid	30 June 2023
	\$	\$	\$	\$
Cash in lieu of public open space	236,655	6,000	(236,655)	6,000
	236,655	6,000	(236,655)	6,000

SHIRE OF ASHBURTON
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

32. CORRECTION OF PRIOR PERIOD ERROR

During the year ended 30 June 2023, prior to the revaluation exercise done at 30 June 2023, the Shire identified several roads that were included in the Shire's accounting records that did not belong to the Shire. There were also inaccuracies in the recording of road lengths for certain Shire owned roads. The last revaluation of infrastructure assets performed at 30 June 2018 included these roads in the fair value determination. The misstatement has been corrected by restating each of the affected financial statement line items for the prior period.

As a consequence:

- the carrying amount of roads infrastructure and revaluation surplus were overstated at 1 July 2021 while retained surplus was understated reflecting the overstatement of depreciation during the period from FY2019 to FY2021.
- the depreciation expense was overstated by \$539k for the year ended 30 June 2022.

The Shire has retrospectively applied the corrections and adjustments to the carrying amount of infrastructure assets. The error has been rectified by decreasing the roads infrastructure by \$41 million, revaluation surplus by \$42.7 million and increasing retained surplus by \$1.6 million as at 1 July 2021. In addition, depreciation for 2021-22 has been decreased by \$539k, with a corresponding increase to the carrying amount of road infrastructure at 30 June 2022.

The impact of these adjustments is provided below:

Statement of Financial Position (Extract)	30 June 2022	Increase/ (Decrease)	30 June 2022 (Restated)	01 July 2021	Increase/ (Decrease)	01 July 2021 (Restated)
	\$	\$	\$	\$	\$	\$
Infrastructure	429,899,157	(40,497,769)	389,401,388	411,531,184	(41,036,474)	370,434,710
Net assets	612,839,564	(40,497,769)	572,341,795	586,355,017	(41,036,474)	545,318,543
Retained surplus	275,180,434	2,154,821	277,335,255	237,717,950	1,616,116	239,334,066
Revaluation surplus	290,679,294	(42,652,590)	248,026,704	290,679,294	(42,652,590)	248,026,704
Total equity	612,839,564	(40,497,769)	572,341,795	586,355,017	(41,036,474)	545,318,543

Statement of Comprehensive Income (Extract)	2022	Increase/ (Decrease)	2022 (Restated)
	\$	\$	\$
<i>Expenses</i>			
Depreciation	14,763,084	(538,705)	14,224,379
Net result for the period	26,484,547	538,705	27,023,252

Statement of Financial Activity (Extract)

Expenditure from operating activities			
Depreciation	14,763,084	(538,705)	14,224,379
Non-Cash amounts excluded from operating activities	14,745,638	(538,705)	(14,206,933)



Agenda Item 6.2 - Attachment 2

Audit Opinion 2022/23 Shire of Ashburton



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Shire of Ashburton

To the Council of the Shire of Ashburton

Opinion

I have audited the financial report of the Shire of Ashburton (Shire) which comprises:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2023 and its financial position as at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Restatement of Comparative balances

I draw attention to Note 32 of the financial report which states that the amounts reported in the previously issued 30 June 2022 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Ashburton for the year ended 30 June 2023 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
21 December 2023



Agenda Item 6.2 - Attachment 3

Management Letter - Financial Audit 2022/23

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

Index of findings	Potential Impact on audit opinion	Rating			Prior Year finding
		Significant	Moderate	Minor	
1. Completeness of road data	Yes	✓			
2. Incorrect depreciation rate used on new additions added to existing infrastructure assets	No	✓			
3. Completeness of Data provided to the valuer	No	✓			
4. Fixed Asset Depreciation Rates	No	✓			✓
5. Payroll controls	No	✓			✓
6. Review of general journals	No		✓		
7. Recording of annual leave	No			✓	

Key to ratings

The ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We consider these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating may be reported as a matter of non-compliance in the audit report in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

1. Completeness of road data

Finding

Management conducted a full review of the roads data, to ensure correct data of roads is provided to the valuer for valuation. During the review process, management identified 13 which did not belong to the shire and 13 roads which had overstated length ownership. The ownership confirmation was obtained from the Main Roads online database.

These roads had a fair value of \$41 million as at 30 June 2021. This correction has been duly reflected in the FY2023 financial statements by restating the FY2022 and FY2021 comparatives.

Rating: Significant

Implication

Increased risk that the infrastructure assets and depreciation expense recognised in the shire's financial statements is materially misstated.

Recommendation

The Shire should review and implement processes that involve a thorough examination of how roads data is maintained and updated in the Shire roads database.

Management comment

Noted: A review of systems, processes and controls will be conducted and updated accordingly. The Shire has already engaged an Asset Management Consultant to assist with this process.

Responsible position: Manager Assets and Programming/Manager Finance
Completion date: 30 June 2024

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

2. Incorrect depreciation rate used on new additions added to existing infrastructure assets**Finding**

During our assessment of the June 2023 infrastructure fixed asset register, we observed that management has been applying a fixed annual depreciation rate for multiple infrastructure assets grouped into one asset category in the fixed asset register. The fixed assets register consists of multiple assets that have different useful lives. We have noted the following issues with the current process for recording the annual depreciation expense.

New additions during the year are not being depreciated in line with the Shire's Depreciation rate and the life of the individual assets contained within.

To illustrate, the additions for IR232 for the year ended 30 June 2023 amounted to \$1.174 million and a flat depreciation of 6.61% was applied by the Shire (This rate was set during the 30 June 2018 valuation process). The 6.61% rate equates to a useful life of approximately 15 years. This compares to a range of 12 – 45 years of useful life across the different types of road components under the Shire's Depreciation Rate Policy. The 15 years useful life seems to be too low for a newly added road during the year.

Rating: Significant

Implication

These findings highlight a significant deficiency in non-compliance with the Depreciation Rate Policy. This has resulted in incorrect and distorted financial reporting and hinders the Shire's ability to effectively manage its asset portfolio.

Recommendation

It is recommended the Shire review and revise their depreciation methodology to ensure it aligns with the Shire's Policies, depreciation expense should accurately be applied and reflect the remaining useful life of assets. Conducting a comprehensive assessment of the affected assets and adjusting the depreciation charges accordingly will help rectify the inaccuracies and improve the reliability of financial reporting.

It is also recommended the Shire ensures it applies its revised depreciation methodology correctly in future years, with depreciation expense to be charged to assets over the assets useful life and in accordance with Shire's policies.

Management comment

Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.

Responsible position: Manager Assets and Programming/Manager Finance
Completion date: 30 June 2024

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

3. Completeness of Data provided to the valuer.

Finding

From our testing of valuation of infrastructure, we noted that the raw data (Extracted out from "MyData" – Asset management system) provided to the valuer is incomplete. This is evidenced through the review of the valuation report by the third-party valuer.

For instance, Infrastructure Parks, we noted that there are 43 assets that were not included in the valuation report as of 30 June 2023. Out of these 43 assets, three of them were capitalised in the prior year and 40 of them are additions during the year.

During the valuation process, the shire will provide the information that was extracted from "MyData" to the valuer to perform the valuation. In these circumstances, the three missing assets shows the incompleteness of data provided. These assets have a value of \$9.5 million.

Besides, the valuer performed its valuation during March 2023. Therefore, the additions that was capitalised after March 2023 were not included in the valuation. The additions during the year should also be communicated to the valuer. However, the Shire has failed to do so. Nevertheless, these assets have been recognised at cost of \$16.8 million which approximates fair value in the FY2023 financial statements.

Rating: Significant

Implication

The incompleteness of the data used for valuation may results in inaccurate valuation of fixed assets and infrastructure which will lead to material misstatements in the financial statements, affecting the Shire's reported financial position, results of operations, and cash flows.

Recommendation

Ensure that all relevant and updated information, including any additions or modifications to the asset base, is communicated to the valuer. This includes changes occurring throughout the fiscal year to ensure that the valuer is working with the most current and accurate dataset.

Management comment

Noted: A review of systems, processes, and controls to be conducted and updated accordingly to ensure all new assets added during the fiscal year is provided to the valuer.

It is noted Management Valuations were conducted on assets excluded from the independent valuer valuations to ensure the Shire was compliant with valuation requirements.

Responsible position:

Manager Assets and Programming

Completion date:

30 June 2024

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

4. Fixed Asset Depreciation Rates

Finding (FY2022)

From our testing of depreciation expense, we noted eight out of 26 sampled assets were not being depreciated in accordance with the depreciation policy for example:

- Rural unsealed roads depreciated over a useful life 10 to 20 years, instead of 12 years.
- Drainage assets were depreciated over a useful life 80 and 100 years, instead of 100 years.
- Urban sealed roads were depreciated over a useful life 70 and 80 years, instead of 40 years.

Finding (FY2023)

During our testing, the Shire conducted a review of the depreciation rates applied to infrastructure assets, however we noted two assets held unusually high depreciation rate and during the review process we noted the wrong depreciation rate was applied as illustrated below:

Asset number	FY2023 initial depreciation expenses	FY2023 initial depreciation rate applied	FY2023 Final (audited) depreciation rate applied	FY2023 final (audited) depreciation expenses	Movement
Asset IR210	\$467,991	3.26%	1.67%	\$241,726	\$226,265
Asset IR226	\$9,934,377	14.55%	6.91%	\$4,831,397	\$5,102,980

This correction of \$5.3 million has been duly reflected in the FY2023 financial statements.

Rating Significant (2022: Significant)

Implication

Failure to apply the Shire's accounting policy on depreciation rates within the FAR increases the risk of Shire's financial statements being misstated.

Recommendation

It is recommended the Shire review and revise their depreciation methodology to ensure it aligns with the Shire's Policies, depreciation expense should accurately be applied and reflect the remaining useful life of assets. Conducting a comprehensive assessment of the affected assets and adjusting the depreciation charges accordingly will help rectify the inaccuracies and improve the reliability of financial reporting.

It is also recommended the Shire ensures it applies its revised depreciation methodology correctly in future years, with depreciation expense to be charged to assets over the assets useful life and in accordance with Shire's policies.

Management comment

Noted: A full review of depreciation rates to be conducted using the 2023 infrastructure valuation data. A review of system, processes, and controls to be conducted to ensure correct useful lives are being applied to new additions and depreciation is correctly applied.

Responsible position: Manager Assets and Programming/Manager Finance
Completion date: 30 June 2024

ATTACHMENT A**SHIRE OF ASHBURTON****PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023****FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT****5. Payroll controls****Finding - 2021**

During testing over payroll cycle, we noted the following exceptions.

- No evidence of review of payroll exception reports;
- One instance out of 20 sampled no secondary evidence of review of employee termination acknowledgement;
- One instance out of eight sampled, where no formal email notification was sent out for employee termination;
- One instance out of 20 sampled staff members can approve their own timesheets;
- Five instances out of eight sampled, with no secondary review of new employee details correctly uploaded into payroll system;
- One instance out of 20 sampled, where timesheet was not available.

Finding Status - 2022

During testing over the payroll cycle, we noted the following exceptions.

- No evidence of review of payroll exception reports;
- One instance out of 41 sampled, overpayment due to incorrect overtime hours
- Six instances out of eight sampled, with no secondary review of employee bank details correctly uploaded into payroll system;
- Two instance out of eight sampled, where no formal resignation and no notification of resignation was sent out for employee termination;

Finding Status - 2023

During testing of over payroll cycle, we noted the following exceptions.

- One instance out of five sampled, the employee was overpaid due to incorrect rounding of 15 minute as per their timesheets

Rating: Significant (2022: Significant)

Implication

Without an appropriate review process in place, there is a risk that errors in employee payments may go undetected.

Recommendation

We recommend the Shire to:

1. Ensure that evidence of changes to the employee master file data are matched to the audit trail report as part of an independent review process;
2. Ensure that officers with a role to independently review changes in master file data do not also have the ability to modify master file data;
3. Implement a procedure to produce audit trail reports from SynergySoft, which are independently reviewed by an independent officer; and
4. Consideration be given to developing appropriate segregation of duties around payroll processes.

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

Management comment

Independent review of process has been implemented for the last 12 months and is working effectively. Controls to be documented.

Documentation of updated processes and controls has been placed on hold as a result of changing payroll system.

Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.

A number of internal controls, including segregation of duties have been in place, with formal documentation pending. Segregation of duties has been considered and fully incorporated into the new payroll system setup. Formally documenting these internal controls will be completed post new payroll system going live.

Responsible position: Manager Finance
Completion date: 30 June 2024

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

6. Review of general journals

Finding

As part of our testing around manual journal entries during the year, we noted that in a number of instances the Finance Manager would raise journals with the financial accountant reviewing the journal as a second reviewer.

The second reviewer should be a staff member with the same or higher hierarchy.

Rating: Moderate

Implication

Without an appropriate independent review process there is an increased risk that manual journals may be posted that are erroneous or fraudulent and go undetected by management.

Recommendation

We recommend that all manual journals raised undergo independent appropriate level of review from a staff member.

Management comment

Noted: As an internal control measure the Finance Manager has ensured that all journals processed are independently reviewed, as recommended by the Auditors in 2022.

It should be noted that the Finance Manager was acting in the position of Director Corporate Services for the majority of the year, limiting the staff with higher hierarchy.

A review of internal controls surrounding processing of journals to be develop and documented, aligning to the Shire's risk management objectives.

Responsible person: Manager Finance

Completion date: 30 June 2024

ATTACHMENT A

SHIRE OF ASHBURTON

PERIOD OF AUDIT: 1 JULY 2022 TO 30 JUNE 2023

FINDINGS IDENTIFIED DURING THE FINANCIAL AUDIT

7. Provision of annual leave

Finding

From our testing of provisions for annual leave, we observed inconsistencies in two out of the three samples tested resulting in a misstatement of \$1,188 and an extrapolated variance of \$13,004. The discrepancies were noted between the actual leave taken report and the corresponding annual leave report. Such disparities, although minor, may raise concerns regarding the accuracy and reliability of the annual leave provisions recorded. The inconsistencies arose due to the following factors:

- Employee had incorrectly applied for annual leave when taking long service leave causing a discrepancy in the payroll report of 56 hours.
- Employee had applied for excess leave and did not take the actual amount of leave and the leave application was amended, hence causing a discrepancy in the payroll report of four hours.

Rating: Minor**Implication**

Inconsistencies in annual leave records can have several implications for an organization, affecting both financial reporting and employee management.

- Financial reporting accuracy: Inaccurate annual leave records can lead to material misstatements in financial statements, impacting the accuracy of financial reporting.
- Compliance and legal risks: Inconsistencies can lead to disputes between employees and employers, especially if discrepancies affect leave balances, entitlements, or payouts.

Recommendation

The Shire should regularly review and reconcile annual leave records, implement robust internal controls, and ensure compliance with relevant labour laws and regulations. Additionally, promptly addressing and rectifying any identified inconsistencies is crucial to maintaining trust and transparency within the Shire.

Management comment

Noted: Synergy Payroll system limitations did not allow for full internal control measures. The new payroll system has been set up with internal control measures to ensure that all leave is processed and approved via the leave system and not entered directly into the timesheets.

Payroll System is to go live late December 2023 and a full review of processes and controls will be documented in line with new system capabilities.

Responsible position: Manager Finance
Completion date: 30 June 2024



Agenda Item 6.2 - Attachment 4

Management Letter - IT General Controls 2022/23

ATTACHMENT B

SHIRE OF ASHBURTON

PERIOD OF AUDIT: YEAR ENDED 2023

FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT

Index of findings	Potential impact on audit opinion	Rating			Prior year finding
		Significant	Moderate	Minor	
1. Network access management	Yes	✓			✓
2. SynergySoft financial application – access management	Yes	✓			✓
3. Risk Management	No		✓		✓
4. Business Continuity Management	No		✓		✓
5. IT Governance	No		✓		✓
6. Change management	No		✓		✓
7. Network security management	No			✓	✓
8. Physical security management	No			✓	✓

Key to ratings

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

Significant - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.

Moderate - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.

Minor - Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT B

SHIRE OF ASHBURTON

PERIOD OF AUDIT: YEAR ENDED 2023

FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT

1. Network access management

2023 Status

The 2021/22 finding remains unresolved.

We identified the following deficiencies with the management of the Shire's network access:

- Evidence could not be provided for two out of five new users provisioned to verify the appropriate onboarding process was followed.
- One out of 88 terminated user accounts remained active after termination date. The user did not log in after termination and has since been disabled.
- 33 out of the 225 active network user accounts belong to people who were not listed in the HR employee listing. 14 of the identified users have an active SynergySoft account.
- 121 generic accounts exist, with 35 of these not having a noted description or business use.
- We were unable to verify if there were any dormant accounts (inactive for 180 days or more) as no last login dates were provided in the network user listing).

Rating: Significant (2022: Significant)

Implication

Without appropriate user access management controls in place there is an increased risk of inappropriate or unauthorised access to the Shire's IT systems and/or information. This could impact the confidentiality, integrity, and availability of information.

Recommendation

The Shire should:

- Ensure evidence of all new users provisioned access to the network are documented and maintained.
- Remove accounts that belong to terminated employees or are no longer required.
- Ensure all active network user accounts belong to employees in the HR listing or provide a suitable description why external parties has access to the network.
- Define generic accounts with an appropriate description and business use, and remove generic accounts, especially shared accounts, where possible.
- Ensure inactive accounts are disabled.

Management comment

Action to ensure new users are provisioned correctly has been completed. A service desk system has been implemented with documented policy and procedures that are being followed. Confident that this action will be able to be close at next review.

Responsible person: Matthew Younger – Manager Information Services
Completion date: 31 December 2023

ATTACHMENT B

SHIRE OF ASHBURTON

PERIOD OF AUDIT: YEAR ENDED 2023

FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT

2. SynergySoft financial application – access management

2023 Status

The 2021/22 finding remains unresolved.

We identified the following deficiencies with access management of the Shire's financial application, SynergySoft:

- Evidence could not be provided for one out of three new users provisioned to verify the appropriate onboarding process was followed. One of the samples reviewed had the incorrect commencement date.
- 37 out of 88 terminated employees during the audit period had active SynergySoft accounts. Due to active directory (AD) based authentication, these accounts cannot access SynergySoft.
- 102 out of the 230 active SynergySoft user accounts belong to people who are not listed in the current HR employee listing.
- 22 generic accounts exist, with four of these not having a noted description or business use.
- We were unable to verify if there were any dormant accounts (inactive for 180 days or more) as no last login dates were provided in the SynergySoft user listing).

Rating: Significant (2022: Significant)

Implication

Without effective user access management processes in place, there is an increased risk of unauthorised access to the SynergySoft application. This could impact the confidentiality, integrity, and availability of the Shire's financial information.

Recommendation

The Shire should:

- Ensure evidence of all new users provisioned access to the SynergySoft application are documented and maintained.
- Remove SynergySoft accounts that belong to terminated employees or are no longer required.
- Ensure all active SynergySoft user accounts belong to employees in the HR listing.
- Define generic accounts with an appropriate description and business use, and remove generic accounts, especially shared accounts, where possible.
- Ensure inactive accounts are disabled.

Management comment

Noted, however User Active Directory account is disabled on termination preventing external access to SynergySoft. IT have a procedure in place to reconcile Synergy Accounts with Active Directory on a six-monthly basis. This task is recurring in the service desk system. Believe this item will be able to be closed at next review.

Responsible person:

Matthew Younger – Manager Information Services

Completion date:

31 December 2023

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****3. Risk Management****2023 Status**

The 2022 finding remains unresolved.

Throughout the engagement, we identified the following deficiencies with the Shire's risk management processes:

- The 'IT Risk Management Framework and Procedures' document has not been reviewed or approved in alignment to the defined requirement within the document of biennial review. The document was last reviewed in July 2017.
- There is no IT Risk Register.

We acknowledge that the Shire is in the process of releasing a Request for Quote (RFQ) for the appointment of a Risk Management & Business Continuity Consultant to support the organisation in establishing a risk management framework and overall risk register.

Rating: Moderate (2022: Moderate)

Implication

Without an up-to-date IT risk management approach, there is an increased risk that the Shire's risk mitigation strategies ineffectively identify and address key risks affecting the IT environment.

Recommendation

The Shire should:

- Review, update, endorse and maintain an effective IT risk management framework and procedures.
- Design and implement an overall business risk register that can specifically track and manage IT related risks.

Management comment

IT risk register that compliments the Corporate Risk Management Framework underdevelopment will be developed during 23/24.

Responsible person: Matthew Younger – Manager Information Services

Completion date: 30 June 2024

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****4. Business Continuity Management****2023 Status**

The 2022 finding remains unresolved.

We identified the following deficiencies with the Shire's management of business continuity:

- There is no documented backup policy that governs backups, retention, and restoration requirements.
- The Business Continuity Plan (BCP) has not been reviewed or approved since its scheduled review date of July 2018.
- The Disaster Recovery Plan (DRP) does make provision for the following details in line with better practices:
 - Roles and responsibilities (all relevant personnel in an incident - e.g., IT staff, IT Managers, Disaster Response Team).
 - Clear process to activate the DRP, analyse, respond and contain disasters, with remediation and DRP process analysis to be performed, (including a process flow diagram from start to finish).
 - Matrix to classify between minor and major disasters (how are they classified and what actions are required).
 - Communication requirements (contact lists of key stakeholders and relevant 3rd parties).
 - Disaster scenarios (multiple realistic scenarios, that provide a clear process and checklist to follow in this event).
 - Disaster checklists to investigate the extent of a disaster, which should include at a minimum:
 - Class of attack (environmental, cyber, etc)
 - Type of attack (earthquake, malware, DDOS, etc)
 - Scale of attack (complete DC loss, partial loss, etc)
 - Affected locations (DC1, DC2, etc)
 - Affected systems (servers, workstation, applications, etc).
 - Scheduled review date.
 - Documented approval.
 - Document control.
- There is no Incident Response Plan.

Rating: Moderate (2022: Moderate)

Implication

Without appropriate continuity arrangements, the Shire may not be able to recover critical services in a timely manner, in line with business requirements. This could affect the Shire in providing key operations and business functions.

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****Recommendation**

The Shire should:

- Define, document, and endorse a backup policy that governs backups, retention, and restoration requirements.
- Review, update and endorse the existing Business Continuity Plan (BCP).
- Continue developing and endorse the existing Disaster Recovery Plan (DRP).
- Define, document, and endorse an Incident Response Plan.

Management comment

IT DRP will be developed during 23/24 to compliment the Corporate Business Continuity Framework that is being developed.

Responsible person: Matthew Younger – Manager Information Services
Completion date: 30 June 2024

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****5. IT Governance****2023 Status**

The 2021/22 finding remains unresolved.

Throughout the engagement, we identified the following deficiencies with the Shire's IT governance:

- The CS024 Information and Communication Technology Directive has not been reviewed or approved since 2016. The scheduled review date was in 2018.
- The EMP32 Internet and Mobile Usage Directive has not been reviewed or approved since 2017. The scheduled review date was in 2021.
- The Cyber Security Framework is still in draft.

Further, we identified that the IT Acceptable Use policy have not been reviewed in accordance with their stated scheduled review date. It was noted that the policy was last reviewed in 2016. Also, the ICT strategic framework has not been endorsed by management.

Rating: Moderate (2022: Moderate)

Implication

Without up-to-date IT governance policies, procedures and guideline documents, there is increased risk they might not support the needs of the Shire and that staff might not be fulfilling management expectations.

Recommendation

The Shire should:

- Review, update and endorse the CS024 Information and Communication Technology Directive.
- Review, update and endorse the EMP32 Internet and Mobile Usage Directive.
- Continue to develop and endorse the Cyber Security Framework.

Management comment

Noted. New Manager Information Services that commenced December 2023 is reviewing as a priority.

Responsible person: Matthew Younger – Manager Information Services
Completion date: 30 June 2024

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****6. Change management****2023 Status**

The 2021/22 finding remains unresolved:

We identified that changes during the audit period were not listed in a register and could not be accurately tracked.

We acknowledge that the Shire implemented a change register maintained within the FreshService ticketing system as of July 2023 however, this was not within the audit period.

Rating: Moderate (2022: Moderate)

Implication

Without a change register, there is an increased risk that changes made to IT systems are not adequately tracked, approved, tested and documented. The availability or security of IT systems could be compromised should a change negatively impact them.

Recommendation

The Shire should log all changes within a change register to ensure changes are appropriately tracked, approved, tested and documented.

Management comment

Noted. We believe that this has been actioned and will be able to be closed at next review.

Responsible person: Matthew Younger – Manager Information Services

Completion date: 31 December 2023

ATTACHMENT B

SHIRE OF ASHBURTON

PERIOD OF AUDIT: YEAR ENDED 2023

FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT

7. Network security management

2023 Status

The 2021/22 finding remains unresolved.

We identified the following deficiencies with the Shire's management of network security:

- There is no documented Vulnerability Management policy or procedure.
- No vulnerability scans or assessments have been performed.

We acknowledge that the Shire has purchased Nessus Pro. However are yet to deploy the vulnerability scanning software.

Rating: Minor (2022: Moderate)

Implication

Without an up-to-date and effective vulnerability management process, there is an increased risk that the Shire will not be able to maintain a resilient network infrastructure. This could lead to potential cyber breaches, downtime and loss or exposure of critical systems or information.

Recommendation

The Shire should:

- Define, document, and endorse a vulnerability management process.
- Perform vulnerability scans and assessments on a regular basis.

Management comment

Noted. Implementation is in progress and expected to be fully operational early 2024.

Responsible person:

Matthew Younger – Manager Information Services

Completion date:

31 March 2024

ATTACHMENT B**SHIRE OF ASHBURTON****PERIOD OF AUDIT: YEAR ENDED 2023****FINDINGS IDENTIFIED DURING INFORMATION SYSTEMS AUDIT****8. Physical security management****2023 Status**

The 2021/22 finding remains unresolved.

We identified the following deficiencies with the Shire's physical security management of the Tom Price Admin Datacentre:

- There is no documented Datacentre policy or procedure.
- Datacentre access is not restricted to only ICT personnel and are not electronically logged.
- There is no operator logbook to record access and changes performed to the datacentre.
- Physical record files are stored within the datacentre and can act as a potential fire hazard.
- No fire alarm pull boxes are installed on the premise. However, smoke alarms are within the datacentre.
- No fire drills have been performed during the audit period.

We acknowledge that there is CCTV within the Tom Price Admin Datacentre to ensure accountability. Additionally, management has advised that the records stored within the datacentre are known to be of a critical nature which requires adequate protection that the datacentre provides. Furthermore, physical access is limited to approved personnel.

Rating: Minor (2022: Moderate)

Implication

Without appropriate controls in place to manage physical security, there is an increased risk of inappropriate and/or unauthorised access to critical infrastructure. This could impact the confidentiality, integrity, and availability of the Shire's information.

Recommendation

The Shire should:

- Define, document, and endorse a datacentre policy or procedure that details the necessary security and access controls to protect physical infrastructure.
- Restrict datacentre access to only authorised ICT personnel.
- Document and maintain a datacentre operator logbook to record access and changes performed to the datacentre.
- Remove or appropriately protect potential flammable materials from the datacentre.
- Investigate, install, and test appropriate fire alarm systems.
- Perform regular fire drills to ensure staff understand their obligations in an emergency.

Management comment

Noted. There are limitations on what modifications can be practically done at the Tom Price Administration Centre which is earmarked for demolition in the next 2 – 3 years. There are access controls in place, but it is not a dedicated datacentre.

Responsible person:

Matthew Younger – Manager Information Services

Completion date:

31 December 2023



Agenda Item 6.3 - Attachment 1

2023 Compliance Audit Return



2023 Compliance Audit Return

Compliance Calendar Task

C189-1 Delegation of Power / Duty	
Description	Delegation of Power / Duty
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 1 February 2024



Checklist and outcome		
Not applicable	1. s5.16(1) - Were all delegations to committees resolved by absolute majority?	No delegation to committees.
Not applicable	2. s5.16 (2) - Were all delegations to committees in writing?	No delegation to committees.
Not applicable	3. s.5.17 - Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	No delegation to committees.
Not applicable	4. s5.18 - Were all delegations to committees recorded in a register of delegations?	No delegation to committees.
Not applicable	5. s5.18 - Has council reviewed delegations to its committees in the 2022/2023 financial year?	No delegation to committees.
Yes or completed	6. s5.42(1) & s5.43 Admin Reg 18G - Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?	---
Yes or completed	7. s5.42(1) - Were all delegations to the CEO resolved by an absolute majority?	---
Yes or completed	8. S5.42(2) - Were all delegations to the CEO in writing?	---
Yes or completed	9. s5.44(2) - Were all delegations by the CEO to any employee in writing?	This is done through Attain.
Yes or completed	10 s.5.16(3)(b) & s5.45(1)(b) - Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	---
Yes or completed	11. s5.46(1) - Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	---
Yes or completed	12. s5.46(2) - Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2022/2023 financial year?	Council reviewed its delegations at its meeting held 13 June 2023. The CEO reviewed his delegations on 10 January 2023.
Yes or completed	13. s.5.46(3), Admin Reg 19 - Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	Exercise of delegations are recorded in Attain.



Details of outcome	All questions completed.
Supporting comments	---
Supporting documents	Register of Delegated Authority and Authorisations



Compliance Calendar Task

C189-2 Disclosure of Interest	
Description	Disclosure of Interest
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 5 January 2024

Checklist and outcome		
Yes or completed	1. s5.67 - Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	---
Yes or completed	2. s5.68(2) & s5.69(5) Admin Reg 21A Were all decisions regarding participation approval, including the extent of participation allowed & where relevant, the information required by Local Government (Administration) Regs 1996 reg 21A, recorded in minutes of the relevant council or committee meeting?	---
Yes or completed	3. s5.73 - Were disclosures under section sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	---
Yes or completed	4. s5.75 Admin Reg 22, Form 2 - Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	---
Yes or completed	5. s5.76 Admin Reg 23, Form 3 - Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2023?	---
Yes or completed	6. s5.77 - On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	All returns are acknowledged by the CEO through Attain.



Yes or completed	7. s5.88(1) & (2)(a) - Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	---
Yes or completed	8. s5.88(1) & (2)(b) Admin Reg 28 - Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in Local Government (Administration) Regulations 1996, regulation 28	---
Yes or completed	9. s5.88(3) - When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	---
Yes or completed	10. s5.88(4) - Have all returns removed from the register in accordance with section 5.88 (3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	---
Yes or completed	11. s5.89A(1), (2) & (3) Admin Reg 28A - Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	---
Yes or completed	12. s5.89A(5) & (5A) - Did the CEO publish an up-to-date version of the gift register on the local government's website?	---
Yes or completed	13. s5.89A(6) - When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	---
Yes or completed	14. - s5.89A(7) Have copies of all records removed from the register under section 5.89A(6) of the Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	---



Yes or completed	15. s5.70(2) & (3) - Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	---
Not applicable	16.s5.71A & s5.71B(5)Where council applied to Minister to allow CEO to provide advice or a report to which a disclosure under s5.71A (1) of the Act relates, did application include details of nature of the interest disclosed & any information required by the Minister for the purpose of application?	Nil requirement.
Not applicable	17. s5.71B(6) & s5.71B(7) - Was any decision made by the Minister under subsection 5.71B (6) of the Local Government Act 1995 recorded in the minutes of the council meeting at which the decision was considered?	Nil requirement.
Yes or completed	18. s5.104(1) - Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates that incorporates the model code of conduct?	The review of the Code of Conduct for Council Members, Committee Members and Candidates was adopted by Council on 12 December 2023.
Not applicable	19. s5.104(3) & (4) - Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	No additional requirements were included in the adopted Code of Conduct for Council Members, Committee Members and Candidates.
Yes or completed	20. s5.104(7) - Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Refer to the Shire's website.
Yes or completed	21. s5.51A(1) & (3) - Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Refer to the Shire's website.
Details of outcome	Checklist completed.	
Supporting comments	---	



Supporting documents	18.	Code of Conduct for Council Members, Committee Members and Candidates
	21.	Employee Code of Conduct
	7.	Primary and Annual Returns Register
	8.	Register of Financial Interests



Compliance Calendar Task

C189-3 Commercial Enterprise by Local Governments	
Description	Commercial Enterprise by Local Governments
Position responsible	Executive Manager Land, Property and Regulatory Services
Assigned to	Rachael Wright (Rachael.Wright@ashburton.wa.gov.au)
Status	Completed 30 January 2024

Checklist and outcome		
Not applicable	1. s3.59(2)(a) F&G Regs 7,9,10 - Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2023?	none for this time period
Not applicable	2. s3.59(2)(b) F&G Regs 7,8A, 8, 10 - Has the local government prepared a business plan for each major land transaction that was not exempt in 2023?	nil
Not applicable	3. s3.59(2)(c) F&G Regs 7,8A, 8,10 - Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2023?	---
Not applicable	4. s3.59(4) - Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2023?	nil
Not applicable	5. s3.59(5) - During 2023, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	none on this occasion
Details of outcome	complete	
Supporting comments	---	
Supporting documents	None	



Compliance Calendar Task

C189-4 Disposal of Property	
Description	Disposal of Property
Position responsible	Executive Manager Land, Property and Regulatory Services
Assigned to	Rachael Wright (Rachael.Wright@ashburton.wa.gov.au)
Status	Completed 29 January 2024

Checklist and outcome		
Yes or completed	1. s3.58(3) - Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	all private treaty leases/licences were advertised in accordance with the LGA
Yes or completed	2. s3.58(4) - Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58 (4) in the required local public notice for each disposal of property?	---
Details of outcome	complete, all private leases/licenses were advertised and details provided in accordance with the LGA	
Supporting comments	---	
Supporting documents	None	



Compliance Calendar Task

C189-5 Integrated Planning and Reporting	
Description	Integrated Planning and Reporting
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 5 January 2024

Checklist and outcome		
Yes or completed	1. Admin Reg 19C - Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	The Strategic Community Plan 2022-2032 was adopted by Council on 8 March 2022.
Yes or completed	2. Admin Reg 19DA(1) & (4) - Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	The Corporate Business Plan 2023-2027 was adopted by Council on 8 August 2023.
Yes or completed	3. Admin Reg 19DA(2) & (3) - Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	---
Details of outcome	Checklist completed	
Supporting comments	---	
Supporting documents	1. Strategic Community Plan 2022-2032 2. Corporate Business Plan 2023/2027	



Compliance Calendar Task

C189-6 Local Government Employees	
Description	Local Government Employees
Position responsible	Manager Organisational Development
Assigned to	Adele Heraty (adele.heraty@ashburton.wa.gov.au)
Status	Completed 8 January 2024

Checklist and outcome		
Yes or completed	1. s5.36(4) & s5.37(3) Admin Reg 18A - Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	---
Not applicable	2. Admin Reg 18E - Was all information provided in applications for the position of CEO true and accurate?	---
Not applicable	3. Admin Reg 18F - Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	---
Yes or completed	4. s5.37(2) - Did the CEO inform council of each proposal to employ or dismiss senior employee?	---
Not applicable	5. s5.37(2) - Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	---
Details of outcome	Recently appointed Deputy CEO, endorsed by Council. The remainder of tasks are N/A as it relates to the appointment of a CEO.	
Supporting comments	---	
Supporting documents	None	



Compliance Calendar Task

C189-7 Tenders for Providing Goods and Services	
Description	Tenders for Providing Goods and Services
Position responsible	Senior Procurement Officer
Assigned to	Renae Lynch (Renae.Lynch@ashburton.wa.gov.au)
Status	Completed 8 January 2024

Checklist and outcome		
Yes or completed	1. F&G Reg 11A(1) & (3) - Did the local government comply with its current purchasing policy, adopted under F & G Reg 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	As per Purchasing and Procurement Policy
Yes or completed	2. s3.57 F&G Reg 11 Subject to F&G Reg 11 (2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	---
Yes or completed	3. F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)-When regulations 11(1), 12(2) or 13 of the F & G Regs, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Advertising on notice boards, website, social Media and the West Australian newspaper.
Yes or completed	4. F&G Reg 12 - Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	Separable portions for contracts when needed for different towns.
Yes or completed	5. F&G Reg 14(5) - If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	All tenders are given information either by Tenderlink forum or Addendum via Tenderlink



Yes or completed	6. F&G Regs 15 & 16 - Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	See Public Tender Register on SoA website
Yes or completed	7. F&G Reg 17 - Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	See Public Tender Register on SoA website
Yes or completed	8. F&G Reg 18(1) - Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	Yes for RFT 21.23 - Ashburton Downs Road and Ashburton Downs-Meekatharra Road Works. One company.
Yes or completed	9. F&G Reg 18(4) - Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes
Yes or completed	10. F&G Reg 19 - Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes
Yes or completed	11. F&G Regs 21 & 22 - Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	All tenders for Public Tender and Expression of interest are advertised in the West Australian and advertised for a minimum of 14 days.
Yes or completed	12. F&G Reg 23(1) & (2) - Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	No
Yes or completed	13. F&G Reg 23(3) & (4) Were all expressions of interest that were not rejected under F&G Reg 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	Yes
Yes or completed	14. F&G Reg 24 - Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	Yes



Not applicable	15. F&G Regs 24AD(2) & (4) and 24AE - Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	---
Not applicable	16. F&G Reg 24AD(6) - If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	---
Not applicable	17. F&G Reg 24AF - Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	---
Not applicable	18. F&G Reg 24AG - Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	---
Not applicable	19. F&G Reg 24AH(1) - Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	---
Not applicable	20. F&G Reg 24AH(3) - Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	---
Not applicable	21. F&G Reg 24AI - Did the CEO send each applicant written notice advising them of the outcome of their application?	---
Yes or completed	22. F&G Regs 24E & 24F - Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	Yes - Regional Price Preference Policy
Details of outcome	Completed.	



Supporting comments	---
Supporting documents	<i>None</i>



Compliance Calendar Task

C189-8 Finance	
Description	Finance
Position responsible	Manager Finance
Assigned to	Taryn Dayman (taryn.dayman@ashburton.wa.gov.au)
Status	Completed 23 January 2024



Checklist and outcome		
Yes or completed	1. s7.1A - Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	Appointment of elected members to the Audit and Risk Management Committee was resolved at the Special Council meeting 25/10/2023 Council Decision 195/2023
Yes or completed	2. s7.1B - Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	Council has not delegated any powers or duties to the Audit Committee
Yes or completed	3. s7.9(1) - Was the auditor's report for the financial year ended 30 June 2023 received by the local government by 31 December 2023?	The Auditor's report for the Financial Year ended 30 June 2023 was received on the 21 December 2023
Yes or completed	4. s7.12A(3) - Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	No matters were raised on the Auditor General Auditor's Report
Not applicable	5. Where matters identified as significant were reported in auditor's report, did local government prepare report that stated what action they had taken or intended to take with respect to each of those matters? Was copy of report given to the Minister within 3 months of audit report being received?	---
Not applicable	6. s7.12A(5) - Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	---
Yes or completed	7. Audit Reg 10(1) - Was the auditor's report for the financial year ending 30 June 2023 received by the local government within 30 days of completion of the audit?	The Audit for the Financial Year ending 30 June 2023 was completed on the 20 December 2023 and the Audit report received on the 21 December 2023
Details of outcome	As per comments provided for in the checklist	
Supporting comments	---	
Supporting documents	None	



Compliance Calendar Task

C189-9 Official Conduct	
Description	Official Conduct
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 5 January 2024

Checklist and outcome		
Not applicable	1. s5.120 - Has the local government designated an employee to be its complaints officer?	The Chief Executive Officer is the Shire's designated complaints officer.
Yes or completed	2. s5.121(1) & (2) - Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	---
Yes or completed	3. S5.121(2) - Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	---
Yes or completed	4. s5.121(3) - Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Refer to the Register of Certain Complaints of Minor Breaches on the Shire's website.
Details of outcome	Checklist completed	
Supporting comments	---	
Supporting documents	Complaints Register	



Compliance Calendar Task

C189-10 Optional Questions

Description	Optional Questions
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 5 February 2024

Checklist and outcome

Yes or completed	1. Reg 5(2)(c)- Did CEO review appropriateness & effectiveness of local government's financial management systems & procedures in accordance with FM regulations 5(2)(c) within the 3 financial years prior to 31 Dec 2023? If yes, please provide the date of council's resolution to accept the report	A financial management review was completed in December 2023. The report will be submitted to the Audit and Risk Management Committee and Council on 20 February 2024.
Yes or completed	2. Did CEO review appropriateness & effectiveness of local government's systems & procedures in relation to risk management, internal control & legislative compliance in accordance with Audit Reg 17 within the 3 financial years prior to 31/12/23? If yes, provide date of council's resolution to accept report	A regulation 17 review was endorsed by Council on 10 October 2023.
No or not completed	3. s5.87C - Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	Five disclosures in 2023 were received outside of the 10 day disclosure period.
Yes or completed	4. s5.90A(2) & (5) - Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events ?	A review of Council Policy - Elected Member and Chief Executive Officer Attendance at Events was adopted by Council on 12 December 2023. Refer to the Shire's website for the current policy.
Yes or completed	5. s5.96A(1), (2), (3) & (4) - Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	All information to be published on the Shire's website under section 5.96A available



Yes or completed	6. s5.128(1) - Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	A review of Council Policy - Elected Member Continuing Professional Development was adopted by Council on 12 December 2023.
Yes or completed	7. s5.127 Did the local government prepare a report on the training completed by council members in the 2022/2023 financial year and publish it on the local government's official website by 31 July 2023?	Refer to the Report on Council Training and Professional Development on the Shire's website.
Yes or completed	8. s6.4(3) By 30 September 2023, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2023?	Annual financial report statement submitted to RSM 30 September 2023 by Manager Finance
Yes or completed	9. s.6.2(3) - When adopting the annual budget, did the local government take into account all it's expenditure, revenue and income?	Yes
Details of outcome	Responses completed	
Supporting comments	---	
Supporting documents	3. Register of Gifts 4. Council Policy - Elected Member and Chief Executive Officer Attendance at Events 6. Council Policy - Elected Member Continuing Professional Development 7. Report on Council Member Training and Professional Development	

C189-11 Elections	
Description	Elections
Position responsible	Manager Governance
Assigned to	Jasmine Bray (jasmine.bray@ashburton.wa.gov.au)
Status	Completed 5 January 2024

Checklist and outcome		
Yes or completed	1. Did CEO establish & maintain an electoral gift register, ensuring that all disclosure of gifts completed by candidates & donors and received by CEO were placed on the electoral gift register at time of receipt by CEO that clearly identifies and distinguishes the forms relating to each candidate?	Refer to the Electoral Gift Register on the Shire's website.
Not applicable	2. Elect Regs 30G(3) & (4) - Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	No electoral gift disclosures received for the 2023 Local Government Ordinary Elections.
Yes or completed	3. Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	Refer to the Electoral Gift Register on the Shire's website.
Details of outcome	Checklist completed	
Supporting comments	---	
Supporting documents	Register of Electoral Gifts	



Agenda Item 6.3 - Attachment 2

Internal Auditor's Review Certification



Memo

To: Audit and Risk Management Committee

Date: 31 JANUARY 2024

Subject: Review of 2023 Compliance Audit Return

From: DILUKA WEERASINGHA, INTERNAL AUDITOR

With reference to the 2023 Compliance Audit Return, Internal Audit has conducted review on integrity of the process.


Due to widespread scope to verify accuracy and completeness of each response by different respondents, internal audit has limited the review to agree individual responses to final Compliance Audit Return based on Attain (Compliance System) as follows:

Area	Respondent	Responses
C189 Delegation of Power / Duty	Manager Governance	All YES
C189 Disclosure of Interest	Manager Governance	All YES
C189 Commercial Enterprise by Local Governments	Executive Manager Land, Property and Regulatory Services	All YES
C189 Disposal of Property	Executive Manager Land, Property and Regulatory Services	All YES
C189 Integrated Planning and Reporting	Manager Governance	All YES
C189 Local Government Employees	Manager Organisational Development	All YES
C189 Tenders for Providing Goods and Services	Senior Procurement Officer	All YES
C189 Finance	Manager Finance	All YES

Shire of Ashburton

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C189 Official Conduct	Manager Governance	All YES
C189 Optional Questions	Manager Governance	<p>1 NO Answer was informed.</p> <p>3. s5.87C - Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?</p> <p>Five disclosures in 2023 were received outside of the 10 day disclosure period.</p>
C189 Elections	Manager Governance	All YES



Diluka Weerasingha CPA, CIA

Internal Auditor

Shire of Ashburton



Agenda Item 6.4 - Attachment 1

Financial Management Review 2024

Shire of Ashburton

Financial Management Review

February 2024

Local Government (Financial Management) Regulations 1996, Western Australia





Acknowledgement of Country

The Shire of Ashburton acknowledges the local Indigenous people, the traditional custodians of this land. We pay respect to the elders, past, present, and emerging and extend that respect to all Aboriginal Australians living within the Shire of Ashburton.





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From: Diluka Weerasingha, Internal Auditor

To: Audit and Risk Management Committee

Subject: Financial Management Review 2023

Engagement Period: 1st July 2020 to 31st March 2023

Date: 29 January 2024

Introduction

To fulfill the requirement of WA Local Government (Financial Management) Regulations 1996 section 5 (2) (c) by CEO, Management has requested internal audit to carry out the Financial Management Review (FMR) as an independent function from management.

Section 5 (2) (c) of WA Local Government (Financial Management) Regulations 1996 states:

"The CEO is to-

undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government with the results of those reviews."

Last such review had been carried out in 2019 by M/S Paxon and showing on the audit and risk management committee public agenda 18 June 2019. Subsequently, issues identified with 2019 had been followed up with the internal audit report dated 22 April 2021 by M/S Moore Australia.

Objectives and scope of the FMR

Objectives

The objective of the review is to:

Per the Local Government (Financial Management) Regulations 1996 as amended in June 2018 Section 5:

5 (1) Ensure there are effective and efficient control systems:

- (a) for the proper collection of all money owing to the local government.
- (b) for the safe custody and security of all money collected or held by the local government.
- (c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);
- (d) to ensure proper accounting for municipal or trust —
 - (i) revenue received or receivable; and
 - (ii) expenses paid or payable; and



(iii) assets and liabilities.

(e) to ensure proper authorization for the incurring of liabilities and the making of payments.

(f) for the maintenance of payroll, stock control and costing records.

(g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

5 (2) Ensure that

(a) the resources of the local government are effectively and efficiently managed; and

(b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year)

Use of third-party information

The use of third-party specialist reports was to leverage specialized expertise for informed recommendations.

Scope limitations

We have not received below information, to substantiate the financial information provided, which were requested and updated in the status report.

- Mapping of each ledger account to Audited Financial Statements 2021-2022;
- Investment Register on Term Deposits;
- Revenue Recognition Schedule for Grants 2021-2022; and
- Details of road data requested by email from Assets Management email dated 4th January 2024.
- Evidence supporting for Vehicle Purchase and Disposals.

Significant dates

Event	Date
Planning memorandum	3 rd April 2023
Kick-off meeting	11 th April 2023
Issue Summary of findings for exit meeting	7 th July 2023
Exit meeting	15 th December 2023
Issue draft report	15 th January 2024
ELT meeting date	1 st February 2024

Basis of review

Due to the inherent limitations in any internal control structure, it is possible errors or irregularities may occur and not be detected. Further, the internal control structure, within which the control procedures that have been reviewed operate, has not been reviewed in its entirety and therefore no opinion is expressed as to the effectiveness of the greater internal control structure. It should also be noted that the review was not designed to detect all weaknesses in control procedures as it was not performed continuously throughout the period subject to review.



In my professional judgment as Internal Auditor, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report subject to scope limitation mentioned in above. The conclusions were based on a comparison of the situations as they existed at the time against the audit criteria. The conclusions are only applicable for the processes examined. The evidence gathered meets professional audit standards and is sufficient to provide Audit and Risk Management Committee with proof of the conclusions derived from the internal audit.

The review conclusion, Findings (Page 7-19) and Assessment (Page 19-22), and any opinion expressed in this report have been formed on the above basis.

Diluka Weerasingha CPA, CIA

Internal Auditor

Shire of Ashburton



Executive Summary

This report presents the findings of the Financial Management Review of the Shire for the period of 1st July 2020 to 31st March 2023 (referred to as the "engagement period").

The assessment of the adequacy and effectiveness of internal controls were conducted against the control and monitoring activities mentioned in the accounting manual provided by DLGSC. The assessment results are showing under annexure 1 to the report from page 20 to 23.

Significant review findings are listed under finding sections as summarised in below table. Details of findings are showing from page 8 to 19.

The effectiveness of internal controls was evaluated for each finding based on the control's effectiveness matrix provided in the Shire adopted risk management framework.

S/N	Finding	Control Effectiveness
1	Long outstanding items in bank reconciliation	Inadequate
2	Inefficient order-to-pay controls	Adequate
3	Inadequate use of contract variation form	Adequate
4	Negative fuel stock	Adequate
5	Inadequate capitalization policy	Adequate
6	Irregular assets capitalization and depreciation	Inadequate
7	Unusual assets records	Inadequate
8	Low interest income on term deposits	Adequate
9	Inadequate rates concession policy or directives	Adequate

One repeated finding was observed of similar nature based on 2019 FMR as below:

Business Issue	Risk Rating	Implication	Recommendation	Agreed Management Comment	Ownership/ Timing
There is no periodic fixed asset count to verify the accuracy and completeness of the Fixed Asset Register.	Low	There is a risk that inaccuracies in the Fixed Asset Register are not detected; and A basic control over Assets is absent.	A periodic asset verification is Undertaken to Confirm the Accuracy and completeness of the Fixed Asset Register.	The employee for Finance Officer Assets and Reconciliation started in March 2019 – will ensure monthly reconciliations are done.	Manager of Finance and Administration, Finance Officer and Reconciliations June 2019.

Findings

1	Long outstanding items in bank reconciliation	Control Effectiveness
Finding, Implications and Recommendations		Inadequate
Finding		
Municipal bank account reconciliation as of 31 st March 2023 carries outstanding items from 2021 and many significant amounts for a significant period.		
Extract: Municipal bank account reconciliation 31 st March 2023		
Date	Unpresented Cheques	Amount
26-Apr-22	Creditors Cheque 028775 - \$58.24 Unpresented 17516	\$ 58.24
		\$ 58.24
Date	Other payments at GL, not at bank	Amount
30-Jun-22	Transfer FROM Muni TO Reserve - 2021/2022	\$ 5,854,300.02
30-Jun-22	Transfer FROM Muni TO Reserve - 2021/2022	-\$ 110,018.00
30-Jun-22	Transfer FROM Muni TO Reserve - 2021/2022	\$ 16,450.98
30-Aug-22	Pannawonica - 32423 Overstated (34.47 GL - 34.22 Bank)	\$ 0.25
18-Nov-22	18325	\$ 88,780.45
		\$ 5,849,513.70
Date	At Bank, not in GL (bank fees)	Amount
1-Jul-22	June Westpac Merchant Fees 25013129	\$ 48.75
3-Jan-23	Westpac Bank Fees	\$ 0.07
		\$ 48.82
Date	At Bank, not in GL (other payments)	Amount
3-Jul-22	Credit Card Purchasing - \$2,860.10 - 17907 (Overstated Payment - \$2860.12 in GL)	-\$ 0.02
18-Nov-22	PAYMENT BY AUTHORITY TO SuperChoice P/L 350378316450011811	\$ 91,795.00
14-Dec-22	18440 - BS Higher by 57.97 than GL	\$ 57.97
28-Mar-23	CBAK121012293501 Auditfee 497605401	\$ 60.00
16-Mar-23	18761 Super Payments (Understated in GL)	\$ 447.35
		\$ 92,360.30
Date	Paraburdoo (in GL, not at Bank)	Amount
31-Mar-23	34624	\$ 137.60
1-Apr-23	34629	\$ 196.00
2-Apr-23	34631	\$ 94.50
		\$ 428.10
Date	Pannawonica (in GL, not at Bank)	Amount
2-Aug-22	Pannawonica Merchant Settlement - \$4 - 32206	\$ 4.00
9-Aug-22	Pannawonica Merchant Settlement - \$60.22 - 32202	\$ 60.00
3-Aug-22	33760 - Duplicated Receipt	\$ 121.02
		\$ 185.02
Date	Other deposits at GL, not at bank	Amount
27-Feb-22	Payroll Adjustment - \$954.00 (pending payment from debtor 2979)	\$ 954.00
7-Jul-22	Tom Price Merchant Settlement - \$303 - 32043 (Overstated Receipt \$303.50)	\$ 0.50
8-Jul-22	Deposit Kyle Cameron - Staff - \$353 - 31955 (Understated Receipt - \$352.85)	-\$ 0.15
18-Jul-22	Onslow Reception Cash Banking - GYM - \$30 - 32060	\$ 30.00
29-Jul-22	Deposit Miscellaneous Debtors - \$15,525.39 - 32189 (Understated Receipt - \$15,525.38 in GL)	-\$ 0.01
3-Aug-22	Pannawonica Library - 32237 (GL 30.25 - Bank 60.22) (32272 - \$30.22) Overstated	\$ 0.25
12-Aug-22	Onslow Airport - 32335 (GL 264.50 - Bank \$264.00) Overstated	\$ 0.50
18-Aug-22	Onslow Airport Merchant Settlement- \$389 32359	\$ 389.00
1-Sep-22	Batch 32458 EFT	\$ 1,310.00
2-Sep-22	Batch 32476 OVCP Rcpt O/S \$39 EFT	\$ 39.00
5-Sep-22	Batch 32494 Receipt is Part Duplicate of Batch 32490	\$ 272.97
9-Sep-22	Batch 32582 DRJ O/S in GL	-\$ 0.01
20-Sep-22	Batch 32663 EFT	\$ 30.00
28-Sep-22	Batch 32743 EFT	\$ 1.00
28-Sep-22	Batch 32747 Banking O/S. Split 28 & 29/9 but duplicated by inc \$55.00 in both days. Also Total S/Be 210.30	\$ 54.70
2-Dec-22	Batch 33439 Onslow Rcpt O/S as \$19 refunded in Batch 33440	\$ 19.00
8-Dec-22	Batch 33491	\$ 5.00
22-Dec-22	Batch 33684 - Phillip Young GL \$90 - Bank \$70	\$ 20.00
1-Dec-22	33421 -Refund for super guarantee and employer additional payment due to WC adjustment :	\$ 3,588.47
1-Dec-22	Refund of salary sacrifice payment due to WC adjustment :	\$ 1,229.00
5-Dec-22	33459 - Refund for Super guarantee and employer additional payment due to WC adjustment :	\$ 405.80
3-Dec-22	33440 - Refund on EFTPOS Machine	\$ 248.00
21-Dec-22	Space to Co - 33622	\$ 3,960.02
13-Jan-23	33837	\$ 900.25
23-Jan-23	33916	\$ 0.01
1-Feb-23	32483 Ray White Fee correction entry as put against Rental Income	\$ 22.00
		\$ 13,479.30

1	Long outstanding items in bank reconciliation	Control Effectiveness
Date Paraburdoo (In GL, not at Bank) Amount 31-Mar-23 34624 \$ 137.60 1-Apr-23 34629 \$ 196.00 2-Apr-23 34631 \$ 94.50 \$ 428.10		
WA Super Clearing House Description Amount 07-Nov-21 16987/89/91 Super Payments (part payment - amount over paid from \$96,064.87 total these 3 batches) (\$76.13)		
Implication Errors and/or misappropriation will not be identified and corrected in a timely manner.		
Recommendations Limits should be set to make appropriate adjustments or to take actions for reconciling items on timely basis. Review of bank reconciliation process has to be conducted by higher/ independent level due to significance in municipal bank account.		
Management Comment At the time of the FMR Audit, the Finance Team were in the process of implementing a new Bank Reconciliation Module within the Synergy Soft Financial System. The new Altus Bank reconciliation program has addressed the concerns raised and Bank Reconciliations are now done in a timely manner. All outstanding items were cleared prior to going live with the new program.		
Agreed Actions	Responsible Officer	Target Completion Date
Completed	Manager Finance	N/A
Audit log ref		ELT meeting Date 01 Feb 2024

2	Inefficient order-to-pay controls	Control Effectiveness	
Finding, Implications and Recommendations		Adequate	
Finding			
<p>It was noted that there is no receiving report implemented within order to pay cycle. Liability is identified based on supplier invoice confirmed by RO.</p> <p>It was observed that purchase orders are open for significantly long periods including overlap of financial years which will commit funds based on historic PO amounts.</p> <p>Example: Synergy as of 30th June 2023</p>			
Order Number	Order Date	Status	Value Invoiced
67274	01/06/2021	Partially Invoiced	14,221.80
67705	05/07/2021	Partially Invoiced	935.00
69303	05/10/2021	Partially Invoiced	107,635.00
69950	09/11/2021	Partially Invoiced	47,153.00



2 Inefficient order-to-pay controls			Control Effectiveness	
70741	10/01/2022	Partially Invoiced	21,564.98	
71082	01/02/2022	Partially Invoiced	2,615.25	
71083	01/02/2022	Partially Invoiced	2,321.00	
71134	03/02/2022	Partially Invoiced	348.33	
71190	07/02/2022	Partially Invoiced	435.60	
71488	26/02/2022	Partially Invoiced	3,333.00	
Implications				
Inaccurate payable liability and inefficient cash forecast.				
Recommendations				
Receiving report should be implemented to improve accuracy of receipt of goods/ services with clear segregation of duties within order-to-pay cycle.				
Controls should be implemented to regularly close invalid purchase orders.				
Management Comment				
Finance have implemented regular review of Outstanding Purchase Orders, particularly in the lead up to the end of Financial Year that has been subjected to External Audit recently and was considered adequate.				
Goods receipt functionality will be looked at as part of the Shire investigating the movement to a new Enterprise Resource Program (ERP) including a new Finance System over the next 2 years and the Synergy program has functional limitations and nearing end of product life.				
Acting DCEO Comment 01 Feb 2024				
<ul style="list-style-type: none"> Need to verify PO list as of now and check whether any long outstanding POs Need to address how receipt report is being utilised, analysed, and actioned. Can we include some proposed timelines for the ERP project, its scope including change management? As the ERP project is a couple of years off implementation, can we include 'check and balance process' to manage the inadequacies of synergy etc. 				
Agreed Actions		Responsible Officer		Target Completion Date
Regular review of Outstanding Purchase Orders is a standing Finance Procedure.		Manager Finance		Complete
Audit log ref		ELT meeting Date	01 Feb 2024	

3	Inadequate use of contract variation form	Control Effectiveness			
Finding, Implications and Recommendations		Adequate			
Finding					
Upon inquiry with accounts payable, it was noted that the payment can be made above the PO value through the Synergy System. In such instances <i>Contract Variation Form</i> is approved by authorised officer per the delegation.					
It was noted that <i>Contract Variation Form</i> has not been attached in Synergy for certain instances. Upon inquiry, accounts payable explained that the form is received/ followed through emails and there is no formal filing other than such is attached to relevant payments over the PO value by RO. There was no adequate evidence that these overpayments were approved in timely manner.					
Example: Payments over the PO value where <i>Contract Variation Form</i> had not been attached to Synergy as of test date.					
Order Number	Order Date	Order Value	Value Invoiced	Over PO payment	Over PO %
74784	05/10/2022	66,000.00	83,207.94	17,207.94	26%
73693	25/07/2022	57,683.93	72,152.92	14,468.99	25%
72724	16/05/2022	183,500.57	280,306.36	96,805.79	53%
Implications					
Misappropriation of funds due to over payments, fraud and/or breach of regulatory/policy obligations.					
Recommendations					
Payments over the PO value must be strictly subject to approved <i>Contract Variation Form</i> .					
Management Comment					
Where formal contracts are entered into, variations are approved in accordance with contract documentation.					
If the Purchase Order is the basis of the contract, variations are able to be approved in accordance with current delegations and the Shire of Ashburton Purchasing Policy. All variations and substantiation should be evidenced in the Synergy System. Email authorisation is considered sufficient evidence where the Purchase Order is the basis of entering into a contract.					
Acting DCEO Comment 01 Feb 2024					
<ul style="list-style-type: none">Breach of procurement policy including financial thresholds, and potential breach of financial regulations. Aggregate expenditure is not monitored, annual budget impact etc. Increase in exposure to fraud.					

Agreed Actions	Responsible Officer	Target Completion Date
Accounts Payable to continue to ensure that variations are appropriately authorised and evidence recorded in Synergy.	Accounts Payable	Ongoing
Acting DCEO Comment 01 Feb 2024 Procurement process to be updated mandating Variation process.	TBC at ARCITAG - Procurement	TBC
Training to be reviewed for existing and new starters.	TBC at ARCITAG - Procurement	TBC
Audit log ref		ELT meeting Date 01 Feb 2024

4	Negative fuel stock	Control Effectiveness
Finding, Implications and Recommendations		Adequate
<p>Finding</p> <p>It was noted that the ledger account 1CA401020-Stock On Hand - Fuel and Oils carries a negative balance of \$ 602,731.07. Upon discussion with finance department, it was found that this balance has not been reconciled and investigated as of the internal audit test date. Upon discussion with fleet department, it was found no reconciliation of records with physical dip had been carried out.</p> <p>Comparison of diesel from (S020) Tom Price main diesel tank shows 12,194 liters issued short of recorded in Synergy (Financial) for 2022-23 as of test date 3 July 2023.</p> <p>Implications</p> <p>Misappropriation of fuel, theft.</p> <p>Recommendations</p> <p>Finance department should regularly review that fuel stock is reconciled considering the physical dip balance by fleet department. Finance department need to strengthen control to improve accuracy and completeness of data entered to synergy system.</p> <p>Management Comment</p> <p>Finance staff have taken over the reconciliation responsibilities for Fuel Inventory following the need to undertake a detailed audit and reconciliation process as part of the 2022/23 Financial Audit. This was previously managed within the Fleet area.</p>		



Investigations are also underway to automate the importation of fuel issues via the Smart Fuel system to improve accuracy and reduce the volume of data entry.			
Agreed Actions	Responsible Officer	Target Completion Date	
Finance to be responsible for ongoing fuel reconciliations on a monthly basis	Manager Finance	Complete Occurred as part of 22/23 audit	
Acting DCEO Comment 01 Feb 2024 <ul style="list-style-type: none"> Suggest that an end to end process approach is undertaken. Review current processes, controls etc. Review register or software/records/data collection/monitoring/reporting processes Need to establish custody and accountability responsibility of stock maintenance. Review staff training Ownership of function should not be abrogated to finance. New reconciliation process can sit with finance however upstream rectification needs to occur. Need to instil accountability, accuracy. 	TBC at ARCITAG - TBC	TBC	
Audit log ref		ELT meeting Date	01 Feb 2024

5	Inadequate capitalization policy	Control Effectiveness
Finding, Implications and Recommendations		Adequate
Finding It was noted that the adequacy and effectiveness of capitalization policy need to be improved. Current capitalization policy is mentioned at accounting level rather than operational level. An adequate and effective capitalization policy should spell categorizations, thresholds, quantification methods, completion valuation methods, review and approval, responsibilities etc with sufficient details to be able to implement with higher degree of accuracy and efficiency.		
implications		



Inaccurate and inconsistent assets capitalization			
<u>Recommendation</u>			
Finance department should develop and implement an effective and efficient capitalisation policy.			
Management Comment			
Consultants have been engaged to assist the Shire with Asset Management maturity. My Data is the Asset Management system that the Shire is looking to consolidate all asset information into, including the Finance function of capitalisation. The use of My Data will be supported by a range of procedures including clear capitalisation guidelines.			
Agreed Actions	Responsible Officer	Target Completion Date	
Capitalisation Procedure and guidelines to be developed between Finance and Assets area	Manager Finance/Manager Assets & Programming	30 June 2024	
<u>Acting DCEO Comment 01 Feb 2024</u> Develop in line with Asset Mgmt. policy a Capitalisation Policy (or embed in AM Policy). Process to be embedded in project management methodology. Staff training to be provided.	TBC at ARCITAG	TBC at ARCITAG	
Audit log ref		ELT meeting Date	01 Feb 2024

6	Irregular assets capitalization and depreciation	Control Effectiveness
Finding, Implications and Recommendations		Inadequate
<p><u>Finding</u> It was noted that assets capitalization is not carried out on completion/ regular basis. Capitalization is carried out as an annual process of accounting.</p> <p>It was also noted that the depreciation processed only at the end of the year in 2022-23.</p> <p><u>Implications</u> This affects to timeliness of financial reporting, accuracy of financial reporting and inadequate information for management decision making.</p> <p><u>Recommendation</u></p>		

Finance department should evaluate controls of fixed assets process including assets departments and projects, how to improve its efficiency of capitalisation and depreciation considering systems maintained by finance and assets department. MyData system's capability of integrating or semi integrating to finance system should also be considered to avoid duplication of work and improve capitalisation and depreciation frequency.			
Management Comment			
Refer to previous comment relating to Capitalisation Policy. The entire Asset Management Process is currently being reviewed and updated with a view to having a sound base by 1 July 2024.			
At this stage, My Data as single source of truth is actively being pursued and subject to no critical flaws being identified will be the sole Asset Register from 1 July 2024.			
Assets and Programming area within the Infrastructure Directorate will be responsible for adherence to timely capitalisation and depreciation of all assets and providing Finance with the inputs required to reflect necessary general ledger transactions within the Synergy System.			
Agreed Actions	Responsible Officer	Target Completion Date	
Finance and Assets Departments working together to create a unified single approach to asset management activities.	Manager Finance / Manager Assets & Programming	30 June 2024	
Audit log ref		ELT meeting Date	01 Feb 2024

7	Unusual assets records	Control Effectiveness
Finding, Implications and Recommendations		Inadequate
<p>Finding</p> <p>It was noted that there are number of roads in the assets register which cannot be accessed by the shire due to roads are closed by property owners as of the internal audit interim communication to finance department on 7th July 2023.</p> <p>Council policy states that the criteria for determining consideration for inclusion on from the Road Register are as follows. The road should satisfy at least one of the following criteria:</p> <ul style="list-style-type: none"> a) Is gazetted; b) Provides primary access to at least one full-time occupied property (i.e. the property is otherwise land-locked and without any road frontage); c) Has previously been constructed by, or regularly maintained by the Shire; d) Provides clear benefit to several property owners (not just one); e) Connects into and forms part of the wider network of Public Roads; 		

- f) Serves a defined purpose or function for the public (i.e. there would be consequences if public access was removed and/or the needs for public use cannot be readily accommodated with alternatives); and/or
- g) Provides for a social or economic benefit such as tourism.

It was explained at the exit meeting with finance department on 18th December 2023 that \$41mn worth of roads have been written-off due to inaccuracies.

Further, internal audit has requested details of roads written-off from assets department, based on exit meeting explanation on 15th December 2023, by email dated 4th January 2024, for which requested details have not been provided to establish the portion of roads and the basis of removal if any.

Below road information was provided to internal audit as of test date 30th June 2023 as no control over these roads in question.

Road No	Asset ID	Asset Name
8110041		Rocklea Road (RIO Property to Homestead)
8110273		Packsaddle Road (Council Report Sept2019)
8110274		Juna Downs Road (Council Report Sept 2019)
8110282		Mt Sheila Road (Unsealed, Valued Sealed)
8110298		Mt Stuart Road (Closed by Council dd/mm/yy)
8110531		PAR Yathala Way (incl in Gregory Way)
8112019		REMOVE ON First Avenue Access Track
8112036		REMOVE ON Beadon Creek Road (in Carpark)
8112063		MT BROCKMAN
8112065		Ratty Springs Road
8112066		Munjina Lookout Road
8112069		Mt Stuart - Red Hill Road
8112071		Cowra Road
8112077		Rocklea - Tom Price Road
8112079		Hamersley Gorge Road
8112094		Urandy Creek Road
8112095		Palm Springs Road
8112100		Yarraloola Road
8112104		Tom Price North Road
8112105		ON Onslow Hospital Road
8112110		Banjima Drive
8112216		TP Mine Road
M065		M065 Manuwarra Red Dog Highway (Roebour

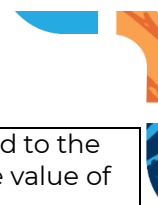
Implication

Noncompliance with laws/ council policy.

Recommendation

Internal audit recommends an investigation to establish the basis of such spending as per the law/ policy and effect on Shire assets where access and control is limited as of now.

Management Comment



The 2022/23 External Audit included an Emphasis of Matter note which related to the restatement of prior year comparatives. This was to do with a reduction in the value of roads stated in the balance sheet.

This did not involve the removal of any roads where the Shire had incorrectly used public funds. The main reductions were to do with Main Roads WA taking over the responsibility for a portion of the Manuwara Red Dog Highway and the incorrect historical inclusion of SLK's that fell within the control of the Department of Biodiversity, Conservation and Attractions (DBCA). These corrections to the Shire's road inventory should have been made several years ago and were picked up as a part of the 5 yearly Infrastructure Revaluation process.

In addition to this, the Shire has engaged an external consultant to do a road and infrastructure condition audit in April 2024. This will include ensuring that the Shire's Road Inventory Data matches to the IRIS system that Main Roads use for Road Inventory.

Agreed Actions	Responsible Officer	Target Completion Date
Nil	Manager Finance/Director Corporate Services	Complete
<u>Acting DCEO</u> <u>Comment 01 Feb 2024</u> This doesn't capture the actions that are pending. Needs to be populated with explanation provided on each asset.	TBC at ARCITAG	TBC at ARCITAG
Audit log ref		ELT meeting Date 01 Feb 2024

8	Low interest income on term deposits	Control Effectiveness
Finding, Implications and Recommendations		Adequate
<p><u>Finding</u> Based on 2021-2022 audited financial statements it was found that the return on term deposits is less than industry average (peer LGs) at the same period. However sufficient information was not available to investigate into root cause.</p> <p>Interest income 2020-2021 \$282,353 (Term Deposit 57.9mn – 30th June 2021) Interest income 2021-2022 \$94,639 (Term Deposit 46.9mn – 30th June 2022)</p> <p><u>Implication</u> Loss of revenue.</p> <p><u>Recommendation</u> Short term investment management should be improved to optimise the gain on such investments.</p>		

Management Comment		
<p>This was addressed by Council in June 2023 with the decision to move transactional banking to the Commonwealth Bank under the State Government CUA.</p> <p>All funds in Municipal Accounts are receiving the RBA cash rate, and surplus cashflow funds are continuing to be moved to short term fixed rate deposits and monitored closely.</p>		
Agreed Actions	Responsible Officer	Target Completion Date
<p>Nil</p> <p>Acting DCEO Comment 01 Feb 2024 Review investment policy with consideration to:</p> <ul style="list-style-type: none"> • Diversification of investment portfolio • Credit rating of Investment body • Environment sustainable investments • Reporting and oversight of investment 	<p>Manager Finance</p> <p>TBC at ARCITAG</p>	<p>Complete</p> <p>TBC at ARCITAG</p>
Audit log ref		ELT meeting Date 01 Feb 2024

9	Inadequate rates concession policy or directives	Control Effectiveness	
Finding, Implications and Recommendations		Adequate	
Finding It was noted that the Shire doesn't have clearly defined rates concession policy/ directive in compliance with requirements in the act. Example of a rates concession recorded in system over UV – Non Pastoral category where blanket approval was exercised without ministerial approval as of end of engagement period 31 st March 2023.			
Assessment No	Value Date	Charged Rates	Calculated Rates
A35946	30/06/2022	9,920.63	14,039.47

<u>Implication</u>		
Transparency of rates administration		
<u>Recommendation</u>		
Shire should develop rates policy/ directives to promote transparency. It is also to be noted that DLGSC has issued an alert specifying allowed discretionary concessions and prohibiting blanket concessions.		
<u>Management Comment</u>		
Council passed a resolution at the 30 June 2023 Ordinary Meeting of Council to cease providing the UV Pastoral Differential Rating category with a blanket rating concession under Section 6.47 of the <i>Local Government Act 1995</i> after reviewing previous advice and seeking further guidance from the Department.		
Ministerial Approval was correctly obtained for the Differential Rate that applied to the UV – Non Pastoral category which is more than 2 times greater than the UV Pastoral category and this practice will be continued for future years.		
<u>Acting DCEO Comment 01 Feb 2024</u>		
Ministerial approval dated 10 July 2023 for 2023/2024. No indication of retrospective approval. (non-compliance).		
Agreed Actions	Responsible Officer	Target Completion Date
Nil	Manager Finance	Complete
Audit log ref		ELT meeting Date 01 Feb 2024

Annexure 1-Assesment of key monitoring and control activities against DLGSC accounting manual

Risk Area	Assessment against DLGSC better controls
Annual Budget	<ul style="list-style-type: none"> Control procedures related to the financial reporting process (Monthly/ Annually) process have not been documented identifying controls. Comparison and investigation of significant variance is carried out as part of monthly financial report.
Financial Reporting	<ul style="list-style-type: none"> Control procedures related to the financial reporting process (Monthly/ Annually) process have not been documented identifying controls.
Payroll	<ul style="list-style-type: none"> Control procedures related to the payroll process have been documented and maintained by the finance department as narratives identifying controls Reconciliation of payroll with ledger has not carried out regularly. It was observed reconciliation is carried out at the yearend for the annual audit only. It was noted that the month-to-month gross salary reconciliation have been conducted regularly and signed off. External auditor (OAG) has highlighted an issue of non-recovery of staff debt balances. Per the ledger as of 31st



Risk Area	Assessment against DLGSC better controls
	March 2023 a balance of \$ 25,161.71 was to be recovered from staff who had resigned.
Revenue (including Rates and other sources)	<p><u>Rates</u></p> <ul style="list-style-type: none"> Control procedures related to the rates process have been documented and maintained by the finance department as narratives identifying controls. There is no documented process or evidence of reviewing the debtors aging profile on a regular basis. There is no documented process of communicating VGO on changes to the property condition of improvement. It was noted that the Shire has given concession to rates invoices A35946 and A6239 within the sample checked. <p><u>Fees and Charges</u></p> <ul style="list-style-type: none"> Control procedures related to the fees and charges process have been documented and maintained by the finance department as narratives identifying controls. It was noted receipt is not issued when the payment is settled through bank transfers. Follow-up actions for unpaid invoices had not been documented in 2021 and 2022. However follow up actions have been regularised from 2023 onwards.
Receivables, Receipting, Banking, Investments	<p><u>Receipt and Bank Reconciliation</u></p> <ul style="list-style-type: none"> Control procedures related to the receipting, banking and reconciliation process have not been documented by the finance department identifying controls in the reconciliation process. Municipal bank account had been reconciled on a regular basis, however significant long outstanding items were observed as of 31st march 2023. Small errors/ adjustments to be made were observed since 2021 to be adjusted as of 31st march 2023. Non conducting regular bank reconciliations over trust bank account and reserve savings account were observed. Trust bank account balance and ledger balance showed a difference of \$ 56,900 through 30th June 2022 till 31st March 2023. 2 deposits transactions of April 2023 were observed as of 31st March 2023 bank reconciliation indicating concerns over period cut off. <p><u>Term Deposits</u></p> <ul style="list-style-type: none"> Control procedures related to the term deposit process have not been documented by the finance department identifying controls Compared with the performance of the peer LGs, Low overall return on term deposits were observed based on audited financials of 2021/2022.
Purchases, Payables, Payments	<ul style="list-style-type: none"> Control procedures related to the payables process have been documented and maintained by the finance department as narratives identifying controls




Risk Area	Assessment against DLGSC better controls
	<ul style="list-style-type: none"> • Access right to create suppliers were available to all staff in finance department not limiting only to specific staff. • Receiving report has not been implemented in the order to pay cycle. • Frequent period end process was not observed to establish unprocessed items receipts and long outstanding POs. • Supplier statement reconciliation has not been documented as a month end process. • External auditor (OAG) has highlighted the issue of long outstanding POs in 2020-21 audit. • External auditors have highlighted an issue of insufficient Quotations in 2020-21 audit. • There were instances that the contract variation request form not filed in the Synergy system and no evidence whether such approval was obtained for the payments over the approved PO. • There were number of POs open for significantly long period at the review date. • There were significant difference in fuel stock recoded in synergy and SmartFill (Diesel Stock) system.
Fixed Assets, Inventories and Portable and Attractive Items	<ul style="list-style-type: none"> • Control procedures related to the fixed assets process have been documented and maintained by the finance department as narratives identifying controls. • There was no clear and conscious capitalization policy with main assertions, thresholds and responsibilities at minimum. This was observed as main improvement opportunity for effective implementation of capitalization of fixed assets on timely manner. • 2019 FMR has highlighted an issue of not conducting Fixed Assets verification and reconciliation to ledger annually. However, this process was observed unchanged as conducted in parallel to independent valuation. • There were number of differences observed the fixed assets registers and the ledger in terms of categorisation, accuracy, completeness, and existence. • Fixed assets were observed capitalised to ledger only at the end of the year. This has affected regular processing of accurate depreciation. • Depreciation was not observed regular processing. Depreciation was processed only at the end of the year. • External auditors have highlighted number of instances where depreciation calculations are inaccurate in 2021-22 and 2022-23 audits. • Portable and Attractive assets have not been monitored as an administrative process with sufficient regular verifications. With inquiry to IT department, it was noted that 2 lists can be generated, and completeness, accuracy and existence is yet to be established.

Risk Area	Assessment against DLGSC better controls
Borrowings	<ul style="list-style-type: none"> Control procedures related to the short term and long-term borrowing process have not been documented by the finance department identifying controls.
General Journals	<ul style="list-style-type: none"> Control procedures related to the General Journals process have not been documented by the finance department identifying controls. Sequential numbering of the general journals is not maintained through the Synergy system as a system control. However, a manual register is maintained for better controls of journal entries. Upon checking a sample of general journals from general journal register, non-existing journals were observed which has never passed through ledger despite deleted entries are marked separately.
IT Risks/General Computer Controls	<p>It was noted that external auditors have highlighted number of ITGC issues as repeated from 2021-2022 to 2022-2023. Issues are over:</p> <ul style="list-style-type: none"> Network access management Synergy soft financial application – access management Risk management Business continuity management IT governance Change management. Network security management Physical security management

Annexure 2-Control Effectiveness Ratings Criteria (SOA Risk Management Framework)

Rating	Foreseeable	Description
Effective	There is little scope for improvement	Processes (Controls) operating as intended and / or aligned to Policies & Procedures; are subject to ongoing maintenance and monitoring and are being continuously reviewed and tested
Adequate	There is some scope for improvement	Whilst some inadequacies have been identified; Processes (Controls) are in place, are being addressed / complied with and are subject to periodic review and testing.
Inadequate	A need for corrective and / or improvement actions exist.	Processes (Controls) not operating as intended, do not exist, or are not being addressed / complied with, or have not been reviewed or tested for some time.


Annexure 3-Monitoring and Control Activities Per DLGSC Accounting Manual 2023 update.




Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
Annual Budget	<ul style="list-style-type: none"> Monthly actuals are compared to budget and significant variances fully investigated and explained. 	<ul style="list-style-type: none"> Employees responsible for budget preparation are competent and adequately trained. Accounting software used contains application controls that prevent or detect an error from occurring.
Financial Reporting	<ul style="list-style-type: none"> Through the presentation of the Monthly Statement of Financial Activity (SFA) to Council, actual results are compared to budget each month; management reviews, investigates and explains significant variances. 	<ul style="list-style-type: none"> Employees responsible for financial report preparation are competent and adequately trained. All journal entries require supporting documentation. Any non-routine entries require documented approval prior to being posted. Accounting software used contains application controls that prevent or detect an error from occurring.
Payroll	<ul style="list-style-type: none"> Management reviews employee costs against budget on a monthly basis and investigates any outstanding items. Each departmental manager performs a regular review of reports detailing all employees listed on payroll master file; all unusual items are investigated. Salary and hourly payroll reports (including compensation and withholding information) are reviewed and approved by management before payments are approved. The payroll deduction table data is periodically reviewed by management for accuracy and ongoing pertinence. Management reviews a selection of salary sacrifice calculations for accuracy and compliance with statutory requirements; identified 	<ul style="list-style-type: none"> Payroll staff are competent in their assigned tasks, adequately trained and supervised. Person(s) processing payroll are independent of other payroll functions, such as hiring/firing of staff, timekeeping and EFT payment. Approval in writing is obtained before adding new employees to payroll. Signed and dated approval of each employee's pay rate is documented on employee file. Timesheets and totals of hours worked are approved before being processed for payment. Procedures exist to ensure terminated employees are immediately removed from payroll. Payroll register is reconciled to the general ledger and reviewed by a senior officer independent of payroll. <ul style="list-style-type: none"> Costs are compared to budget with variances investigated.



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
	<p>errors are promptly corrected.</p> <ul style="list-style-type: none"> Each pay run is reviewed prior to authorisation for payment for consistency with prior pay runs and for abnormal items such as overtime. 	
Revenue (including Rates and other sources)	<ul style="list-style-type: none"> Management reviews rates ageing profile on a monthly basis and investigates any outstanding items. Actual rate revenue is compared to budget; management reviews, investigates and explains significant variances. Annual valuation update is balanced prior to the generation of rates; this is reconciled to the rate record and reviewed. Interim valuation updates are balanced prior to the generation of the interim rates; this is reconciled to the rate record and reviewed. Management regularly reviews all sources of income and monitors compliance with both the terms of the contract with the customer (i.e. grant agreement) and any relevant Council policies. Revenue is compared to budget; management reviews, investigates and explains significant variances. 	<ul style="list-style-type: none"> Rates/debtors officers are competent for their assigned tasks, adequately trained and supervised. Monthly statements are issued to trade debtors. Rates are raised in line with the approved budgeted rate in the dollar. The rate record is updated and reconciled monthly to the Valuer Generals Office (VGO) records. Documented procedures are in place to ensure the VGO is informed of any building works approved. The rates ledger is reconciled to the General Ledger. The approved schedule of Fees and Charges is used for invoice preparation. Exceptions require documentation and approval. Automatic or manual checks are performed on serial continuity of invoice documents. <p>Credit note approvals are independent of accounts receivable.</p>
Receivables, Receipting,	<ul style="list-style-type: none"> Receivables compared to budget monthly; management reviews, 	<ul style="list-style-type: none"> Staff handling cash receipts and managing receivables are competent for their assigned



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
Banking, Investments	<ul style="list-style-type: none"> investigates and explains significant variances. Management reviews provision for doubtful debts on a regular basis. Management reviews debtors ageing profile on a monthly basis and investigates any outstanding items. Trade receivables aged reconciliation to the general ledger is reviewed at least monthly. Management reviews journal transactions to the bank account. Management reviews bank reconciliations monthly to confirm large outstanding items are adequately explained and subsequently resolved. Review the Council investment performance regularly. Actual investment income compared to budget on a regular basis; management reviews, investigates and explains significant variances. Investments register maintained in accordance with regulations and investment policy. Reconciliation of investment register to general ledger routinely prepared and reviewed. Income is compared to budget regularly in the SFA; management reviews, investigates and explains significant variances. Statements of accounts receivable are sent to customers enabling review. 	<ul style="list-style-type: none"> tasks, adequately trained and supervised. Bank reconciliation is prepared monthly (with statements from bank) and management approval documented. Councils with a high volume of transactions may reconcile the bank daily. Customers are informed (signs, etc.) that they should obtain receipts. Pre-numbered cash receipts are issued for every cash sale. Serial continuity is reviewed periodically and checked against cash deposits data. Staff required to take their leave entitlements annually. When opening mail, cheques are stamped "for deposit only" with the local government bank account number. Cheques received are listed, totalled and reviewed before deposit. All receipts cash/cheques are deposited on a regular and timely basis. Reconciliation of daily deposit total to receivable posting and cash sales is prepared and reviewed. A reconciliation of aged receivables to control accounts is prepared monthly and management approval documented. Procedures exist to ensure receipts are recorded in the correct period. Significant overdue customer accounts are investigated by management and actions taken documented.




Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
Purchases, Payables, Payments	<ul style="list-style-type: none"> Actual expenditure is compared to budget monthly; management reviews, investigates and explains significant variances. A list of all payments is prepared and presented monthly to the Council; management reviews, investigates and explains any unusual or large payments. Management reviews supporting documentation before approving payments. Management reviews trade payables ageing profile monthly and investigates any outstanding items. Trade payables aged reconciliation to the general ledger is reviewed at least monthly. 	<ul style="list-style-type: none"> Personnel responsible for the purchasing, shipping, receiving and payable functions are competent, adequately trained and supervised. Management reviews outstanding cheques on period-end bank reconciliation. Pre-numbered cheques are used, EFTs are allocated a sequential number for each creditor payment and details for every number is documented. Spoiled cheques are clearly marked "VOID" and cancelled. The purchasing policy clearly defines who can issue purchase requisitions/orders and to what dollar limit. Access to purchasing, receiving, accounts payable, and inventory records is restricted to authorised personnel. Spending limits are set by budget or individual levels of authority. These limits are monitored by the system or manually. A list of preferred suppliers is maintained and used where possible. Controls exist to ensure corporate buying cards/credit cards are only issued to authorised staff and personal purchases are not allowed. Pre-numbered purchase orders and receiving reports are used and exceptions are approved and documented. Period-end procedures exist to detect and account for unprocessed goods/service receipts. Personnel receiving goods do not perform any accounting functions.



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
		<ul style="list-style-type: none"> ○ An aged accounts payable listing is reconciled to general ledger each month and exceptions investigated by management. ○ Aged report of open orders is reviewed each month and old/unusual items are investigated. ○ Unit prices on invoices received are checked against price lists, quotes or approved purchase orders. Invoices are checked for correct calculations, discounts, taxes and freight before payment. ○ System has checks to prevent duplicate payments on same order. ○ A list of accounts for payments is prepared in line with the legislation and authorised by Council or a person with delegated authority before cheques are signed or EFT is authorised. ○ Signing officers examine supporting documentation to payments and document approval. ○ All cheques must be made out to authorised vendors and cannot be made out to "cash". ○ A reconciliation of the accounts payable sub ledger to the general journal is prepared monthly and approved by management. ○ Suppliers' statements are reconciled to accounts payable monthly and reviewed by management. ○ Procedures exist to ensure payments are recorded in the correct period. ○ Procedures exist to ensure all bank accounts and signatories are authorised by Council.



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
		<ul style="list-style-type: none"> ○ The accounting policy for when goods should be capitalised is documented and clearly understood by accounting personnel. ○ Management regularly compares actual purchases (costs and expenses) to budgeted purchases and investigates and documents variances. ○ Management follows up creditor queries on a timely basis. ○ Management addresses the reasons for debit balance creditor accounts on a timely basis.
Fixed Assets, Inventories and Portable and Attractive Items	<ul style="list-style-type: none"> ○ Management compare actual fixed asset balance to budget; management reviews, investigates and explains significant variances. ○ Activity recorded in fixed asset register is reviewed by management, including comparison to the capital budget. ○ Management regularly reviews valuation of fixed assets (i.e. methodology and useful lives of assets) to ensure that assets' valuation is appropriate and in accordance with Australian Accounting Standards. ○ Management reviews depreciation rates and methodology (at least annually) to ensure that rates and remaining useful lives are reasonable. ○ Fixed asset register to the general ledger reconciliation is prepared and reviewed routinely. 	<ul style="list-style-type: none"> ○ Appropriate approvals for additions and disposals are in place and documented in accordance with the requirement of the Act. ○ Assets that are portable and attractive that are not considered Fixed Assets are maintained in a Portable and Attractive Register. ○ At least annually a stocktake of physical assets, inventories and portable and attractive items is undertaken.
Borrowings	<ul style="list-style-type: none"> ○ Borrowings actual and interest charges are 	<ul style="list-style-type: none"> ○ Borrowings are carried out in accordance with the Act and



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
	<p>compared to budget monthly; management reviews, investigates and explains significant variances.</p>	<p>appropriate approvals and delegations.</p> <ul style="list-style-type: none"> ○ A borrowings policy is implemented, and borrowings are conducted in accordance with the policy. ○ The long-term impact of borrowings is considered prior to approval of borrowings.
General Journals	<ul style="list-style-type: none"> ○ All journals are independently reviewed (including check to ensure correct account allocation) and contain sufficient support information prior to processing. 	<ul style="list-style-type: none"> ○ Personnel responsible for completing journals are competent, adequately trained and supervised. ○ All journals are independently reviewed (including check to ensure correct account allocation) and contain sufficient support information prior to processing. ○ Limited amount of personnel has authorisation and access to process a general journal.
IT Risks/General Computer Controls	<ul style="list-style-type: none"> ○ Regular IT audits performed focusing on data accuracy, retention, recovery and security. Results of these IT Audits reviewed by management and action plan promptly implemented. 	<ul style="list-style-type: none"> ○ Management should ensure good security policies and practices are implemented and continuously monitored. ○ Local governments should have an appropriate business continuity plan, disaster recovery plan and incident response plan to protect critical services and systems from disruptive events. These plans should be tested on a periodic basis to ensure unexpected events do not affect business operations. ○ Implementation of a risk management framework around general computer controls, which is regularly reviewed and considered as part of core business activities. ○ Appropriate policies and procedures are in place to manage incidents, IT risks, information security and business continuity.



Risk Area	Monitoring Activities Per DLGSC Accounting Manual	Control Activities Per DLGSC Accounting Manual
		<ul style="list-style-type: none">○ IT strategic plans and objectives support overall organisation strategies and objectives.○ Change control processes should be well developed and consistently followed when applying patches, updating or changing computer systems. All changes should be subject to thorough planning and impact assessment to minimise the occurrence of problems. Change control documentation should be current, and approved changes formally tracked.○ Physical and environmental control mechanisms to prevent unauthorised access or accidental or environmental damage to computing infrastructure and systems are in place and tested regularly

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