

SHIRE OF WANDERING

22 Watts Street, Wandering WA 6308
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www.wandering.wa.gov.au



Our Vision:

Wandering is a community of responsible, resilient and adaptable residents thriving in our scenic, economically diverse environment.

AUDIT COMMITTEE MEETING

Minutes 16 April 2020

In accordance with the Regulations, in particular r14D(2)(a)(ii) and 14D(2)(b)(ii) the Shire President, has determined, having consulted with the CEO, in accordance with r14D(4) to conduct the this Audit Committee Meeting via an alternate electronic means of telephone communication.

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AUDIT COMMITTEE MEETING

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The meeting was declared open at 3:03pm.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Present:

Cr I Turton	Shire President	Cr B Whitely	
Cr G Parsons	Deputy Shire President	Cr M Watts	
Cr J Price		Belinda Knight	Chief Executive Officer
Cr G Curtis		Barry Gibbs	EMTS
Cr P Treasure		Marius van der Merwe	Auditor

Apologies:

3. DISCLOSURE OF INTERESTS

3.1. DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY

Division 6 Subdivision 1 of the Local Government Act 1995 requires Council Members and Employees to declare any direct or indirect financial interest or general interest in any matter listed in this Agenda.

The Act also requires the nature of the interest to be disclosed in writing before the meeting or immediately before the matter be discussed.

NB: A Council member who makes a disclosure must not preside or participate in, or be present during, any discussion or decision-making procedure relating to the declared matter unless the procedures set out in Sections 5.68 or 5.69 of the Act have been complied with.

DISCLOSURE OF INTEREST AFFECTING IMPARTIALITY

Disclosures of Interest Affecting Impartiality are required to be declared and recorded in the minutes of a meeting. Councillors who declare such an interest are still permitted to remain in the meeting and to participate in the discussion and voting on the particular matter. This does not lessen the obligation of declaring financial interests etc. covered under the Local Government Act.

To help with complying with the requirements of declaring Interests Affecting Impartiality the following statement is recommended to be announced by the person declaring such an interest and to be produced in the minutes.

"I (give circumstances of the interest being declared, eg: have a long-standing personal friendship with the proponent). As a consequence, there may be a perception that my impartiality on this matter may be affected. I declare that I will consider this matter on its merits and vote accordingly".

3.2. DISCLOSURE OF FINANCIAL/PROXIMITY INTERESTS

4. PUBLIC QUESTION TIME

No public questions were presented to the meeting

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil at this meeting.

6. AUDIT COMMITTEE – TERMS OF REFERENCE

Under the *Local Government Act 1995* (LGA), Local Governments are required to appoint an Audit Committee (section 7.1A of the *Local Government Act 1995*).

An Audit Committee is to provide guidance and assistance to the Local Government - as to the carrying out of its functions in relation to audits conducted under Part 7 of the LGA and as to the development of a process to be used to select and appoint a person to be an auditor and may provide guidance and assistance to the Local Government as to – matters to be audited, the scope of audits, its functions under part 6 of the Act and the carrying out of its

functions relating to other audits and other matters related to financial management (clause 16 Local Government (Audit) regulations 1996).

Meeting cycle: At least once a year to recommend adoption of the Annual Financial Statements and Report.

7. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil

8. CHIEF EXECUTIVE OFFICER'S REPORTS

8.1. AUDIT ENTRANCE

Proponent	Butler, Settineri
Owner	
Location/Address	
Author of Report	Belinda Knight, CEO
Date of Meeting	16/04/2020
Previous Reports	
Disclosure of any Interest	Nil
File Reference	
Attachments	Audit Entrance Document

BRIEF SUMMARY

To be briefed by the Shire's Auditors, Mr Marius van der Merwe, Butler Settineri, regarding the forthcoming 2019/2020 Audit.

STATUTORY/LEGAL IMPLICATIONS

Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

PROVIDE STRONG LEADERSHIP

Our Goals	Our Strategies	Our Measurement
We plan for the future and are strategically focused	Ensure accountable, ethical and best practice governance Develop and maintain our Strategic Plan, Corporate Business Plan, Asset Management Plan, Workforce Plan and Long Term Financial Plan Service Level Plans detail operational roles, responsibilities and resources Engage with local, regional, state and federal stakeholders to grow mutually beneficial relationships	Audit and Compliance Returns identify no adverse issues We meet the Integrated Planning Standards

CONSULTATION/COMMUNICATION

Nil

COMMENT

Nothing further

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION & COMMITTEE DECISION- ITEM 9.1 – AUDIT PLANNING 2019/2020

Moved Cr Whitely

Seconded Cr Parsons

That the Audit Committee recommends to Council that it accepts the Audit Planning report as presented by Butler Settineri for the 2019/2020 audit.

CARRIED 7/0

AUTHOR'S SIGNATURE:

A handwritten signature in black ink, appearing to be "B. Settineri", written over a horizontal line.

Closed at 3:30pm



AUDIT PLANNING SUMMARY

SHIRE OF WANDERING

YEAR ENDING 30 JUNE 2020

*“Better Business
People”*

www.butlersettineri.com.au

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THE PLANNING SUMMARY

This Summary of our Audit Plan explains our approach to the audit of the annual financial report.

In particular, this Summary includes:

1. Introduction
2. Our Audit Approach
3. Business Operations
4. Significant Risks and Audit Focus Areas
5. Audit Emphasis and Significant Account Balances
6. Compliance with Laws and Regulations
7. Going Concern and Adverse Financial Trends
8. Accounting Policies
9. Internal Audit
10. Management Representation Letter
11. Related Parties
12. Reporting Protocols
13. Specific Audit Requirements
14. Your Audit Team
15. Proposed Audit Schedule
16. Other Audit Activities

If there are any matters in the Planning Summary that you would like clarified, please do not hesitate to contact us.

There may be areas where you would like us to increase the audit focus. We would be pleased to discuss these to determine the most efficient and effective approach to performing this work.

INTRODUCTION

Butler Settineri Audit (BSA) has been appointed to perform the audit of the Shire of Wandering for the year ending 30 June 2020.

Following proclamation of the Local Government Amendment (Auditing) Act 2017, the Auditor General becomes responsible for the annual financial report audit of Western Australian Local Governments.

The Office of the Auditor General (“OAG”) will be responsible for the audit for the year ending 30 June 2021.

Responsibility of the Council and the CEO

It is important to note that:

1. Under the *Local Government Act 1995* and associated regulations, the Council and the CEO are responsible for keeping proper accounts and records, maintaining effective internal controls, preparing the annual financial report, and complying with the Local Government Act and Regulations, and other legislative requirements.
2. Under the *Local Government Act 1995* and associated regulations, the Council and the CEO have responsibility for maintaining internal controls that prevent or detect fraud or error and to ensure regulatory compliance. The Audit Committee and the Auditor General should be informed by management of any fraud or material errors. During the audit we will make inquiries with management about their process for identifying and responding to the risks of fraud, including management override. It should be noted that our audit is not designed to detect fraud, however should instances of fraud come to our attention, we will report them to you.
3. The Council and CEO are responsible for ensuring the accuracy and fair presentation of all information in its annual report, and that it is consistent with the audited annual financial statements. We do not provide assurance over your annual report.
4. An audit does not guarantee that every amount and disclosure in the annual financial report is error free. Also, an audit does not examine all evidence and every transaction. However, our audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the annual financial report.

Our audit is conducted in accordance with Australian Auditing Standards. Our aim is to provide reasonable assurance whether the annual financial report is free of material misstatement, whether due to fraud or error. We perform audit procedures to assess whether, in all material respects, the annual financial report is presented fairly in accordance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

The nature of the audit is influenced by factors such as:

- the use of professional judgement
- selective testing
- the inherent limitations of internal controls
- the availability of persuasive rather than conclusive evidence.

As a result, an audit cannot guarantee that all material misstatements will be detected. We examine, on a test basis, information to provide evidence supporting the amounts and disclosures in the annual financial report, and assess the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by management.

Conflicts of Interest

We confirm we have completed our independence evaluation and are satisfied we do not have any actual or perceived conflicts of interest in completing the annual audit of the Shire of Wandering.

BSA's approach is designed to:

- Focus on key risks and financial areas; and
- Add value to your business by providing constructive ideas for improving internal controls and on-going business systems

The partner-led assurance service team is committed to meeting specific business needs by:

- Working closely with you to get to know the business whilst maintaining independence;
- Using the latest computerised systems and audit techniques; and
- Conducting an in-depth review of financial records to enable identification of key areas where additional support and attention will improve the business.

The audit will meet the statutory requirements under the Local Government Act 1995 and Regulations and will be carried out in accordance with the Australian Auditing Standards.

We will carry out such work as is necessary to form an opinion as to whether the:

- a) Accounts of the Shire are properly kept; and
- b) Annual financial report of the Shire,
 - i) Is prepared in accordance with its financial records; and
 - ii) Represents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of the period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

We will also include the following matters in the auditor's report:

- a) Any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the Shire;
- b) Any material non-compliance with Part 6 of the Act, the Local Government (Financial Management) Regulations 1996 or applicable financial controls in any other written law;
- c) Details of whether information and explanations were obtained by the auditor;
- d) A report on the conduct of the audit; and
- e) The opinion of the auditor as to whether or not the asset consumption ratio and the asset renewal funding ratio included in the annual financial report are supported by verifiable information and reasonable assumptions.

In addition to the standard audit structure, additional audit matters may be performed upon direction from yourself.

The attendance of at least one meeting per year of the Shire's audit and risk committee by a member of our audit team may also be carried out if required. The engagement partner and audit team will visit the Shire's offices during each stage of the audit and will be available for subsequent meetings at the Shire's request.

OUR AUDIT APPROACH

Our audit approach comprises the following steps:

Pre-engagement activities

- Legislative requirements of independence



Risk assessment procedures

- Discussions with the management team and members of the audit and risk committee
- Review of key accounting systems and operations
- Understand and evaluate control environment
- Identify and assess risk
- Identify significant accounts
- Develop procedures to address risk and significant accounts



Audit procedures

- Test operating effectiveness of controls over credit card payments & related parties
- Assess reliance on controls
- Sample testing of transactions



Completion and review

- Completion procedures
- Evaluation of audit evidence
- Review format of the financial report
- Verify balances and disclosures in the financial report, including the Notes



Reporting and communication

- Form an opinion
- Report to management

Our audit approach involves assessing your overall control environment and understanding key business processes/cycles and internal controls relevant to the audit.

The level of testing will be dependent on our assessment of the risk in each business cycle. We plan to cover the following cycles:

- Revenue
- Expenditure
- Payroll
- Cash and Financing
- Property, Plant, Equipment and Infrastructure

The extent of our reliance on controls, together with the materiality level, determines the nature and extent of our audit procedures to verify individual account balances.

Our audit will be split into two components as follows:

Interim audit

This includes:

1. Understanding your current business practices
2. Understanding the control environment and evaluating the design and implementation of key controls and, where appropriate, whether they are operating effectively
3. Testing transactions to confirm the accuracy and completeness of processing accounting transactions, namely rates and grant revenue, expenditure and payroll
4. Clarifying significant accounting issues before the annual financial report is prepared for audit.

Final audit

This focuses on verifying the annual financial report and associated notes, and includes:

1. Verifying material account balances using a combination of substantive analytical procedures, tests of details, substantiation to subsidiary records and confirmation with external parties
2. Reviewing the annual financial report and notes for compliance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards.

BUSINESS OPERATIONS

The Shire of Wandering is a local government located south east of Perth, and forms part of the Central agriculture division.

The main activity of the Shire is to provide infrastructure, recreation facilities, and community services to the local residents and aims to encourage balanced growth and development within the Shire region.

No changes to the shire accounting procedures and policies were made during the year.

The Shire uses Synergy Soft accounting system. Our primary contact at the Shire is Belinda Knight (CEO).

SIGNIFICANT RISKS AND AUDIT FOCUS AREAS

Through discussions with your staff, we have identified the following issues and key areas of risk affecting the audit:

Details of Risk / Issue	Audit Approach
<p>Audit findings reported in the previous audit as under:</p> <ul style="list-style-type: none"> • Journal entries were not reviewed by a senior staff member independent of preparation • Purchases above \$100,000 were made from Coals WA and Western Stabilizers without adhering to the policy. The shire policy is that purchases above \$100,000 require a public tender process • Shire should have a policy and procedure in place for conflict of interest. • Councillors did not complete related party declarations • Debt service cover ratio and operating surplus ratio do not meet the benchmark set out by the Department of LG 	<p>We will follow-up the issues reported during the 2018-19 audit.</p>
<p>Changes to accounting standards (refer to pg 13)</p> <ul style="list-style-type: none"> • AASB 15 – Revenue from Contracts with Customers • AASB 1058 – Income of Not-for-Profit Entities • AASB 16 - Leases 	<p>We will assess management's implementation of the new standards and the effect on the financial report.</p>
<p>Changes to <i>Local Government (Financial Management) Regulations</i> that have been signalled by the Department of Local Government, Sport and Cultural Industries (DLGSCI):</p> <ul style="list-style-type: none"> • None 	<p>We do not anticipate any significant impact on your financial report for this year.</p>
<p>We have identified the following areas that we</p>	<p>We will review the accounting treatment and</p>

Details of Risk / Issue	Audit Approach
consider require additional focus during our 2019-20 local government audits: <ul style="list-style-type: none"> Related party disclosures Revenue recognition and Cut off Revaluation of Non Current Assets Unauthorised expenditure Unrecorded liabilities and expenses 	disclosure processes during our interim and final audits.
The following annual financial report items are derived from accounting estimates and hence will receive specific audit attention: <ul style="list-style-type: none"> Provision for annual and long service leave Fair value of Non Current Assets Impairment of assets Valuation of land held for sale 	We will review the method and underlying data that management and where applicable third parties use when determining critical accounting estimates. This will include considering the reasonableness of assumptions and corroborating representations.
Important changes in management or the control environment	We will review any relevant changes to management roles and related delegations, to confirm that no temporary or ongoing control gaps have occurred.

AUDIT EMPHASIS AND SIGNIFICANT ACCOUNT BALANCES

The table below lists those items in the Statement of Financial Position and the Statement of Comprehensive Income that are significant account balances, and our planned audit approach for these balances. When selecting significant account balances, we consider materiality, the nature of the balance, inherent risk and the sensitivity of disclosures.

Significant Account	2019 Audited Balance \$	Audit Approach
Statement of Financial Position		
Cash and cash equivalents	\$831,440	<ul style="list-style-type: none"> Review internal controls and reconciliations Verify year end balance through bank confirmations Analytical review
Receivables	\$918,046	<ul style="list-style-type: none"> Year end cut-off testing Review subsequent receipts Review provision for doubtful debts Analytical review
Financial assets	\$17,517	<ul style="list-style-type: none"> Verify assets to third party documentation Assess accounting treatment in line with accounting policies Assess the valuation

Significant Account	2019 Audited Balance \$	Audit Approach
Inventories	\$488,522	<ul style="list-style-type: none"> Assess management's valuation of land held for sale
Property, plant, equipment and infrastructure	\$5,400,146 \$51,299,468	<ul style="list-style-type: none"> Review key processes/controls Verify asset additions and disposals Assess assets for impairment Test items posted to construction in progress to assess appropriateness of expenses being capitalised Assess whether carrying amounts approximate fair value Where relevant, confirm balances to independent valuation reports
Payables	\$216,719	<ul style="list-style-type: none"> Review of key processes/controls Test for unrecorded liabilities Year end cut off testing
Borrowings	\$473,507	<ul style="list-style-type: none"> Verify balance to third party documentation
Provisions	\$127,849	<ul style="list-style-type: none"> Review the reasonableness of assumptions and calculations Agree amounts to actuary/expert's report Analytical review
Statement of Comprehensive Income		
Rates	\$1,042,011	<ul style="list-style-type: none"> Review of key processes and controls Analytical review Sample testing of transactions
Operating grants, subsidies & contributions;	\$814,911	<ul style="list-style-type: none"> Review of key processes and controls Analytical review
Non-operating grants, subsidies & contributions	\$1,154,966	<ul style="list-style-type: none"> Sample testing of transactions
Fees and charges	\$718,058	<ul style="list-style-type: none"> Review of key processes and controls Analytical review Year end cut-off testing
Interest received	\$9,454	<ul style="list-style-type: none"> Analytical review
Other revenue	\$50,387	<ul style="list-style-type: none"> Analytical review Sample testing of transactions
Employee related expenses	\$517,776	<ul style="list-style-type: none"> Review of key processes and controls Sample testing of transactions Analytical review
Materials and contracts	\$1,172,420	<ul style="list-style-type: none"> Review of key processes and controls Sample testing of transactions Analytical review

Significant Account	2019 Audited Balance \$	Audit Approach
Utilities	\$45,911	<ul style="list-style-type: none"> Review of key processes and controls Sample testing of transactions Analytical review
Depreciation and amortisation	\$1,015,410	<ul style="list-style-type: none"> Review of management's assessment of the useful lives of assets and assess reasonableness. Analytical review
Insurance	\$108,660	<ul style="list-style-type: none"> Analytical review Sample testing of transactions
Other expenses	\$2,092	<ul style="list-style-type: none"> Review of key processes/controls Sample testing of transactions Analytical review
(Loss) on disposal of assets	\$184,806	<ul style="list-style-type: none"> Sample testing of transactions Re-perform calculations
Fair value adjustments	\$17,517	<ul style="list-style-type: none"> Re-perform calculations

COMPLIANCE WITH LAWS AND REGULATIONS

Management is to ensure the entity complies with the Local Government Act 1995 (as amended), and the Local Government (Financial Management) Regulations 1996 (as amended).

We are required by the Local Government Act 1995 and Local Government (Audit) Regulations 1996 to test compliance with the Act and Regulation.

GOING CONCERN AND ADVERSE FINANCIAL TRENDS

Auditing Standard ASA 570 *Going Concern* requires that we consider the appropriateness of the going concern assumption at the planning stage.

The Shire, being a form of local government is backed by the state government; hence going concern assumption is deemed reasonable.

However, the auditor's report, per the Local Government (Audit) Regulations 1996, is still required to disclose if there are any significant adverse trends in the financial position or financial practices.

Based on the 2019/20 Amended Budget, the Council is expecting a net surplus of \$408,306. We further note that as at 30 June 2019, the council has a net current asset position of \$1,049,077 of which \$409,849 relates to restricted cash reserves and total liabilities of \$764,961.

The Shire's liability is significantly less than its total cash holdings. Hence it is reasonable to expect that the Shire is able to pay off its liabilities when it becomes due and payable.

Hence the going concern basis of accounting is considered appropriate at planning stage.

CHANGES TO ACCOUNTING POLICIES

The Shire appears to be adopting all the recognition and measurement requirements of the applicable Australian Accounting Standards.

Three potentially major changes to accounting policies noted during the year.

We anticipate that you consider the impact on your financial report for the adoption of the following accounting standards:

- **AASB 15 – Revenue Recognition**
Revenue from contracts with customers may result in a significant change in the recognition and measurement of the Council's revenue as income previously recognised as revenue may be recognised as deferred revenue.
- **AASB 1058 - Income of Not-for-Profit Entities**
Applies to transactions of not-for-profit entities where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives. Whether income is recognised and its timing will depend on whether a transaction gives rise to a performance obligation, liability or contribution by owners. Transactions include those where an entity acquires or receives an asset in exchange for no consideration (i.e. cash grants, taxes and rates).
- **AASB 16 – Leases**
This standard removes the concept of operating and finance leases for lessees which exists under AASB 117 Leases. All leases will be recognised in the statement of financial position as a right of use asset and a lease liability.

INTERNAL AUDIT

We seek to rely on internal audit work to reduce our own audit work wherever possible. This avoids duplication of audit effort and the associated workload on your operational and administrative staff.

This year, no reliance is planned to be placed on internal audits as the Shire does not have an internal audit function and no internal audits are conducted.

MANAGEMENT REPRESENTATION LETTER

Our audit procedures assume that management expects to be in a position to sign a management representation letter. The proposed letter for this purpose is attached.

This letter should be reviewed and tailored to meet your Shire's particular circumstances, and be signed and dated by the CEO as close as practicable to the date of the proposed auditor's report. Ordinarily, this would be no longer than five working days prior to the issue of the auditor's report.

Please bring to the attention of the President that we will also be relying on the signed Statement by CEO in the annual financial report as evidence that they confirm that:

- they have fulfilled their responsibility for the preparation of the annual financial report in accordance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards
- they have provided us with all relevant information necessary or requested for the purpose of the audit
- all transactions have been recorded and are reflected in the annual financial report.

RELATED PARTIES

Section 7.12AL of the *Local Government Act 1995* applies section 17 of the *Auditor General Act 2006* to a local government. Section 17 requires a local government to advise the Auditor General in writing of details of all related parties and entities that are in existence.

REPORTING PROTOCOLS

Significant issues identified during the course of the audit will be discussed with relevant staff and management as soon as possible after being identified. Draft management letters will be provided to your CEO (or other nominated representative) for coordination of comments from appropriate members of your management. We request that these be returned quickly, preferably within 10 working days.

At the conclusion of the audit, the abovementioned management letter will accompany the auditor's report and the audited annual financial report forwarded to the President, the CEO and the Minister for Local Government. The management letter is intended to communicate issues arising from the audit that may impact on internal control, compliance, and financial reporting.

Where considered appropriate, and to ensure timely reporting of audit findings and action by management, interim management letters may be issued to the CEO. Interim management letters will be forwarded to the President and Minister with the auditor's report.

SPECIFIC AUDIT REQUIREMENTS

We will discuss our requirements with your staff to facilitate a timely, efficient and effective audit. We will formally agree our information requirements and timeframes for the audit with your CEO and by using your staff to have various documents readily available when we perform our audit.

Please note however that in several instances, particularly during our audit sampling at the interim visits, audit staff will need to retrieve some evidence themselves, rather than being given the evidence by your staff. This is essential for an independent audit.

YOUR AUDIT TEAM

	Name	Contact
Butler Settineri Director	Marius van der Merwe	(08) 6389 5222 mvd@m@butlersettineri.com.au
Butler Settineri Audit Manager	Marcia Johnson	(08) 6389 5222 rhall@butlersettineri.com.au/mjohnson@butlersettineri.com.au
Butler Settineri Auditor	Bernadine Vorster	(08) 6389 5222 bvorster@butlersettineri.com.au

Marcia Johnson will be your primary contact and will communicate progress and any emerging issues to you.

PROPOSED AUDIT SCHEDULE

See attached Audit Timetable.

OTHER AUDIT ACTIVITIES

The OAG has recently completed or undertaking the following audits relevant to local government. Through these audits, OAG aims to identify good practice and opportunities for improvement. You may therefore wish to review these reports as they may have relevance to your local government. They are available at www.audit.wa.gov.au:

- Controls over corporate credit cards (May 2018)
- Timely payment of suppliers (June 2018)
- Local Government procurement (October 2018)
- Management of supplier master files (March 2019)
- Records management in Local Government (April 2019)

- Cloud application (software as a service arrangement) (May 2019)
- Local Government building approvals (June 2019)
- Project Management (June 2019)
- Engaging consultants for strategic advice (June 2019)
- Verifying employees identity and credentials (June 2019)
- Fraud prevention in Local Government (August 2019)
- Effective Fee-setting (December 2019)
- Audit Result Report – Annual 2018-19 Financial Audits of Local Government Entities (March 2020) – This report summarises the results of 112 local government entities' annual financial report audits for the year ended 30 June 2019. All but 5 auditor's reports included clear (unqualified) audit opinions on the financial reports. The OAG reported 93 material matters of non-compliance with the Local Government Act 1995, Local Government (Financial Management) Regulations 1996, or other written law in 48 of our auditor's reports. In addition, 823 financial management and control matters of varying significance were also reported to management in the management letters. In accordance with the Local Government (Audit) Regulations 1996, the OAG reported 106 ratios with adverse trends in the financial position of 72 LG's.

AUDIT CLIENT:	SHIRE OF WANDERING		
AUDIT AREA:	Audit timetable		
PREPARED BY:	MJ	DATE:	10 March 2020

Our audit timetable for the financial year ended 30 June 2019 is as follows:

Key area	Target date	Person responsible
Audit Planning		
Send list of requirements for planning and interim	16 March 2020	BSA
Reconciled financial information (up to 28 February 2020) - Trial Balance - Questionnaires	23 March 2020	SoWandering
Accounting Systems & Controls Update	24 March 2020	BSA
Planning document to Partner (BSA) for review	30 March 2020	BSA
Audit Entrance Meeting	16 April 2020	SoWandering & audit committee chair, BSA
Interim Audit		
Reconciled financial information ready for audit (up to 30 April 2020) - Trial Balance Information requested	20 May 2020	SoWandering
Interim Audit selections to SoWandering	25 May 2020	BSA
Interim Audit	1 st to 4 th June	BSA & SoWandering
Draft interim Management letter to CEO	30 June 2020	BSA
Final Audit		
Bank confirmation letters	1 July 2020	BSA & SoWandering
Final audit list of requirements to SoWandering	1 July 2020	BSA
Reconciled financial information ready for audit - Trial Balance - Outstanding Board Minutes - Balance Sheet Reconciliations	24 August 2020	SoWandering
Draft Financial Report received	24 August 2020	SoWandering
Audit selections sent to the Shire	31 August 2020	BSA
Audit fieldwork- visit	7 th to 10 th Sept 2020	BSA
Fieldwork & Completion for review	11 Sept 2020	BSA
Audit Manager review	18 Sept 2020	BSA
Audit Partner review	25 Sept 2020	BSA
Completion and Exit		
Issue of Auditor's Report	8 October 2020	BSA
Meeting with Audit Committee (Audit Exit Meeting)	6 October 2020	SoWandering, BSA,
Council Meeting to Adopt	15 October 2020	SoWandering

BUTLER SETTINERI

AUDIT CLIENT:	SHIRE OF WANDERING		
AUDIT AREA:	Audit timetable		
PREPARED BY:	MJ	DATE:	10 March 2020

Key:

SoWandering = Belinda Knight (CEO)

BSA = Butler Settineri Audit [Marcia Johnson (Manager) & Marius van der Merwe (Partner)]