

NSW Local Government sector

ABOUT FINANCIAL AUDITS



The Audit Office of New South Wales delivers independent financial audits across New South Wales local and state government entities, including councils, on behalf of the Auditor-General, Margaret Crawford.

What are our financial audits?

Financial audits provide an independent opinion of an entity's financial statements, and assess compliance with accounting standards and relevant laws, regulations and directions.

The Audit Office has considerable public sector experience. Prior to taking on the local government mandate, we conducted financial audits of over 400 diverse state government entities with a combined annual expenditure of more than \$90 billion and assets worth over \$450 billion (2016–17).

How do we work with the NSW local government sector?

Contemporary and risk-based, our local government financial audits are managed and conducted by cross-disciplined teams of expert auditors.

Our people are highly engaged and proud to report to NSW Parliament as representatives of the people of New South Wales.

Our audits are planned, conducted and reported with objectivity and independence. Quality control and management systems are well-established, as are systems to ensure continuous improvement with a focus on efficiency and effectiveness.

Regular communication with council management aims to ensure a 'no surprises' approach.

Financial audits are delivered on a cost-recovery basis. Our focus is on providing insights that add value to local councils, and those charged with their governance, and improving outcomes for the citizens of New South Wales.

Benefits of financial audits with the Audit Office

Improved financial management

One aim of current local government reforms in New South Wales is to improve financial performance and governance.

This includes strengthening the role of Audit, Risk and Improvement Committees and internal audit functions.

Audit Office reports are designed to meet the information needs of those charged with council governance and management.

We have a range of tools and guides to assist councillors, committee members and executives with stewardship and oversight.

Benchmarking

Over time, we will promote greater consistency in financial reporting across the sector by identifying inconsistent practices and recommending actions to address them where appropriate.

We will improve the timeliness, completeness and accuracy of council reporting to create more insights for parliamentarians and the people of New South Wales.

Engagement

Significant interaction with stakeholders has already been undertaken, and the Audit Office will continue to listen and learn from people who work in local government.

We take a partnership approach to our auditing role in local government, and are working hard to create audit frameworks that focus on positive outcomes for councils and their constituents.

For more information please visit www.audit.nsw.gov.au or email localgovernmentenquiries@audit.nsw.gov.au.



Generating Insights
FOR LOCAL GOVERNMENT

 **auditoffice**
OF NEW SOUTH WALES