



Audit Committee Chairs Forum

Hosted by the Australian National Audit Office and the Department of Finance

8 December 2023



Welcome and opening remarks

Jane Meade
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Australian National Audit Office



Auditor-General Insights

Grant Hehir

Auditor-General for Australia
Australian National Audit Office



Performance Statements Audit Update

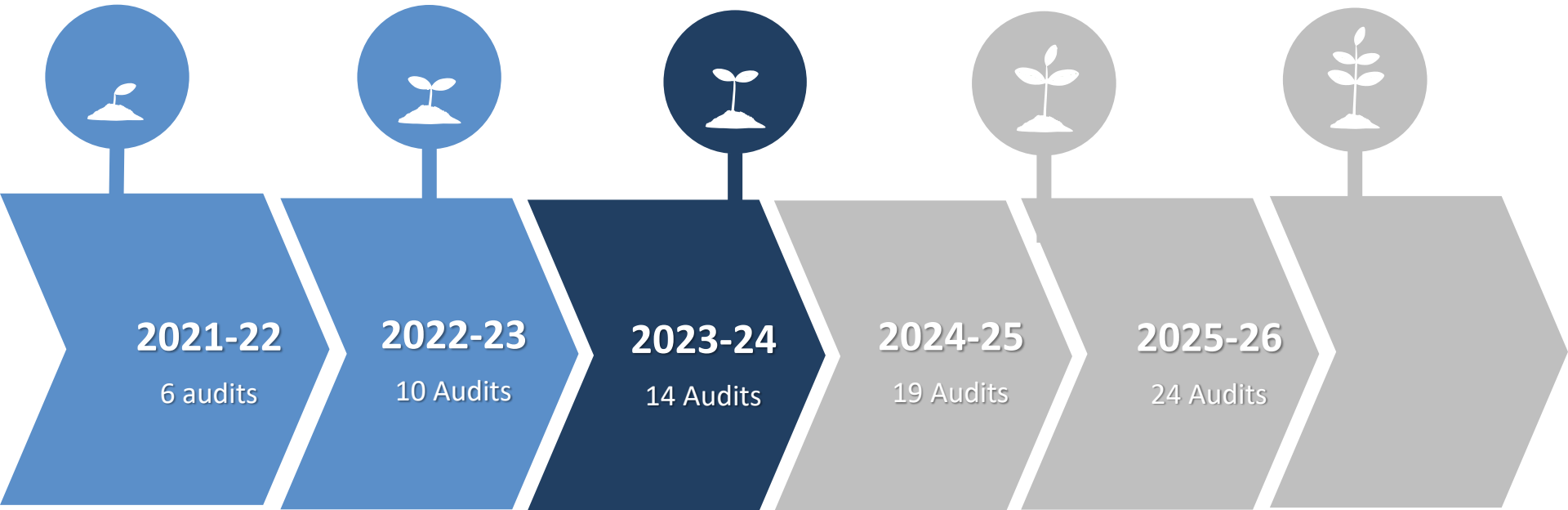
Richard Grant
Senior Director
Performance Statements Audit Services Group
Australian National Audit Office

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AUDITING PERFORMANCE STATEMENTS

WHERE WE STARTED AND WHERE WE ARE GOING





KEY OBSERVATIONS FROM 2022-23

WHAT WE ARE SEEING



ENTITY-WIDE PERFORMANCE FRAMEWORK

Identify structure and content of performance information and use it to run the business



COMPLETENESS OF PERFORMANCE INFORMATION

Key activities and measures should tell the story of the achievement of the entity's purposes



RELEVANCE OF PERFORMANCE INFORMATION

Include information that relates directly to the entity's purposes and is important to users



RELIABLE AND VERIFIABLE DATA SOURCES

Supported by complete and accurate data and reliable methodologies



DISCLOSURES, CAVEATS AND LIMITATIONS

Avoid crowding out performance information with disclosures



MATURITY

THE ESSENTIALS TO HIGH-QUALITY PERFORMANCE INFORMATION



1

LEADERSHIP

that demonstrates ownership and commitment to a performance culture.

2

GOVERNANCE

arrangements that integrate performance information into the operation of the entity.

3

DATA & SYSTEMS

that enable reliable and verifiable production of performance information and the performance results to inform entity decision making.

CAPABILITY

with the entity building the knowledge and skills to design, measure and report high quality non-financial performance information on an ongoing basis.

4

RESOURCING

with the sufficient staff who are qualified and trained.

5

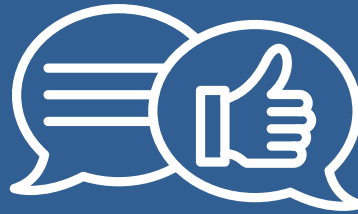


LESSONS LEARNED

IMPORTANT ASPECTS FOR US TO CONSIDER



**BURDEN OF
EVIDENCE**



**EARLIER
FEEDBACK ON
INITIAL
ASSESSMENTS**



**ASSURANCE OF
THIRD-PARTY
DATA**



SECTOR ENGAGEMENT



ANAO PRODUCTS

- End of Year Report
- Audit Insights

ENTITY ENGAGEMENT

- Post Audit Roundtable
- Community of Practice



EXPERT ADVISORY PANEL

COLLABORATION WITH DEPARTMENT OF FINANCE



THANK YOU



ANY QUESTIONS?





2022-23 Financial Reporting

Amy Fox, First Assistant Secretary
Financial Analysis, Reporting and Management Division
Department of Finance



2022-23 Financial Reporting



Observations/reflections on 2022-23

- Financial statements timeframes and quality impacted by:
 - shortage of professional resources across the profession, particularly in CFO teams
 - ongoing turnover in staffing, impacting succession planning and staff knowledge/capability
 - continued impacts of Machinery of Government changes, in particular creation of new entities.



2022-23 Financial Reporting



Observations/reflections on 2022-23

- Common entity queries:
 - appropriation recognition and disclosures
 - software as a service and capital budgets
 - key management personnel and executive remuneration disclosures
 - lease incentives and lease modifications
 - long service leave provisions
 - valuation of assets/investments.



2022-23 Financial Reporting



- For 2023-24, entities encouraged to:
 - Plan early, and consider staffing requirements, capability and development
 - Seek technical expertise well ahead of the end of financial year, such as regular valuations and engaging experts.
 - For new entities or those with high staff turnover, ensure standard procedures and processes are documented.
- Early engagement including with Finance on complex/technical issues, documentation and timeframes.
- Ensure professional judgements and accounting estimates are documented, and supporting documentation is kept on file.



Morning tea break



Cyber Security / Data Governance

Lesa Craswell

A/g Group Executive Director
Systems Assurance and Data Analytics
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Cyber Security



- Cyber Security – are the basics in place?
 - User access management (including user access removal)
 - Privileged user management (including monitoring)
 - Password Management
 - Backup and Recovery
 - Change Management
 - Protective Security Policy Framework (PSPF)



Data Governance



- Data Governance
 - What data is held?
 - What data is critical or sensitive?
 - How well is the data documented?
 - Who can access the data?
 - Who is the data custodian?
 - Who is accountable for the data?
 - Is there a data governance framework in place?



General questions and closing remarks

Jane Meade
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