

Appendix A: Control Assessment Worksheets

To quantify likelihood and consequence the Australian/ New Zealand Risk management Standard (AS/NZS ISO 31000:2009) has been used

1 Strategic Financial Planning

1.1 Budgets

Control Assessment Worksheet						
Risk Category – Strategic Financial Planning						
Business Process – Budgets						
Risk No. 1 - Budgets do not reflect strategic objectives.					Inherent Risk Assessment	
Description: If Budgets are not linked to the objectives contained within the Management Plan, there is an increased risk that the initiatives and outcomes of the Management Plan will not be achieved.					Likelihood	Likely
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Process to establish the annual budget and ensure that it is consistent with the Management Plan.	Core	Strategic management plan is to be reviewed.	EXEC OFFICER	EPLGA Board	
2.	On-going review by Executive Officer of actual performance against budget and ensure consistency of budget in relation to initiatives/objectives of Management Plan.	Core	N/A as control in place, Budget reviews are performed monthly, however the budget is generally not updated for changes such as removal of discontinued projects or addition of new projects until the quarterly EPLGA Board meeting.	EXEC OFFICER	EPLGA Board	
3.	Establishment of clear links and relationship between budgets and Strategic Management Plan.	Core	Strategic management plan is to be reviewed annually.	EXEC OFFICER	EPLGA Board	
4.	EPLGA Board has a long term financial plan which underpins the development of the annual budget and aligns with EPLGA Board's strategic management plan.	Core	1. The EPLGA Boards long term plan is to be updated with actuals on an annual basis 2. The strategic management plan is to be reviewed.	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – Strategic Financial Planning
Business Process – Budgets

Risk No. 2 - Unrealistic Budgets.

Description: Unrealistic budgets will lead to significant variances and the associated inefficiency in analysing and addressing variance analysis. On the other hand, if budgets are set at easily attainable levels, this will result in EPLGA Board not maximising performance.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Major
Rating:	Extreme

1.	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	Budgets based on realistic and achievable assumptions and validated by facts.	Core	N/A as control in place, budgets are based on information provided supplied by Councils, EPLGA Board, LGA and historical financial performance data.	EXEC OFFICER	EPLGA BOARD
2.	Budgets approved by and adopted by EPLGA Board in accordance with Local Government Act.	Core	N/A as control in place, budget process includes adoption by the EPLGA Board.	EXEC OFFICER	EPLGA BOARD
3.	All amendments to Budgets must be approved by EPLGA Board and impacts considered.	Core	N/A as control in place, budget Review in line with Legislation requirements & at EPLGA Board Meetings.	EXEC OFFICER	EPLGA BOARD
4.	End of year actual budget compared to original budget; significant variances explained.	Core	N/A as control in place, reported as per legislation requirements by December in each year after audit.	EXEC OFFICER	EPLGA BOARD

1.2 General Ledger

Control Assessment Worksheet						
Risk Category – Strategic Financial Planning						
Business Process – General Ledger						
Risk No. 1 - General Ledger does not contain accurate financial information.					Inherent Risk Assessment	
Description: If processing errors (i.e. inaccurate journals) occur in the General Ledger this may result in the General Ledger, as well as the financial statements and management reports being misstated.					Likelihood	Likely
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	All updates and changes to General Ledger are authorised and documented.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
2.	Access to General Ledger maintenance is restricted to authorised personnel.	Core	N/A as access is restricted,	RDAWEP Support Staff	EXEC OFFICER	
3.	General Ledger reconciliations (including control and clearing accounts) are prepared on a regular basis; all reconciliations independently reviewed.	Core	N/A as control in place, reconciliations are performed monthly.	RDAWEP Support Staff	EXEC OFFICER	
4.	Manual journal entries recorded & are authorised by the officer preparing the journal and an independent reviewer.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
5.	Off-site backup of data, program and documentation.	Core	N/A as control in place, offsite backup by Fourier as part of managed services	RDAWEP Support Staff	EXEC OFFICER	
6.	System does not allow posting of unbalanced journals.	Core	N/A as control in place.	N/A system control	RDAWEP Support Staff	
7.	Amendments to the structure of the General Ledger framework are approved by an authorised officer.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Strategic Financial Planning
Business Process – General Ledger

Risk No. 2 - Data contained within the General Ledger is permanently lost.

Description: If adequate back-up procedures are not employed by EPLGA, data within the General Ledger may be permanently lost resulting in significant operational inefficiencies.

Inherent Risk Assessment

Likelihood	Unlikely
Consequence:	Catastrophic
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Formal disaster recovery plan adopted by EPLGA Board or Executive Officer.	Core	N/A control in place. EPLGA records & IT services now managed offsite by Fourier	RDWEP Support Staff	EXEC OFFICER
2.	Off-site backup of data, program and documentation.	Core	N/A as control in place, backup by Fourier managed IT Services - offsite.	RDWEP Support Staff	EXEC OFFICER
3.	All updates and changes to General Ledger programmes are authorised, tested and documented.	Core	N/A as control in place.	RDWEP Support Staff	EXEC OFFICER
4.	Access to General Ledger maintenance is restricted to authorised personnel.	Core	Access is restricted to dedicated RDWEP Support Staff	RDWEP Support Staff	EXEC OFFICER

1.3 Statutory Reporting

Control Assessment Worksheet						
Risk Category – Strategic Financial Planning						
Business Process – Statutory Reporting						
Risk No. 1 – EPLGA Board does not comply with statutory reporting requirements and deadlines. Description: If EPLGA Board does not comply with statutory reporting requirements, this may result in EPLGA Board being liable to pay statutory breaching penalties.					Inherent Risk Assessment	
					Likelihood	Possible
					Consequence:	Major
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Statutory financial reports prepared by suitably qualified staff.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
2.	EPLGA Board has a mechanism in place to ensure statutory reporting deadlines are met. Designated person monitors compliance with reporting deadlines.	Core	LGA compliance calendar of statutory deadlines is available on LGA website.	RDAWEP Support Staff	EXEC OFFICER	
3.	EPLGA Board has adopted all of the prescribed financial reporting requirements, such as: - LTFP, Budgets, Annual Financial Statements, Strategic Management Plan and Annual Reports to ensure compliance with the Local Government Act and relevant regulations.	Core	N/A as control in place.	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – Strategic Financial Planning
Business Process – Statutory Reporting

Risk No. 2 – EPLGA Board’s statutory reports provide inaccurate financial information.

Description: If inaccurate financial information is contained within statutory reports (i.e. annual statements), then EPLGA Board faces the risk of not fulfilling its statutory obligations. This may result in legal and financial penalties.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Actual results compared to budget regularly; management reviews and investigates significant variances.	Core	N/A as control in place, monthly reviews by Exec Officer & quarterly reports to EPLGA Board	EXEC OFFICER	EPLGA Board
2.	Financial reports prepared by suitably qualified staff.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
3.	General Ledger reconciliations (including control and clearing accounts) are prepared on a regular basis; all reconciliations independently reviewed.	Core	N/A as control in place, reconciliations are performed monthly.	RDAWEP Support Staff	EXEC OFFICER
4.	External Audit conducted & annual financial statements investigated for correctness	Core	N/A Gill Penfold appointed auditors	EXEC OFFICER	External Auditors

1.4 Management Reporting

Control Assessment Worksheet						
Risk Category – Strategic Financial Planning						
Business Process – Management Reporting						
Risk No. 1 – KPIs are not consistent with Corporate Objectives and accounting policies adopted by EPLGA Board are not adhered to.					Inherent Risk Assessment	
Description: If KPIs are not linked to the Corporate Objectives, then the Executive Officer will be striving towards measures that ultimately will not lead to the achievement of the desired corporate objectives.					Likelihood	Possible
					Consequence:	Major
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	KPIs are established that are consistent with the Management Plan Objectives.	Core	N/A Management Plan has included a list of KPIs & Budget.	EXEC OFFICER	EPLGA Board	
2.	On-going review and reporting of actual performance against budget; management perform on-going review of consistency of KPIs in relation to Management Plan Objectives.	Core	On-going review of performance against budget is regularly performed: Management Plan KPIs assessed annually in EXEC Officer performance review & included in Annual Report. E.g. balanced budget, level of additional grant funds gained etc.	EXEC OFFICER	EPLGA Executive Committee & EPLGA Board	
3.	Accounting Policies and Procedures are appropriately created & updated.	Core	To be included in an overarching finance policies.	RDAWEP Support Staff	EXEC OFFICER EPLGA Board	
4.	The long term financial plan is reviewed regularly and the performance of KPI's monitored.	Core	Long term plan to be reviewed and updated on an annual basis. KPIs to be monitored once implemented.	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – Strategic Financial Planning
Business Process – Management Reporting

Risk No. 2 – EPLGA Board’s financial information is not reviewed in a timely manner to enable effective decision making.

Description: If the Executive Officer does not review financial performance effectively, informed decisions as to the performance of EPLGA Board and plans effectively for the future may not be achieved.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	Ensure that roles and responsibilities are documented and within Delegations of Authority register and is maintained and updated.	Core	N/A as control in place, Roles and responsibilities are documented in Position Descriptions and Delegations are endorsed by the EPLGA Board.	EXEC OFFICER	EPLGA Board
2.	EPLGA Board reviews its financial performance in accordance with relevant legislative requirements.	Core	N/A as control in place, EPLGA Board monitors its financial performance quarterly	EXEC OFFICER	EPLGA Board

Control Assessment Worksheet

Risk Category – Strategic Financial Planning
Business Process – Management Reporting

Risk No. 3 – Significant budget variances are either not investigated on a timely basis or not investigated at all.

Description: Significant budget variances may indicate a major operational issue that requires immediate attention. If these variances are either not addressed by the Executive Officer on a timely basis or not at all, then this may have a major impact upon the operational efficiency of EPLGA Board.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Executive Officer regularly reports on actual performance against budget.	Core	N/A as control in place. Quarterly reporting to the EPLGA Board	EXEC OFFICER	EPLGA Board
2.	Executive Officer to review the exception reports on a regular basis and investigates all significant variances; evidence of review demonstrated must be provided.	Core	N/A as control in place. Quarterly reporting to the EPLGA Board.	EXEC OFFICER	EPLGA Board

2 Assets

2.1 Banking

Control Assessment Worksheet						
Risk Category – Assets						
Business Process – Banking						
Risk No. 1 – Fraud.					Inherent Risk Assessment	
Description: If funds are misappropriated, this will result in banking either being inaccurately recorded or not recorded at all. As a result the cash balance will be misstated in both the management reports and the financial statements.					Likelihood	Possible
					Consequence:	Major
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Blank cheques and/or cheque-signing are adequately safeguarded.	Core	N/A as control in place. EFT used not cheques.	RDAWEP Support Staff	EXEC OFFICER	
2.	Bank reconciliations are performed on a predetermined basis and are reviewed by an authorised officer. Any identified discrepancies are investigated immediately.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
3.	Cash transfers between bank accounts and investment bodies are approved by authorised officer.	Core	RDAWEP Support Staff advises LGFA/ Bendigo Bank/ Bank SA: <ul style="list-style-type: none"> Account in which funds are to be transferred Transfer requests are in writing Personnel authorised of the account in which funds are to be transferred Only authorised personnel are to request transfers. 	RDAWEP Support Staff	EXEC OFFICER	
4.	Access to EFT Banking system restricted to appropriately designated personnel.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

2.2 Investments

Control Assessment Worksheet						
Risk Category – Assets						
Business Process – Investments						
Risk No. 1 – EPLGA Board makes poor investment decisions.					Inherent Risk Assessment	
Description: If EPLGA Board decides to invest in high-risk or controversial projects, this can result in negative publicity and the potential loss of the original investment.					Likelihood	Almost Certain
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	EPLGA Board has a clear and comprehensive investment policy to assist when making any decisions to invest funds.	Core	N/A as control in place, the LGA Act provides guidance on investments EPLGA Boards investments are to be with the LGFA & Bendigo Bank.	RDAWEP Support Staff	EXEC OFFICER	
2.	Delegations are in place for approving and making investment decisions.	Core	A delegations policy needs preparing & presenting to the EPLGA Board.	EXEC OFFICER	EPLGA Board	
3.	EPLGA Board reviews investment performance at least annually.	Core	N/A as control in place, the act stipulates half yearly and annual review to be performed. Quarterly Budget review is suffice.	EXEC OFFICER	EPLGA Board	
4.	All investments are to be held in the name of the EPLGA Board or associated entities in accordance with the source of funds.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Assets
Business Process – Investments

Risk No. 2 – Investment transactions are either not recorded or are recorded inaccurately.

Description: Unrecorded investment transactions may result in financial loss if funds are disbursed, but title to the investment is never received, or if investments mature, but the proceeds are neither received nor reinvested. If investment transactions are recorded inaccurately, investments may be misstated in the balance sheet.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Investment transactions are reconciled / compared to third-party statements documents and discrepancies are investigated.	Core	N/A as control in place, LGFA & Bendigo Bank confirms quarterly interest and balances checked.	RDAWEP Support Staff	EXEC OFFICER
2.	Investment transactions at the end of an accounting period are scrutinised and/or reconciled to ensure complete and consistent recording.	Core	N/A as control in place, this occurs as part of the end of financial year processes	RDAWEP Support Staff	EXEC OFFICER
3.	Cash transfers between bank accounts and investment bodies are approved by authorised officer	Core	RDAWEP Support Staff advise the LGFA of: <ul style="list-style-type: none"> Account in which funds are to be transferred Transfer requests in writing Personnel authorised notified of the account in which funds are to be transferred Only authorised personnel are to request transfers. 	RDAWEP Support Staff	EXEC OFFICER
4.	Journals are processed regularly for all investments and a process is in place to verify the accuracy of transactions. All journals are double checked.	Additional	Double checking of journals to be implemented.	RDAWEP Support Staff	EXEC OFFICER
5.	Register of investments is kept detailing amounts and maturity dates.	Additional	N/A as control in place, statements provided on a monthly basis	RDAWEP Support Staff	EXEC OFFICER
6.	Actual investment income compared to budget on a regular basis; variances are investigated.	Additional	N/A as control in place, this is performed monthly & quarterly to the EPLGA Board.	RDAWEP Support Staff	EXEC OFFICER (Monthly) EPLGA Board (Quarterly)

Control Assessment Worksheet

Risk Category – Assets
Business Process – Investments

Risk No. 3 – Investment income is inaccurately calculated or not recorded in the appropriate period.

Description: Inaccurately recorded investment income, unrecorded investment income, or investment income recorded in the incorrect period may result in financial misstatement. Such errors often result from inaccurate data entry of interest rates and/or inaccurate calculation of interest or dividend income.

Inherent Risk Assessment

Likelihood	Unlikely
Consequence:	Minor
Rating:	Low

	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	Investment transactions are reconciled / compared to third-party statements documents and discrepancies are investigated.	Core	N/A as control in place, this is performed on a monthly basis.	RDAWEP Support Staff	EXEC OFFICER
2.	Actual investment income compared to budget on a regular basis; variances are investigated.	Additional	N/A as control in place.	EXEC OFFICER	EPLGA Board

2.3 Debtors

Control Assessment Worksheet						
Risk Category – Assets						
Business Process – Debtors						
Risk No. 1 – Debtors are either inaccurately recorded or not recorded at all. Description: Errors in invoices can lead to a misstatement of debtors and revenue, uncollectible accounts, and customer dissatisfaction. If invoices are issued but not recorded, revenue and accounts receivable in the financial statements may be understated. Furthermore, the related cash receipts may also not be recorded and may be misappropriated. Alternatively, the EPLGA Board is unlikely to notice or follow up on delinquent payments if the invoice has not been recorded.					Inherent Risk Assessment	
					Likelihood	Possible
					Consequence:	Moderate
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Invoices are automatically generated, including the calculation of discounts, if applicable.	Core	N/A as control in place, invoices are system generated.	RDAWEP Support Staff	EXEC OFFICER	
2.	Debtor's reconciliation performed on a regular basis to the General Ledger and reviewed by an independent person.	Core	N/A as control in place, Executive Officer performs the debtor reconciliation; this person is not involved in invoicing.	EXEC OFFICER	EXEC OFFICER	
3.	EPLGA Board maintains a Debt Collection Policy.	Core	N/A as control in place, EPLGA Board is guided by the Local Government Act.	EXEC OFFICER	EPLGA Board	
4.	Debtor statements are provided regularly to customers.	Additional	N/A as control in place, statements are sent monthly	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Assets
Business Process – Debtors

Risk No. 2 – Debtors are either not collected on a timely basis or not collected at all.

Description: If aged debtors are not identified and managed effectively, this may result in debtors not being collected on a timely basis or not collected at all. This will place greater demands on EPLGA Board's cash flow.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Debtor's reconciliation performed on a regular basis to the General Ledger and reviewed by an independent person.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
2.	Executive Officer reviews debtors ageing profile on a regular basis and investigates any outstanding items.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
3.	Executive Officer and/or EPLGA Board approve all credit notes, bad debt write-offs and movements in the provision for doubtful debts, in accordance with delegations of authority and Local Government Act.	Core	Delegations to be put to EPLGA Board	EXEC OFFICER	EPLGA Board
4.	Debtors and revenue are compared to budget regularly; Executive Officer reviews and investigates significant variances.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
5.	Debtor Statements are distributed monthly.	Additional	N/A as control in place	RDAWEP Support Staff	EXEC OFFICER

3 Liabilities

3.1 Accounts Payable

Control Assessment Worksheet						
Risk Category – Liabilities						
Business Process – Accounts Payable						
<p>Risk No. 1 – Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all.</p> <p>Description: If invoices are not entered accurately (i.e. amounts posted to incorrect creditor), accounts payable will be misstated, as will the relevant expense, inventory, or asset accounts. Also, erroneous payments may be made to vendors.</p> <p>If amounts posted to accounts payable do not represent goods or services received (due to invalid delivery address on purchase order), unauthorised payments might be made and the organisation might incur a financial loss. If accounts payable amounts are not recorded at all, accounts payable will be understated, as will the related inventory, expense, or asset accounts. Also, supplier payments will not be made, which may damage supplier relationships.</p>					Inherent Risk Assessment	
					Likelihood	Likely
					Consequence:	Moderate
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Statements received from suppliers are reconciled to the supplier accounts and differences are investigated.	Core	N/A as control in place, reconciliations are performed at least monthly.	RDAWEP Support Staff	EXEC OFFICER	
2.	Invoices received are authorised and accompanied by appropriate supporting documentation.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
3.	Payments (Cheques and EFT's) are endorsed by authorised officers separate to the preparer who ensure that they are paid to the specified payee.	Core	N/A as control in place. Resolution on the books	RDAWEP Support Staff	EXEC OFFICER	
4.	Actual expenditures are compared to budget regularly; management reviews and approves significant variances.	Additional	N/A as control in place, high level reports go to EPLGA Board monthly.	EXEC OFFICER	EPLGA Board	
5.	Creditor's supporting documentation is checked by an authorised officer prior to payment for accuracy and credit note verification.	Additional	1. Executive Officer sights all documentation prior to payment.	RDAWEP Support Staff	EXEC OFFICER	
6.	Bank statements are reconciled to the general ledger regularly.	Additional	N/A as control in place, reconciliations are performed monthly.	Creditors Officer	MCS	

Control Assessment Worksheet

Risk Category – Liabilities

Business Process – Accounts Payable

Risk No. 2 – Disbursements are not authorised properly.

Description: Unauthorised disbursements could result in EPLGA Board making payments to suppliers for goods and services not actually received by the organisation or EPLGA Board may expend its funds on items of a private or personal nature when reimbursing employee expense claims.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Moderate
Rating:	High

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	All disbursements must be approved by an authorised officer in accordance with relevant policies and/or Delegations of Authority.	Core	The purchasing policy and delegations are to be reviewed.	RDAWEP Support Staff	EXEC OFFICER
2.	Purchase Orders must be raised for the purchase of goods and services in line with the EPLGA Board's Procurement policy or over a predetermined amount where applicable.	Core	Policy needs to be reviewed	RDAWEP Support Staff	EXEC OFFICER
3.	Individuals who authorise payment of suppliers are authorised officers who are independent of the processing of invoices.	Core	N/A as control in place, the RDAWEP Support Staff can authorise payment and processes invoices however, payments need to be counter signed by the Executive Officer.	RDAWEP Support Staff	EXEC OFFICER
4.	Cheque usage to be reconciled to stock of cheques on a regular basis and blank cheques to be held securely.	Core	1. A payments listing, including EFT and cheques, is prepared. This report is to be independently approved.	RDAWEP Support Staff	EXEC OFFICER
5.	Employee expense claims must be approved by authorised officer and independently verified and include relevant substantiation.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
6.	Creditor's supporting documentation is checked by an authorised officer prior to payment for accuracy and credit note verification.	Additional	1. Review of supporting documentation prior to payment is undertaken by the Exec Officer.	RDAWEP Support Staff	EXEC OFFICER
7.	Records should be maintained of all payments with supporting documentation.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

Control Assessment Worksheet

Risk Category – Liabilities

Business Process – Accounts Payable

Risk No. 3 – Accounts are not paid on a timely basis.

Description: If supplier invoices are not paid before their due date, then EPLGA Board may miss out on any available discounts (i.e. early payment) or have supply restricted. If supplier invoices are paid well before their due date (and prior to any early payment discount) greater demands will be placed on the EPLGA Board's cashflow.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Moderate
Rating:	High

Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1. Statements received from suppliers are reconciled to the supplier accounts in the accounts payable sub ledger regularly and differences are investigated.	Core	N/A as control in place, reconciliations are performed at least monthly.	RDAWEP Support Staff	EXEC OFFICER
2. Authorised officer to review aged payables listing on a predetermined basis and investigate where appropriate.	Core	N/A as control in place. Invoices are paid at the end of the month, system generated reports not utilised. Invoices are entered upon approval.	RDAWEP Support Staff	EXEC OFFICER

3.2 Accrued Expenses

Control Assessment Worksheet						
Risk Category – Liabilities						
Business Process – Accrued Expenses						
Risk No. 1 – Accrued Expenses are either inaccurately recorded or not recorded at all. Description: If accrued expenses are either inaccurately recorded (i.e. inaccurate estimation of accrual) or unrecorded (i.e. no invoice received and normal review of expenses did not identify need to accrue for expenses), the management reports and financial statements will be misstated.					Inherent Risk Assessment	
					Likelihood	Likely
					Consequence:	Insignificant
					Rating:	Low
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Accrued expenses reconciliations are prepared on a regular basis and are reviewed by an independent person.	Core	N/A as control in place, reconciliations are performed annually.	RDAWEP Support Staff	EXEC OFFICER	
2.	Actual accrued expenses are compared to budget on a regular basis.	Additional	Control not considered necessary, accrued expenses only occur once a year.	N/A	N/A	

3.3 Employee Provisions

Control Assessment Worksheet						
Risk Category – Liabilities						
Business Process – Employee Provisions						
Risk No. 1 – Employee provisions are either inaccurately recorded or not recorded at all. Description: If employees take leave but this leave is recorded against the incorrect employee or not recorded at all, staff entitlements will be inaccurate and the employee provisions will be misstated. If accruals are not calculated correctly or not at all, staff entitlements will be inaccurate and the employee provisions will be misstated					Inherent Risk Assessment	
					Likelihood	Possible
					Consequence:	Moderate
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Standard programmed formulas perform employee provision calculations with Executive Officer to review to ensure consistency with statutory reporting requirements.	Core	N/A as control in place, Occurs within the system, accuracy is checked	RDAWEP Support Staff	EXEC OFFICER	
2.	EPLGA Board must approve all staff requests for leave and leave taken is recorded by somebody independent from the approval.	Additional	N/A as control in place. RDAWEP Support Staff record all leave details & data.	EXEC OFFICER	EPLGA Board	
3.	Reconciliation of employee provisions performed on a regular basis and these are independently reviewed and signed off by Executive Officer.	Additional	N/A as control in place, reconciliations are performed annually. Information from timesheets is recorded and balanced to what is in the system on a monthly basis.	RDAWEP Support Staff	EXEC OFFICER	
4.	Actual balances compared to budget on an annual basis and significant variances are investigated.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
5.	Leave balances are recorded on pay advices for verification by staff.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Liabilities

Business Process – Employee Provisions

Risk No. 2 – Payroll master file does not remain pertinent.

Description: To be deemed pertinent, the master files must reflect current conditions. In this context, pertinence relates both to master file records and to individual data fields within those records.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Moderate
Rating:	High

1.	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	Access to payroll/provision master file is restricted to authorised officers only.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
2.	Any changes to the payroll master files are approved by Executive Officer.	Core	N/A as control in place, approval is dependent on the type of change, e.g. change in bank detail does not require management approval however, pay increments require approval.	RDAWEP Support Staff	EXEC OFFICER
3.	Payroll master file data is periodically reviewed for accuracy and pertinence.	Additional	1. Generation and review of audit trail reports is to be investigated.	RDAWEP Support Staff	EXEC OFFICER

3.4 Taxation

Control Assessment Worksheet							
Risk Category – Liabilities							
Business Process – Taxation							
Risk No. 1 – Tax liabilities are either inaccurately recorded or not recorded at all.					Inherent Risk Assessment		
Description: If staff are not provided with adequate training to keep them up to date with all relevant changes in taxation or if EPLGA Board does not obtain tax advice from external tax advisors, then there is the risk that either tax liabilities will be inaccurately recorded or not recorded at all. As a result, the taxation liabilities will be misstated in both the management reports and the financial statements and EPLGA Board may be liable for late lodgement penalty fees and avoidance fees.					Likelihood	Likely	
					Consequence:		Major
					Rating:		High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer		
1.	All lodgement statements and returns are reviewed and approved by authorised officer prior to being released.	Core	1. Review and approval to be implemented.	RDAWEP Support Staff	EXEC OFFICER		
2.	Accounting policies and procedures specify correct treatment for preparing the fringe benefit tax and goods & services taxation returns within any given financial year.	Core	1. This forms part of the: BAS procedures that currently exist.	RDAWEP Support Staff	EXEC OFFICER		
3.	Executive Officer periodically reviews a selection of transactions to ensure appropriate tax treatment.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER		
4.	EPLGA Board has a working relationship with an external tax advisor and contacts them for advice when required.	Additional	N/A as control in place. Gill Penfolds used.	RDAWEP Support Staff	EXEC OFFICER		

Control Assessment Worksheet

Risk Category – Liabilities
Business Process – Taxation

Risk No. 2 – EPLGA Board does not meet statutory reporting / lodgement deadlines.

Description: It is important that EPLGA Board recognises and records statutory reporting/lodgement deadlines in order to avoid any late lodgement penalty fees. One way of doing this is by way of a Tax Compliance Register that is kept up to date.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	All lodgement statements and returns are reviewed and approved by authorised officer prior to being released.	Core	1. Review and approval to be implemented.	RDAWEP Support Staff	EXEC OFFICER

4 Revenue

Control Assessment Worksheet					
Risk Category – Revenue Business Process – Grants					
Risk No. 1 – Grant funding is not claimed by EPLGA Board on a timely basis or not claimed at all. Description: If EPLGA Board does not claim and collect grant funding (due to missing the deadline for claims or not submitting the relevant documentation), EPLGA Board will be placed under greater cash flow demands.				Inherent Risk Assessment	
				Likelihood	Likely
				Consequence:	Catastrophic
				Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	EPLGA Board has a clear policy on Grant funding detailing assessment process, recognition, treatment, claim collection, constituent Councils expectations and funding period and, disclosure of any conflicts of interest.	Core	Control not considered necessary as the of this risk event happening is minimal.	N/A	N/A

Control Assessment Worksheet

Risk Category – Revenue
Business Process – Grants

Risk No. 2 – Grants are either inaccurately recorded or not recorded at all.

Description: If EPLGA Board does not comply with the terms of the grant, repayment may be required. If EPLGA Board does not provide receipts to all providers of grants and then reconcile these receipts to bank statements, grants will not be recorded at all, leading to misstatements in both the management reports and the financial statements.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Moderate
Rating:	High

	Controls	Control Type	Action Plan <small>(if control not currently in place)</small>	Responsible Officer	Reviewing Officer
1.	Executive Officer and/or EPLGA Board to approve all grants (prior to funds being received by EPLGA Board) to ensure that EPLGA Board will be able to meet the terms and obligations of the grant, and that the grant is in line with the EPLGA Board's Strategic Objectives.	Core	N/A as control in place, funding applications are approved. 1. Consideration to be given to establishing a contracts register and including Grants in this register.	EXEC OFFICER	EPLGA Board
2.	Executive Officer performs regular review of all grant income and to monitor compliance with both the terms of grants and EPLGA Board's Grant policy (including claiming and collecting funds on a timely basis).	Core	N/A as control in place, income is reviewed as part of financial reports and budgeting process.	EXEC OFFICER	EPLGA Board
3.	Record of income and expense for each tied grant is separately maintained.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

4.1 Investment / Interest Income

Control Assessment Worksheet						
Risk Category – Revenue						
Business Process – Investment / Interest Income						
Risk No. 1 – Investment income is either inaccurately recorded or not recorded at all. Description: Inaccurately recorded investment income, investment income recorded in the incorrect period and investments not recorded at all, will result in misstatements in both the management reports and financial statements. Such errors may result from inaccurate data entry of interest rates and/or inaccurate calculation of interest or dividend income.					Inherent Risk Assessment	
					Likelihood	Almost Certain
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Investment income is reconciled to third-party statements regularly and differences are acted upon.	Core	N/A as control in place, LGFA & Bendigo Bank confirm quarterly interest and balances checked.	RDAWEP Support Staff	EXEC OFFICER	
2.	Actual investment income is compared to budget on a regular basis.	Additional	N/A as control in place. This is performed monthly.	RDAWEP Support Staff	EXEC OFFICER	

4.2 Receipting

Control Assessment Worksheet						
Risk Category – Revenue Business Process – Receipting						
Risk No. 1 – Receipts are either inaccurately recorded or not recorded at all. Description: Inaccurately entered receipts can lead to receipts being allocated to the incorrect customer account. Invalid or duplicated receipts result in an overstatement of cash and understatement of accounts receivable. In addition, postings in the wrong amount may result in an out-of-balance condition between the general ledger and the bank statement. Unrecorded receipts (through either intentional or unintentional errors) may lead to an overstatement of accounts receivable and misappropriation.					Inherent Risk Assessment	
					Likelihood	Almost Certain
					Consequence:	Moderate
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Receipts are recorded.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
2.	Bank statements are reconciled to the general ledger and banking reports where relevant, on a predetermined basis and are reviewed authorised person.	Core	N/A as control in place, reconciliations are performed monthly.	RDAWEP Support Staff	EXEC OFFICER	
3.	Process in place to ensure all monies received are receipted and recorded in a timely manner.	Core	N/A as control in place, receipted on the day.	RDAWEP Support Staff	EXEC OFFICER	
4.	Cash is stored securely at all times including the duration of the cash management process.	Core	N/A do not handle cash	N/A	N/A	
5.	Officers who create debtors invoices do not have access to receipting payments and/or reversing receipt transactions.	Core	Control not considered necessary, impractical due to staffing levels.	N/A	N/A	

Control Assessment Worksheet

Risk Category – Revenue
Business Process – Receipting

Risk No. 2 – Receipts are not deposited at the bank on a timely basis.

Description: If cash receipts are not banked on a timely basis, then there is an increased likelihood that the receipts will be open to misappropriation and a potential loss of interest revenue.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Moderate
Rating:	Moderate

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	Bank statements are reconciled to the general ledger and banking reports where relevant, on a predetermined basis and are reviewed authorised person.	Core	N/A as control in place. No cash received.	RDAWEP Support Staff	EXEC OFFICER
2.	Receipts are deposited regularly at the bank by a person independent from the initial recording of the cash receipts.	Additional	Control not considered necessary, this is not practical for the EPLGA Board.	N/A	N/A
3.	All cheques received in Records are stamped 'Not Negotiable' if not already marked so.	Additional	Control not necessary, cheques are generally banked daily and the bank will not allow someone to cash a cheque made out to the EPLGA Board.	N/A	N/A

4.3 Other Revenue

Control Assessment Worksheet						
Risk Category – Revenue						
Business Process – Other Revenue						
Risk No. 1 – Other Revenue is either inaccurately recorded or not recorded at all. Description: Errors in invoices can lead to a misstatement of debtors and other revenue. If invoices are issued but not recorded, other revenue and debtors in the financial statements will be misstated.					Inherent Risk Assessment	
					Likelihood	Likely
					Consequence:	Moderate
					Rating:	High
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Processes in place to provide an audit trail for cash received outside EPLGA Board receipting areas.	Core	N/A EPLGA does not handle cash	N/A	N/A	
2.	Payees are provided with a sequentially pre-numbered form acknowledging receipt of monies and are balanced to cash deposits.	Core	N/A EPLGA does not handle cash	N/A	N/A	

5 Expenses

5.1 Purchasing & Procurement

Control Assessment Worksheet						
Risk Category – Expenses						
Business Process – Purchasing & Procurement						
Risk No. 1 – EPLGA Board does not obtain value for money in its purchasing & procurement.					Inherent Risk Assessment	
Description: If EPLGA Board does not have a robust and rigorous selection process for preferred suppliers, this may result in EPLGA Board not obtaining the best possible price from suppliers and therefore not achieving value for money in its purchasing and procurement.					Likelihood	Almost Certain
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	EPLGA Board has a comprehensive Contract and Procurement Policy that is reviewed regularly.	Core	Draft policy is to be submitted for approval at the next EPLGA Board meeting.	EXEC OFFICER	EPLGA Board	
2.	Employees must ensure all purchase orders are approved in accordance with the Delegations of Authority and relevant policies.	Core	The purchasing policy and delegations are currently under review. Plus the only employee of the EPLGA Board is the Executive Officer	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – Expenses

Business Process – Purchasing & Procurement

Risk No. 2 – Purchases of goods and services are made from non-preferred suppliers. Description: If purchases of goods and services are made from non-preferred suppliers, this may result in EPLGA Board not obtaining the best possible price for the goods and services.				Inherent Risk Assessment		
				Likelihood	Almost Certain	
				Consequence:	Moderate	
				Rating:	High	
1.	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer	
	Employees must ensure all purchase orders are approved in accordance with the Delegations of Authority and relevant policies.	Core	The purchasing policy and delegations are currently under review.	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – Expenses

Business Process – Purchasing & Procurement

Risk No. 3 – Purchase orders are either recorded inaccurately or not recorded at all.

Description: Inaccurate input of purchase orders could lead to financial losses due to incorrect goods or services being purchased. If purchase order entry or processing is incomplete, receipts of goods and/or processing of invoices might be hampered. Stores employees are normally instructed only to accept goods for which purchase orders have been issued, and only up to the quantity specified in each purchase order. In invoice processing, the invoice is normally matched with the purchase order to verify the price and the payment terms.

Inherent Risk Assessment	
Likelihood	Almost Certain
Consequence:	Moderate
Rating:	High

Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1. Purchase orders are sequentially pre-numbered. Sequence of purchase orders processed is accounted for.	Core	Purchase Orders are to be sequentially numbered: 1. Moving to purchase order book with pre-numbered pages.	RDAWEP Support Staff	EXEC OFFICER
2. Purchase orders are issued in accordance with the EPLGA Board's Purchasing and Procurement Policy.	Core	The purchasing policy and delegations are currently under review.	RDAWEP Support Staff	EXEC OFFICER
3. Purchase orders and invoice data are compared; inaccuracies are investigated and actioned.	Additional	Variances to be investigated and supporting documenting requested or file notes to be made where required.	RDAWEP Support Staff	EXEC OFFICER

5.2 Payroll

Control Assessment Worksheet						
Risk Category – Expenses						
Business Process – Payroll						
Risk No. 1 – Payroll expense is inaccurately calculated.					Inherent Risk Assessment	
Description: Inaccurate calculation of payroll may result in both Board reporting and financial statement errors. It will also lead to underpayments or overpayments to employees (and the associated cash flow implications), giving rise to the potential for industrial disputes.					Likelihood	Possible
					Consequence:	Moderate
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Standard programmed formulae perform payroll calculations.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
2.	Overtime hours worked and payments for such overtime are authorised by management for all eligible employees.	Core	N/A only employee on fixed term Contract	N/A	N/A	
3.	Actual payroll expense is compared to budget by Executive Officer; significant variances are investigated and approved by Executive Officer.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Expenses
Business Process – Payroll

Risk No. 2 – Voluntary and statutory payroll deductions are inaccurately processed.

Description: Payroll deductions must reflect current conditions. Inaccurate deductions may arise from improper changes to the payroll deduction tables or errors in processing, resulting in incorrect employee deductions relating for tax, superannuation, etc.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Major
Rating:	High

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	The listing of payroll deductions is periodically reviewed by management for accuracy, compliance with statutory requirement and on-going pertinence with changes compared to authorised source documents to ensure that they were input accurately.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
2.	All payroll deductions must be approved by the relevant employee.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
3.	Access to the payroll deduction listing is restricted to authorised officers.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

Control Assessment Worksheet

Risk Category – Expenses
Business Process – Payroll

Risk No. 3 – Salary sacrifice transactions are inaccurately processed. Description: If salary sacrifice calculations are processed inaccurately, this will increase the likelihood of payment of tax penalties.				Inherent Risk Assessment	
				Likelihood	Possible
				Consequence:	Moderate
				Rating:	Noderate
1.	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
	All original salary sacrifice transactions must be approved by the relevant employee. Payroll staff must ensure that such approval has been obtained prior to processing transactions into the payroll system.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

5.3 President's & Board Members Expenses

Control Assessment Worksheet						
Risk Category – Expenses						
Business Process – President's & Board Members Expenses						
Risk No. 1 – EPLGA Board reimburses expenses to the President & Board Members of a personal nature. Description: If EPLGA Boards reimburse the President & Board Members for expenses of a personal nature or not in compliance with the relevant policy, this will result in negative publicity and public dissatisfaction.					Inherent Risk Assessment	
					Likelihood	Possible
					Consequence:	Moderate
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	The President & Board Members must complete and sign a standard expenses reimbursement form when claiming expenses. The signing of the form confirms that they are claiming valid expenses and have excluded all items of a personal nature.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
2.	The Presidents allowance is set annually via the budget process and all claims are agreed to supporting documentary evidence (i.e. receipts).	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	
3.	Actual President & Board Member expenses regularly compared to budget. For significant or repeat expenses, material variances are investigated.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Expenses

Business Process – President & Board Members Expenses

Risk No. 2 – President & Board Members’ allowances and reimbursements are not paid by EPLGA Board and/or not paid by EPLGA Board on a timely basis and/or recorded inaccurately.

Description: If EPLGA Board does not pay allowances (due to unintentional oversight) to the President and/or Board Members, the EPLGA Board will be in breach of its obligations and possibly lose the confidence of the Board Members.

Inherent Risk Assessment

Likelihood	Possible
Consequence:	Moderate
Rating:	Moderate

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	Register of Allowances and Benefits maintained by designated person. Register details level and nature of expenses reimbursed to the President & Board Members, and is reviewed by management on a regular basis.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
2.	Actual elected member’s expenses regularly compared to budget. For significant or repeat expenses, material variances are investigated.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

5.4 Credit Card

Control Assessment Worksheet					
Risk Category – Expenses Business Process – Credit Cards					
Risk No. 1 – Credit Cards are used for purchases of a personal nature.					Inherent Risk Assessment
Description: If Credit Cards are used for purchases of a personal nature, then there is the risk that these items will be paid by EPLGA Board, resulting in overstating the operating expenses in management reports and the financial statements as well as adverse publicity.					Likelihood: Unlikely
					Consequence: Minor
					Rating: Low
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	EPLGA Board and/or Executive Officer approve all issues of Credit Cards and limits, to employees prior to release.	Core	With one employee (the Exec Officer) 1. The need for a Credit Card Policy Control is to be determined. If deemed necessary a Credit Card policy is to be developed and implemented, but included in Purchasing Policy	EXEC OFFICER	EPLGA Board
2.	Employee to sign a declaration confirming compliance with EPLGA Board policy and procedures prior to the Credit Card being released.	Core	With one employee (the Exec Officer) 1. The need for a Credit Card Policy Control is to be determined. If deemed necessary a Credit Card policy is to be developed and implemented, but included in Purchasing Policy.	EXEC OFFICER	EPLGA Board
3.	Usage restrictions placed on Credit Card (i.e. only used for predefined purchases from pre-approved businesses).	Additional	Control not considered applicable, there are restrictions. Refer to Purchasing Policy.	N/A	N/A
4.	All credit card statements sent directly to person independent from the credit card holder. Independent officer matches all transactions from the statement to valid tax invoices prior to approval.	Additional	Invoices matched after approval. Responsibility to match tax invoices to credit card statements and/or completion of statutory declaration for missing receipts to shift to the card holder.	RDAWEP Support Staff	EXEC OFFICER
5.	Any personal expenses are investigated and rectified.	Additional	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER

Control Assessment Worksheet

Risk Category – Expenses
Business Process – Credit Cards

Risk No. 2 – Credit Card limits are set at inappropriate levels.

Description: If credit card limits are too high, then this may result in an increase in expenditure and budget overruns. On the other hand, if credit card limits are insufficient, this could reduce the operational effectiveness of the credit card process and result in purchasing delays.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Minor
Rating:	Moderate

Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	Core	With one employee (the Exec Officer) 1. The need for a Credit Card Policy Control is to be determined. If deemed necessary a Credit Card policy is to be developed and implemented. Refer to Purchasing Policy	EXEC OFFICER	EPLGA Board
2.	Core	N/A as control in place, Credit Card limits are set by EPLGA Board with the Financial Institution.	RDAWEP Support Staff	EXEC OFFICER & EPLGA Board

5.5 Employee Reimbursements

Control Assessment Worksheet						
Risk Category – Expenses						
Business Process – Employee Reimbursements						
Risk No. 1 – Employees are reimbursed for expenses of a personal nature. Description: If employees are reimbursed for private or personal expenses, this will result in unnecessary expenditures and misstatements in the management reports and the financial statements, and may result in negative publicity for the EPLGA Board.					Inherent Risk Assessment	
					Likelihood	Likely
					Consequence:	Minor
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	All claims for Employee Reimbursements are submitted for approval along with supporting documentary evidence (i.e. receipts) and confirmation of valid expenses. This is approved by management in accordance with Delegations of Authority. Management focus on the nature (i.e. type of expense) as well as the amount of the claim.	Core	N/A as control in place & accounting managed by third party – RDAWEP.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Expenses

Business Process – Employee Reimbursements

Risk No. 2 – Employee reimbursements are either inaccurately recorded or not recorded at all.

Description: If employee reimbursements are inaccurately recorded due to processing errors or the raising of fictitious claims, both the management reports and the financial statements will be misstated. If employee reimbursements are not recorded at all, then both the management reports and the financial statements will be misstated.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Minor
Rating:	Moderate

	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	Management select a sample of employee reimbursements and check them for mathematical accuracy and ensures that they have been recorded correctly in the ledger.	Core	N/A as control in place, reimbursements are checked prior to payment by third party managing the accounting.	RDAWEP Support Staff	EXEC OFFICER

5.6 Other Expenses

Control Assessment Worksheet						
Risk Category – Expenses						
Business Process – Other Expenses						
Risk No.1 Other Expenses are either inaccurately recorded or not recorded at all. Description: If processing errors occur, this will result in Other Expenses either being inaccurately recorded or not recorded at all.					Inherent Risk Assessment	
					Likelihood	Likely
					Consequence:	Minor
					Rating:	Moderate
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Executive Officer approves all Other Expenses in accordance with Delegations of Authority. When approving Other Expenses, the Executive Officer reviews both the nature and amount of the expense for reasonableness.	Core	N/A as control in place. Accounting undertaken by third party.	RDAWEP Support Staff	EXEC OFFICER	

Control Assessment Worksheet

Risk Category – Expenses
Business Process – Other Expenses

Risk No. 2 – Other Expenses do not represent valid expenses of EPLGA Board.

Description: If the Executive Officer approves expenses of a personal nature, this will result in invalid expenses being recorded by EPLGA Board, leading to a misstatement in the Board reporting and the financial statements.

Inherent Risk Assessment

Likelihood	Unlikely
Consequence:	Minor
Rating:	Low

	Controls	Control Type	Action Plan <i>(if control not currently in place)</i>	Responsible Officer	Reviewing Officer
1.	All expenses are authorised as per Procurement and Contracts policy in accordance with delegated authority.	Core	N/A as control in place & third party check in place.	RDAWEP Support Staff	EXEC OFFICER

6 External Services

6.1 Contracting

Control Assessment Worksheet						
Risk Category – External Services						
Business Process – Contracting						
Risk No. 1 – EPLGA Board is not able to demonstrate that all probity issues have been addressed in the Contracting process. Description: EPLGA Board does not only need to comply with probity issues throughout the Contract process but also needs to be able to demonstrate compliance. If probity cannot be demonstrated by EPLGA Board, this will increase the likelihood of negative publicity and public dissatisfaction.					Inherent Risk Assessment	
					Likelihood	Almost Certain
					Consequence:	Major
					Rating:	Extreme
	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer	
1.	Robust and transparent selection processes to ensure effective and qualified suppliers / contractors are selected by EPLGA Board, including compliance with Code of Conduct, Conflict of Interest and procurement policies.	Core	N/A as control in place, selection processes is covered in the LGA Act 1999 and a draft Purchasing & Tendering policy is to be presented at the next EPLGA Board meeting.	EXEC OFFICER	EPLGA Board	
2.	Suitably qualified/independent personnel to sit on Selection Panel to ensure that informed and objective decision is made when selecting suppliers / contractors.	Core	N/A as control in place, the Exec Officer and other qualified persons sit on the selection panel.	EXEC OFFICER	EPLGA Board	
3.	EPLGA Board to maintain a contract register.	Core	N/A. Use regional register being developed by Councils.	EXEC OFFICER	EPLGA Board	
4.	The Purchasing & Tendering Policy and Procedures should be reviewed regularly.	Core	N/A as control in place, this policy being reviewed	EXEC OFFICER	EPLGA Board	
5.	Commitments are not being made without funding being approved in the budget.	Core	N/A as control in place. All commitments referred to the EPLGA Board.	EXEC OFFICER	EPLGA Board	

Control Assessment Worksheet

Risk Category – External Services

Business Process – Contracting

Risk No. 2 – EPLGA Board does not obtain value for money in relation to its Contracting.

Description: Poor contract selection and management of ineffective contractors can result in EPLGA Board not obtaining value for money in relation to its Contractors.

Inherent Risk Assessment

Likelihood	Likely
Consequence:	Major
Rating:	Extreme

1.	Controls	Control Type	Action Plan (if control not currently in place)	Responsible Officer	Reviewing Officer
1.	Robust and transparent selection processes to ensure effective and qualified suppliers / contractors are selected by EPLGA Board, including compliance with Code of Conduct, Conflict of Interest and procurement policies.	Core	N/A as control in place, selection processes is covered in the LGA Act 1999 and a draft policy is to be presented at the next EPLGA Board meeting.	EXEC OFFICER	EPLGA Board
2.	Suitably qualified/independent personnel to sit on Selection Panel to ensure that informed and objective decision is made when selecting suppliers / contractors.	Core	N/A as control in place, the Exec Officer and other qualified persons sit on the selection panel.	EXEC OFFICER	EPLGA Board
3.	EPLGA Board does not release milestone payments to suppliers / contractors until they meet all their associated objectives.	Core	N/A as control in place.	RDAWEP Support Staff	EXEC OFFICER
4.	Tender Documents are kept locked up when they are not being viewed for evaluation purposes.	Core	N/A as control in place, tender documentation is currently kept locked until the tender closes. Processes are followed for dealing with tenders.	RDAWEP Support Staff	EXEC OFFICER
5.	Robust evaluations process both during the selection process and throughout the term of the contract to ensure that supplier / contractor meet their objectives.	Additional	N/A as control in place.	EXEC OFFICER	EPLGA Board
6.	On-going contract management process that identifies and manages deliverables, key contract clauses, responsibilities, milestones and includes dispute resolution procedures.	Additional	N/A as control in place.	EXEC OFFICER	EPLGA Board
7.	Contractor retentions and guarantees are required in certain circumstances.	Additional	N/A as control in place.	EXEC OFFICER	EPLGA Board