SHIRE OF MOORA
AUDIT COMMITTEE MEETING AGENDA
1 OCTOBER 2025
COMMENCING AT 3.30PM

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SHIRE OF MOORA

WRITTEN DECLARATION OF INTEREST IN MATTER BEFORE THE AUDIT COMMITTEE

Chief Executive Officer
Shire of Moora
PO Box 211
MOORA WA 6510

Dear Sir/Madam,

Re: Written Declaration of Interest in Matter Before the Audit Committee

I, (1) _____ wish to declare an interest in the

following   item   to   be   considered   by   the   Committee   at   its   meeting   to   be   held   on (2)

_____.

Agenda Item & Title (3) _____

The type of interest I wish to declare is: (4)

☐   Financial pursuant to Section 5.60A of the Local Government Act 1995

☐   Proximity pursuant to Section 5.60B of the Local Government Act 1995

☐   Indirect Financial pursuant to Section 5.61 of the Local Government Act 1995

☐   Shire of Moora Code of Conduct for Council Members, Committee Members and Candidates.

The nature of my interest is (5)

_____

_____

_____

The extent of my interest is (6)

_____

_____

_____

I understand that the above information will be recorded in the Minutes of the meeting and recorded by the Chief Executive Officer in an appropriate Register.

Yours faithfully,

_____   _____

Signed   Date

1.   Insert your name.
2.   Insert the date of the Committee Meeting at which the item is to be considered.
3.   Insert the Agenda Item Number and Title.
4.   Tick box to indicate type of interest.
5.   Describe the nature of your interest.
6.   Describe the extent of your interest (if seeking to participate in the matter under S. 5.68 of the Act).

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1.   <u>DECLARATION OF OPENING</u>

2.   <u>ATTENDANCE & APOLOGIES</u>

3.   <u>CONFIRMATION OF MINUTES</u>

3.1   <u>AUDIT COMMITTEE MEETING -   16 APRIL 2025</u>

That the Minutes of the Audit Committee Meeting held on 16 APRIL 2025 be confirmed as a true and correct record of the meeting.

4.   <u>REPORTS OF OFFICERS</u>

4.1   <u>RISK MANAGEMENT REVIEW REPORT</u>

FILE REFERENCE: F/AUD1-2
REPORT DATE: 03 June 2025
OFFICER DISCLOSURE OF INTEREST: Nil
PREVIOUS MEETING REFERENCES: Nil
AUTHOR: Bob Hoogland, Deputy Chief Executive Officer
ATTACHMENTS: Risk Management Review Report

PURPOSE OF REPORT:
For the Audit Committee to review and recommend Council receive the Risk Management Review Report 2025.

BACKGROUND:
In 2014, the Shire engaged the services of LGIS consultants to help prepare a Risk Management Framework and the Framework and associated Policies were reviewed in 2019. It was the intent of the Risk Framework and Policies that the identified risks be reviewed by management regularly and the findings reported to the Audit Committee and Council.

COMMENT:
Management have reviewed the detailed schedule of risks, in terms of the identified likelihoods, consequences, controls and issues/actions. Management have made the necessary amendments and updated risk management actions. The resulting report is provided for review by the Audit Committee and Council.

POLICY REQUIREMENTS:
Risk Management Framework/Policy

LEGISLATIVE REQUIREMENTS:
Nil

STRATEGIC IMPLICATIONS:

Risk management forms part of the Strategic, Operational, Project and Line Management responsibilities and where possible, should be incorporated within the Shire's Integrated Planning Framework.

SUSTAINABILITY IMPLICATIONS:

➢ **Environment**
  There are no known significant environmental implications associated with this proposal.

➢ **Economic**
  There are no known significant economic implications associated with this proposal.

➢ **Social**
  There are no known significant social implications associated with this proposal.

FINANCIAL IMPLICATIONS:
Nil

VOTING REQUIREMENTS:
Simple Majority Required

RECOMMENDATION

That the Audit Committee note the risk review report and recommend that Council receive the report.

4.2   CEO'S REGULATION 17 SYSTEM REVIEW REPORT FOR 2025

FILE REFERENCE: F/AUD1-2
REPORT DATE: 20 July 2025
OFFICER DISCLOSURE OF INTEREST: Nil
PREVIOUS MEETING REFERENCES: Nil
AUTHOR: Bob Hoogland, Deputy Chief Executive Officer
ATTACHMENTS: CEO's Regulation 17 Systems Review Report

PURPOSE OF REPORT:
For the Audit Committee to review and recommend Council receive the CEO's Regulation 17 System Review Report 2025.

BACKGROUND:

Regulation 17 of the Local Government (Audit) Regulations requires the CEO to review certain systems and procedures, specifically, 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, not less than once in every three financial years.

The 2022 review was undertaken by an external contractor. The CEO determined that the skills, experience and independence were available "in house" to undertake the 2025 review.

COMMENT:
As required, the review assessed risk management processes, internal controls and legislative compliance, referring to legislation, internal reports and audit reports.

As per the Regulation 17 System Review Report, Policy and Procedure reviews are underway and Council's participation in the Cyber Security Pilot Project (CSPP) is providing a vehicle to achieving additional risk management and internal control measures. Legislative compliance matters identified in external audit were found to have been addressed.

POLICY REQUIREMENTS:
Risk Management Framework/Policy

LEGISLATIVE REQUIREMENTS:
Local Government (Audit) Regulations 1996 – Regulation 17

STRATEGIC IMPLICATIONS:
Moora Strategic Community Plan 2018-2028

This review and report assist with meeting the objective of Strategy 5.2.1: Elected Members and staff develop and implement governance processes to achieve and communicate legislative compliance

SUSTAINABILITY IMPLICATIONS:

➢ **Environment**
   There are no known significant environmental implications associated with this proposal.

➢ **Economic**
   There are no known significant economic implications associated with this proposal.

➢ **Social**
   There are no known significant social implications associated with this proposal.

FINANCIAL IMPLICATIONS:
Nil

VOTING REQUIREMENTS:
Simple Majority Required

RECOMMENDATION

That the Audit Committee note the Regulation 17 Review report and recommend that Council receive the report.

5.   CLOSURE OF MEETING

Shire of Moora Risk Report   -   May 2025 Review

Executive Summary

Misconduct		Risk	Control
		Low	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Maintenance of register of Shire-owned portable and attractive assets	*ongoing*	*DCEO/ITSO*	

Business Disruption		Risk	Control
		Low	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Develop a Business Continuity Framework (Policy & Procedures & Plan)	*Dec-25*	*DCEO*	

Damage to Physical Assets		Risk	Control
		Moderate	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Installation of more CCTV Cameras	*Dec-25*	*MCD*	

Errors, Omissions & Delays		Risk	Control
		Moderate	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Ensure effectiveness of Documented Procedures / Checklists	*Ongoing*	*DCEO*	
Implement a staff training register	*Jun-26*	*HR*	
Complaints Register	*Ongoing*	*DCEO*	

External Theft & Fraud (inc. Cyber Crime)		Risk	Control
		Moderate	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Review security access controls at Moora Recreation Centre, MPAC, Watheroo Pavilion and Miling Pavilion	*ongoing*	*MIS*	
Participate in cyber-security pilot project	*Dec-26*	*DCEO/ITSO*	

Failure of IT &/or Communications Systems and Infrastructure		Risk	Control
		Low	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Review disaster recovery plan as part of cyber security project	*Dec-26*	*DCEO/ITSO*	

Failure to fulfil statutory, regulatory or compliance requirements		Risk	Control
		Moderate	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Ongoing maintenance of compliance calendar/matrix	*ongoing*	*DCEO/Records Officer*	
Review induction process for new Councillors	*Sep-25*	*DCEO/ESO*	

Inadequate safety and security (staff, visitors, volunteers and community)		Risk	Control
		Moderate	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Address LGIS audit findings / recommendations	*Dec-25*	*CEO / MES*	
Facilitate WH&S continuous improvement	*ongoing*	*All managers/supervisors*	

Providing inaccurate advice / information		Risk	Control
		Moderate	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Building and planning conflict/issues statistics to be recorded	*ongoing*	*MIS*	

Inadequate Organisation and Community Emergency Management		Risk	Control
		High	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Review Shire Local Emergency Management Arrangements (last reviewed 2019)	*May-25*	*ESM*	
Conduct/arrange appropriate training across the EM portfolio	*ongoing*	*ESM*	

Shire of Moora Risk Report   -   May 2025 Review

Inadequate Data / Document Management Processes		Risk	Control
		Moderate	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Review Record Keeping Plan (last reviewed December 2024)	Dec-25	DCEO/Records Officer	

Inadequate Project / Change Management		Risk	Control
		Low	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	

Inadequate engagement of Community / Stakeholders / Elected Members		Risk	Control
		Moderate	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Community Survey to Be set up annually to start recording trends	Dec-25	MCD	
Communications Strategy / Policy Review	Dec-25	MCD	

Inadequate Procurement, Disposal or Tender Practices.		Risk	Control
		Moderate	Effective
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Continued training for delegated managers - Procurement and creditors procedures	ongoing	DCEO	

Inadequate Asset Management		Risk	Control
		Moderate	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Assessment of community dissatisfaction to be monitored/documented	Jun-20	MES	
Review/update/report on Asset Maintenance/Management Plans	Jun-20	MES/MIS	

Inadequate Stock Management		Risk	Control
		Low	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Undertake fuel reconciliations inhouse rather than contract	Jun-26	MFS	

Inadequate Supplier / Contract Management		Risk	Control
		Low	Effective
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	

Ineffective People Management		Risk	Control
		Moderate	Effective
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Prepare annual report on key HR statistics	ongoing	HR	

Ineffective management of Facilities / Venues / Events		Risk	Control
		Low	Adequate
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Implement cloud based facility booking system	Jul-25	MCD	
Review and finalise facility use agreements for community groups	Dec-25	MCD	

Not meeting Community expectations		Risk	Control
		Moderate	Effective
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Gap analysis between current service levels and community satisfaction	ongoing	MCD	
Community Survey needs to be completed	Dec-25	MCD	

Shire of Moora Risk Report - May 2025 Review

Environment Management

		Risk	Control
		Moderate	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Scheduled / regular food premises inspections	*ongoing*	*MIS/EHO*	
Collate environmental statistics for Shire for risk reporting purposes	*ongoing*	*MIS/EHO*	
Update Strategic Waste Management Plan	*Jun-25*	*MIS/CEO*	

Corporate Business Plan

		Risk	Control
		Moderate	**Adequate**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Council review of SCP	*May-25*	*CEO and Councillors*	
Review SCP objectives and reporting	*Jun-25*	*DCEO*	

Political

		Risk	Control
		Moderate	**Effective**
Current Issues / Actions / Treatments	**Due Date**	**Responsibility**	
Monitor community perception through feedback, online comments and surveys	*ongoing*	*MCD*	
Governance (Reg 17) review to conducted by independent/internal manager	*Jun-25*	*DCEO*	

Operational Guidelines No 9 - Audit in Local Government	Shire of Moora Policy and Practices	Audited / Reviewed / Assessed By				Findings	Action Items
		SOM MANEX	SOM Audit Committee / Council	Statutory External Audit - OAG / RSM	FMSR (Internal Audit) - AMD		
RISK MANAGEMENT Internal control and risk management systems and programs are a key expression of a local government's attitude to effective controls. Good audit committee practices in monitoring internal control and risk management programs typically include:							
▪ Reviewing whether the local government has an effective risk management system and that material operating risks to the local government are appropriately considered;	Risk Management Governance Framework. > Risk Management Policy > Risk Management Procedures. Prepared in consultation with LGIS November 2014	Every three years. Last reviewed June 2019, May 2025	Every three years. Last reviewed 7 December 2016	Annually	Every three years. Last reviewed February 2025.	- Risks reviewed by Management team, report prepared for Audit Committee	Risk report to be reviewed by Audit Committee at the next meeting Risk Framework to be reviewed
▪ Reviewing whether the local government has a current and effective business continuity plan (including disaster recovery) which is tested from time to time;	There is no documented Business Continuity Plan in place. Background testing and recovery testing is done daily. All data on site is replicated offsite as well. Disaster Recovery Plan forms part of Record Keeping Plan which is reviewed and presented to State Records Commission every 5 years.	Record Keeping Plan last reviewed September 2024		Annually	Every three years. Last reviewed February 2025.	- Need to develop BCP and review (FMSR 4.2.1 – significant risk rating).	Business Continuity Plan to be completed as part of the Cyber Security Pilot Project ending December 2026 (but expected well before then)
▪ Assessing the internal processes for determining and managing material operating risks in accordance with the local governments identified tolerance for risk; particularly in the following areas;	Risk Management Governance Framework. Includes details the Shire's approach to managing operational risk and establishing a tolerance for risk.	Every three years. Last reviewed June 2019	Every three years. Last reviewed 7 December 2016	Annually	Every three years. Last reviewed February 2025.		
- potential non-compliance with legislation, regulations and standards and local governments policies;	Risk Management Governance Framework. Reviewed under following Risk Profile - *Failure to fulfil statutory, regulatory or compliance requirements.* Compliance calendar reviewed monthly and Compliance Audit Return prepared annually.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.	FMSR 8.2.1 identified significant Legislative non-compliance which were addressed and processes established to ensure ongoing compliance	
- important accounting judgements or estimates that provide to be wrong;	Risk Management Governance Framework. Reviewed under following Risk Profile - *Failure to fulfil statutory, regulatory or compliance requirements.* - *Errors, omissions & delays* Accounting judgements or estimates in the financial reports are audited annually by OAG	Annually	Annually	Annually	Every three years. Last reviewed February 2025.	Ongoing processes considered appropriate	

		Audited / Reviewed / Assessed By					
Operational Guidelines No 9 - Audit in Local Government	**Shire of Moora Policy and Practices**	**SOM MANEX**	**SOM Audit Committee / Council**	**Statutory External Audit - OAG / RSM**	**FMSR (Internal Audit) - AMD**	**Findings**	**Action Items**
- litigation and claims;	Risk Management Governance Framework. Reviewed under following Risk Profile - *Ineffective People Management* - *Providing inaccurate Building advice* Litigation and claims are managed by the CEO. Contingency legal expenses are allocated annually in budget for Legal Services.	Annually		Annually	Every three years. Last reviewed February 2025.	Ongoing processes considered appropriate	
- misconduct, fraud and theft;	Risk Management Governance Framework. Reviewed under following Risk Profiles - *Misconduct* - *External theft & Fraud (inc. Cyber Crime)*	Annually		Annually	Every three years. Last reviewed February 2025.	Ongoing processes considered appropriate	
- significant business risks, recognising responsibility for general or specific risk areas, for example environmental risk, occupational risk and how they are managed by the local government;	Risk Management Governance Framework. Following the most recent review, *Inadequate Organisation and Community Emergency* is the remaining High Risk profile and this is considered to have adequate controls. Additional support is provided by the LGIS Regional Risk Co-ordinator Programme.	Every three years. Last reviewed May 2025		Annually	Every three years. Last reviewed February 2025.	Ongoing processes considered appropriate	
▪ Obtaining regular risk reports, which identify key risks, the status and the effectiveness of the risk management systems, to ensure that identified risks are monitored and new risks are identified, mitigated and reported;	Risk Management Governance Framework. All Risk Profiles identified are analysed by MANEX applying the Shire's Risk Acceptance Criteria and by verifying the effectiveness of existing controls and control assurance.	Annual review, last reviewed May 2025		Annually	Every three years. Last reviewed February 2025.	- MANEX have commenced an annual review of risk profiles	MANEX to review risk profiles as detailed in page 10 of the RMGF.
▪ Assessing the adequacy of local government processes to manage insurable risks and ensure the adequacy of insurance cover, and if applicable, the level of self-insurance;	Reviews are undertaken annually with the Shire's insurance broker, LGIS, to ensure insurance coverage is adequate.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ Reviewing the effectiveness of the local government's internal control system with management and the internal and external auditors;	Internal controls are reviewed annually by OAG/RSM as part of the statutory audit. An internal audit is also carried out every three years testing the Shires Financial Management Systems which was last completed in February 2025 by AMD	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
		Audited / Reviewed / Assessed By					
Operational Guidelines No 9 - Audit in Local Government	**Shire of Moora Policy and Practices**	**SOM MANEX**	**SOM Audit Committee / Council**	**Statutory External Audit -**	**FMSR (Internal Audit) - AMD**	**Findings**	**Action Items**

				OAG / RSM			
▪ Assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that might carry more than an acceptable degree of risk;	Unusual transactions are reviewed by DCEO, external auditors and internal auditor consultants	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ Assessing the local government's procurement framework with a focus on the probity and transparency of policies and procedures/processes and whether these are being applied;	Shire of Moora Purchasing Policy. Internal controls are tested and reviewed annually by management, external auditors and internal audit consultants to ensure compliance with the LGA and SOM policies.	Annually		Annually	Every three years. Last reviewed February 2025.	Recommended improvements to and reviews of policies and procedures which were implemented (FMSR 6.2.2 & 6.2.3 – moderate risk rating).	
▪ Should the need arise, meeting periodically with key management, internal and external auditors and compliance staff, to understand and discuss any changes in the local government's control environment;	Shire management, external auditors and audit committee meet annually to discuss external audit processes and findings including any changes in the Shire's control environment.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ Ascertaining whether fraud and misconduct risks have been identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management;	Fraud and misconduct are within scope of the annual audit and Financial Management Systems Review completed every three years. Any findings would be reported to management and the audit committee.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
INTERNAL CONTROL Internal control is a key component of a sound governance framework, in addition to leadership, long-term planning, compliance, resource allocation, accountability and transparency. Strategies to maintain sound internal controls are based on risk analysis of the internal operations of a local government. An effective and transparent internal control environment is built on the following key areas:							
▪ Integrity and ethics;	Shire of Moora Code of Conduct. The Shire code of conduct forms part of the Shire's policy manual. All staff, Councillors and contractors are required to act honestly and ethically in all council business.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ policies and delegated authority;	Shire of Moora Policy Manual The Policy Manual is reviewed every two years (last reviewed in full 20 April 2016) and delegations are reviewed annually.	Annually	Biennially	Annually	Every three years. Last reviewed February 2025.	- Policy and Procedure Manuals out of date, subsequently review commenced and substantially complete (FMSR 8.2.2 – moderate risk rating)	Continue to review Policies and Procedures until up to date and implement cyclical review thereafter
▪ levels of responsibilities and authorities;	All positions are documented in the organisation chart and their responsibilities and authorities are documented in position descriptions and the delegations register.	Annually		Annually	Every three years. Last reviewed February 2025.		
			Audited / Reviewed / Assessed By				

Operational Guidelines No 9 - Audit in Local Government	Shire of Moora Policy and Practices	SOM MANEX	SOM Audit Committee / Council	Statutory External Audit - OAG / RSM	FMSR (Internal Audit) - AMD	Findings	Action Items
▪ audit practices;	External audits are conducted in accordance with the Australian Auditing Standards, Australian Accounting Standards, the Local Government Act and Regulations.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ information system access and security;	Managed ICT is engaged to provide IT services including to monitor and maintain the Shire's computer systems, software, security and backup solutions. Access to all systems is only through a centrally managed password protected interface with enhanced security protocols implemented. Staff access levels are restricted and reviewed annually by DCEO.	Annually		Annually	Every three years. Last reviewed February 2025.	Enhancements were recommended to IT and cyber security processes, procedures and policies (FMSR 4.2.1 Significant) – These are being addressed through SoM participation in a Cyber Security Pilot Project	Active participation in the Cyber Security Pilot Project
▪ management operating style; and	Performance reviews are completed annually providing staff and management with the opportunity to provide feedback and to set improvement plans for the next 12 months. The CEO is subject to annual review by Council. Desired values are detailed in Shire's Strategic Community Plan which is reviewed every four years.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ human resource management and practices.	Human resource management and practices is reviewed and tested annually as part of the external audit and internal auditor every three years.	Annually		Annually	Every three years. Last reviewed February 2025.		
Internal control systems involve policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with legislation and achieve effective and efficient operations and may vary depending on the size and nature of the local government.							
Aspects of an effective control framework will include:							
▪ delegation of authority;	Delegation Register. Delegation of authority is reviewed annually by Council and is maintained in the Delegation Register.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.	Updates required to the Delegations Register which were undertaken (FMSR 6.2.2 & 6.2.3 – moderate risk rating).	
▪ documented policies and procedures;	Shire of Moora Policy Manual. Is available on the Shire Website for staff and Council guidance.	Annually		Annually	Every three years. Last reviewed February 2025.	Recommended improvements to and reviews of policies and procedures which were implemented (FMSR 6.2.2 & 6.2.3 – moderate risk rating).	
		Audited / Reviewed / Assessed By					

Operational Guidelines No 9 - Audit in Local Government	Shire of Moora Policy and Practices	SOM MANEX	SOM Audit Committee / Council	Statutory External Audit - OAG / RSM	FMSR (Internal Audit) - AMD	Findings	Action Items
▪ trained and qualified employees;	Suitably qualified staff are recruited via a stringent process and approved by the CEO. Ongoing training opportunities are identified in annual performance reviews. The Senior Finance Officer maintains a training register for Shire staff.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ system controls;	All system controls are audited by external auditors annually and further tested as part of Financial Management System Review every three years	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ effective policy and process review;	The Shire of Moora Policy Manual is reviewed in full every two years. When required, specific policies are reviewed annually. Corporate Services staff are required to review and maintain job procedure manuals.	Annually	Biennially	Annually	Every three years. Last reviewed February 2025.	- Testing indicated exceptions where payroll procedures had not been complied with which have been addressed (FMSR 7.2.1 – moderate rating).	
▪ regular internal audits	The Shire engages the services of an external consultant to perform the internal audit and Financial Management Systems Review every three years.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ documentation of risk identification and assessment; and	The Risk Management Framework Policies and Procedures, including evaluation of Risk Profiles is required to be reviewed annually by management.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ regular liaison with auditor and legal advisors.	DCEO and CEO have open communication channel with external auditors and legal advisors. The audit committee meets at least twice per year during the audit with external auditor and is free to ask any questions they feel is necessary.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
The following are examples of controls that are typically reviewed:							
▪ separation of duties and functions;	Internal controls are in place to ensure adequate segregation of duties for all major processes including purchasing, invoice payment, payroll, reconciliation and cashier functions.	Annually		Annually	Every three years. Last reviewed February 2025.	- Monthly reconciliations not consistently signed off for independent review – this has been addressed (FMSR – 5.2.1 moderate risk rating)	
▪ control of approval of documents, letters and financial records;	All document and letter approval is subject to review by executive staff. Financial records are reviewed and approved by DCEO or CEO.	Annually		Annually	Every three years. Last reviewed February 2025.		
		Audited / Reviewed / Assessed By					

Operational Guidelines No 9 - Audit in Local Government	Shire of Moora Policy and Practices	SOM MANEX	SOM Audit Committee / Council	Statutory External Audit - OAG / RSM	FMSR (Internal Audit) - AMD	Findings	Action Items
▪ comparison of internal data with other or external sources of information;	Internal and external data is verified by responsible officers.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ limit of direct physical access to assets and records;	Record Keeping Plan. Only authorised officers have physical access to assets and records. The Shire maintains a locked archive room onsite and large walk in safe for secure storage of Shire records.	Annually		Annually	Every three years. Last reviewed February 2025.	- Depot security was identified as minimal with limited controls over consumables (FMSR 7.2.3 – low risk rating) – Balancing access requirements with security risks offers limited cost-benefit opportunity for improvement	Ongoing monitoring of need to/ability to improve depot access restrictions.
▪ control of computer applications and information system standards;	Control of computers applications and information system standards is managed by Managed ICT who are engaged by the Shire to maintain and monitor computers systems.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ limit access to make changes in data files and systems;	Access to make changes to data files and systems is restricted to authorised officers only. User access to systems is managed by Managed ICT. All changes and access levels are authorised by the DCEO.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ regular maintenance and review of financial control accounts and trial balances;	A full trial balance reconciliation is completed monthly and reviewed by the MFS. Accounts are audited annually by OAG.	Monthly		Annually	Every three years. Last reviewed February 2025.		
▪ comparison and analysis of financial results with budgeted amounts;	Variance analysis comparing actuals to budget is completed monthly. Variances are reported to Council in note 2 of the Monthly Financial Statements.	Monthly	Monthly	Annually	Every three years. Last reviewed February 2025.		
▪ the arithmetically accuracy and content of records;	Accuracy and content of records is checked at every stage by the relevant officer and within scope of annual audit. Records are maintained in accordance with the Shire's Record Keeping Plan.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ report, review and approval of financial payments and reconciliations; and	Payments are made in accordance with the Shire Purchasing Policy and subject to annual audit scrutiny. A list of all Council payments is reported to Council monthly.	Monthly	Monthly	Annually	Every three years. Last reviewed February 2025.	- Investment Policy has not been reviewed, no investment strategy – Investment Policy was reviewed in May 2025 (FMSR 5.2.2 – moderate risk rating).	
▪ comparison of the result of physical cash and inventory counts with accounting records.	Petty cash is maintained at Shire offices, swimming pool and childcare centre. All balances are counted and confirmed at 30 June. Fuel inventory is reconciled monthly based on a fuel dip with a stock adjustment made at 30 June. Any	Monthly		Annually	Every three years. Last reviewed February 2025.	- Identified occasions where daily receipts were not deposited to bank on the next working day (FMS3.2.1 minor risk rating) – reduced bank opening hours and random closures preclude 100% compliance	

| | | attractive and portable assets less than $5,000 are registered on a low value assets register by location. | | | | | | |

		Audited / Reviewed / Assessed By					
Operational Guidelines No 9 - Audit in Local Government	**Shire of Moora Policy and Practices**	**SOM MANEX**	**SOM Audit Committee / Council**	**Statutory External Audit - OAG / RSM**	**FMSR (Internal Audit) - AMD**	**Findings**	**Action Items**
LEGISLATIVE COMPLIANCE The compliance programs of a local government are a strong indication of attitude towards meeting legislative requirements. Audit committee practices in regard to monitoring compliance programs typically include:							
▪ Monitoring compliance with legislation and regulations;	A compliance register is maintained and reviewed monthly.	Monthly		Annually	Every three years. Last reviewed February 2025.		
▪ Reviewing the annual Compliance Audit Return and reporting to Council the results of that review;	Compliance Audit Return is prepared annually by MANEX and reported to the Audit Committee and Council.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ Staying informed about how management is monitoring the effectiveness of its compliance and making recommendations for change as necessary;	Non-compliance issues are reported in the annual Compliance Audit Return. The Compliance Register is reviewed monthly to identify any potential issues.	Monthly	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ Reviewing whether the local government has procedures for it to receive, retain and treat complaints, including confidential and anonymous employee complaints;	Customer Action Request Forms are available online and at the Shire Office. The Shire is committed to the aims of the Public Interest Disclosure Act 2003 and strongly supports disclosures being made by staff regarding corrupt or other improper conduct. Details are provided with staff induction packs.	Annually		Annually	Every three years. Last reviewed February 2025.		
▪ Obtaining assurance that adverse trends are identified and review management's plans to deal with these;	Monthly and a quarterly reporting of financial results to Council assist identification of adverse trends and plans to address any potential issues.	Monthly	Monthly	Annually	Every three years. Last reviewed February 2025.		
▪ Reviewing management disclosures in financial reports of the effect of significant compliance issues;	Significant compliance issues are disclosed in the financial reports and audited by OAG annually.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		
▪ Reviewing whether the internal and/or external auditors have regard to compliance and ethics risks in the development of their audit plan and in the conduct of audit projects, and report compliance and ethics issues to the audit committee;	Compliance and ethics risks are within the scope of the annual audit signed off by the OAG. Any compliance or ethics issues would be reported to the Audit Committee through the audit findings and Management Letter.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.		

		SOM MANEX	SOM Audit Committee / Council	Statutory External Audit - OAG / RSM	FMSR (Internal Audit) - AMD	Findings	Action Items
▪ Considering the internal auditor's role in assessing compliance and ethics risks in their plan;	Compliance and ethics risks are within the scope of the Financial Management Systems Review completed every three years by an external consultant.				Every three years. Last reviewed February 2025.		
				Audited / Reviewed / Assessed By			
Operational Guidelines No 9 - Audit in Local Government	**Shire of Moora Policy and Practices**	**SOM MANEX**	**SOM Audit Committee / Council**	**Statutory External Audit - OAG / RSM**	**FMSR (Internal Audit) - AMD**	**Findings**	**Action Items**
▪ Monitoring the local government's compliance frameworks dealing with relevant external legislation and regulatory requirements; and	Compliance obligations are monitored through a Shire compliance register. Auditors and consultants also ensure legislative compliance as part of the audit.	Annually		Annually	Every three years. Last reviewed February 2025.	- Legislative non-compliance instances identified which have since been addressed (FMSR 8.2.1 – significant risk rating)	
▪ Complying with legislative and regulatory requirements imposed on audit committee members, including not misusing their position to gain an advantage for themselves or another or to cause detriment to the local government and disclosing conflicts of interest.	Duties and responsibilities for members of Shire committees, including the Audit Committee are contained in the Code of Conduct. Interest are required to be disclosed by Elected Members which is noted in the meeting minutes for public record.	Annually	Annually	Annually	Every three years. Last reviewed February 2025.	- Elected Members Code of Conduct overdue for review which has since been addressed (FMSR 8.2.3 – low risk rating)	