



Our Ref: 7889-002

Mr Nicholas Edwards
Chief Executive Officer
Bunbury-Harvey Regional Council
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Dear Mr Edwards

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Office has completed the audit of the annual financial report for your Council. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the Chairperson and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Council's official website within 14 days after the annual report has been accepted by your Council.

Management control issues

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

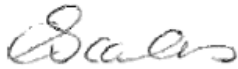
The date that entities provided their annual financial report to the Office has been recorded for purposes of reporting to Parliament. The date recorded for the receipt of your financial statements was 29 September 2023.

This letter has been provided for the purposes of the Council and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Council for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7640 if you would like to discuss these matters further.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Carly Meagher'.

Carly Meagher
Director
Financial Audit
24 November 2023

Attach

BUNBURY-HARVEY REGIONAL COUNCIL
PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2023
FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Financial report submission			✓

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 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.

BUNBURY-HARVEY REGIONAL COUNCIL
PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2023
FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

1. FINANCIAL REPORT SUBMISSION

Finding 2023

Local Government (Financial Management) Regulations 1996 section 51(2) requires the Council to submit its Annual Financial Report to the Department of Local Government within 30 days of receipt of the audit report.

During our review, we noted that the 21/22 Financial Report was submitted on 27 March 2023, which is 74 days after the date of the audit report.

Rating: Minor

Implication

Non-compliance with *Local Government (Financial Management) Regulations 1996 section 51(2)*.

Recommendation

We recommend that Management ensures the Financial Report is submitted to the Department of Local Government within 30 days of receipt of the audit report, as required by *Local Government (Financial Management) Regulations 1996 section 51(2)*.

Management Comment

This was an administrative error which has been noted and a process has been established so this oversight does not occur again.

Responsible Person: CEO
Completion Date: Immediate