

Shire of Coolgardie
2022/23 Audit Management Report
Action List

Matter Raised	Area of Concern	Action Taken / Proposed Action	Measurement of Success/Steps Taken
<p>Inappropriate use of restricted funds</p>	<p>It was noted that the Shire's unrestricted cash position as at 30 June 2023 was a negative balance of \$2,149,697. Review of the Shire's cash and cash equivalents accounted revealed the Shire had accessed restricted funds to subsidise the municipal funds</p>	<p>The Shire acknowledges the importance and is committed to taking the necessary steps to address the inappropriate use of restricted funds.</p> <p>We are dedicated to implementing corrective measures promptly which may involve revising banking procedures or internal controls to mitigate the identified risks and prevent similar issues from arising in the future.</p> <p>In addition the Shire will give due consideration and comply per the recommendation stated above in relation to management of Shire's cashflow and timing issues in accordance with section 6.11 Local Government Act 1995.</p>	<p>Allocate funds to reserve accounts to maintain the balance and minimal restricted funds required.</p>
<p>Fair value assessment of land, building and infrastructure assets</p>	<p>The Shire undertook revaluations of its land, buildings and certain classes of infrastructure assets (namely parks and ovals, sewerage and other) in 2021-22. However, the Shire has not performed a robust fair value assessment in 2022-23 to determine whether those assets represent fair value at the end of the current reporting period. Other classes of infrastructure assets, namely roads, footpaths and drainage, have been revalued in 2022-23.</p>	<p>The Shire's goal is to ensure that the local government functions efficiently, effectively, and with the highest level of integrity and the Shire acknowledges the recommendation to comply and will take the necessary actions as and when required.</p>	<p>Compliance with AASB13 FVM 17 (A) (4) (b) LGFMR</p>

	<p>Regulation 17A(4)(b) of the Local Government (Financial management) regulations (FM Regulations) requires a local government to revalue its revalued assets when it is of the opinion that the fair value is likely to materially differ to the carrying amount.</p>		
--	---	--	--