

Item 8.7 Queensland Audit Office – Second Interim Management Report for the financial year ended 30 June 2021

16 September 2021

Queensland Audit Office (QAO)

Second Interim Management Report for the financial year ended 30 June 2021

Audit Schedule

- Planning (Dec 2020)
- 1st Interim (Mar 2021)
 - Assessment of control environment
 - Covers July 2020 to Feb 2021
- **2nd Interim (June 2021)**
 - **Covers Mar 2021 to May 2021**
- Final including Asset Valuations (Sep 2021)

Legislative Requirements

- Statutory obligation to prepare General Purpose Financial Statements subject to audit by the Qld Auditor General (or representative)
- Audit Reports are first presented to Council's Audit Committee
- Section 213(3) of the *Local Government Regulation 2012* requires that the report be presented at the next ordinary meeting of Council

Results of QAO 2nd Interim Audit 2021

This audit involved confirming the operating effectiveness of Council's key financial internal controls, along with further substantive procedures covering the period March 2021 to May 2021

ITEM	RESULT
1. Internal control assessment	Partially effective
2. Financial reporting issues	Nil
3. Areas of audit significance	On track
4. Other matters	Resolved subject to audit verification
5. Milestones	On track

Based on the results of the testing completed to date and the resolution of prior year issues, QAO have confirmed that Council's internal control environment is partially effective, meaning that while the outstanding matters are still being addressed, the environment supports an audit strategy that can rely on these controls.

Critical Dates

- September 2021 – Final Audit
- October 2021 – Council certification of the 2020/21 financial statements and current year financial sustainability statement
- November 2021 – Council adoption of the 2020/21 audited financial statements
- February 2022 – Report to Parliament on the results of local government audits

Implementation

All identified issues will be stored in Council’s Corporate Reporting System with implementation to be monitored by the Audit Committee.

Officer Recommendation

That Council receive and note the report titled “Queensland Audit Office – Second Interim Management Report for the financial year ended 30 June 2021”.

Thank you.



See council's website for further details
www.sunshinecoast.qld.gov.au