

ATTACHMENT 9.4.2 D – AUDIT ACTION PLAN

Shire of Cuballing Audit Action Plan

The following Actions are proposed as a result of the findings of the Audit Report for the 2021-22 financial year

Matter Raised	Area of Concern	Action Taken / Proposed	Measurement of Success
Management has not performed an assessment to determine whether the Shire's roads and bridges represent fair value for the year ended 30 June 2022.	Without a robust assessment of fair value of the Shire's roads and bridges, there is a risk that the fair value of infrastructure assets may not have been assessed adequately, and in compliance with <i>AASB 13 Fair Value Measurement</i> , as well as Regulation 17A(4)(b) of the <i>Local Government (Financial Management) Regulations 1996</i> (the Regulations).	Infrastructure Assets will undergo a revaluation in the 2022-23 Financial Year. Land and Buildings were revalued as at 30 June 2022. We will use the annual budget review as a trigger to identify whether there are any indicators that one or more of our asset classes are not represented at fair value.	Compliance with <i>AASB 13 Fair Value Measurement</i> . Compliance with Regulation 17A(4)(b) of the <i>Local Government (Financial Management) Regulations 1996</i> (the Regulations).
Our general journal testing identified two instances out of five samples where general journals were not signed as evidence of independent review.	The absence of independent review of general journals increases the risk of error and omissions not being detected in a timely manner. There is a further risk of non-compliance with Regulation 5(1) of the <i>Local Government (Financial Management) Regulations 1996</i> .	General journals now completed, reviewed and signed by an independent person on every occasion.	All general journal entries countersigned by a senior officer.
Section 6.4(3)(b) of the <i>Local Government Act 1995</i> requires a local government to submit its annual financial report to its auditor by 30 September each year. We noted that the Shire's 2021-2022 annual financial report was not submitted until 30 March 2023.	Non-compliance with Section 6.4(3)(b) of the <i>Local Government Act 1995</i> .	Annual financial report to be submitted to the auditor by 30 September 2023.	Compliance with Section 6.4(3)(b) of the <i>Local Government Act 1995</i>