



2022 FINAL MANAGEMENT LETTER

## **Brisbane City Council**

6 September 2022

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Your ref:  
Our ref: 2022-3961  
Sri Narasimhan 07 3149 6208

6 September 2022

The Right Honourable the Lord Mayor of Brisbane  
Councillor A Schrinner  
Brisbane City Council  
GPO Box 2287  
BRISBANE QLD 4001

Dear Lord Mayor

### **Final management report for Brisbane City Council**

We have completed our 2022 financial audit for Brisbane City Council. The Auditor-General issued an unmodified audit opinion on your financial statements.

The purpose of this letter is to provide the council with details on audit matters and other important information related to the audited financial statements.

Please note that under section 203 of the *City of Brisbane Regulation 2012*, you must present a copy of this report at the next ordinary meeting of the council.

### **Reporting on issues**

Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included as Appendix A.

### **Report to parliament**

Each year we report the results of all financial audits and significant issues to parliament.

We intend to include the results of our audit of Brisbane City Council in our report to parliament *Local Government 2022*. We will comment on the results of our audit of your financial report, any significant internal control issues we identified, and the overall results of the sector, including major transactions and events. We will discuss the proposed content of our report with your Chief Financial Officer and continue to consult as we draft our report. Formally, you will have an opportunity to comment on our report, and for these comments to be included in the final version tabled in parliament.

### **Audit fee**

The final audit fee for this year is \$535,000 exclusive of GST (2021: \$535,000). This fee is in line our estimate in our external audit plan.

We would like to thank you and your staff for their engagement in the audit this year and look forward to working with your team again next year.

If you have any questions about this letter or would like to discuss any matters regarding our services and engagement, please do not hesitate to contact me on 3149 6208.

Yours sincerely



Sri Narasimhan  
Senior Director







Enc.

cc. Mr C Jensen, Chief Executive Officer  
Ms G Jukes, Chair of the Audit Committee

## Appendix A – Matters previously reported

The following table summarises all control deficiencies, financial reporting issues and other matters that have previously been raised but are not yet resolved. The listing includes issues from our reports this year and those issues raised in prior years.



Ref.	Rating	Issue	Status and comment
22IR-1		<b>System configuration needs strengthening in limited components of councils ERP environment</b> (control environment)	<b>Work in progress</b> Action date: 30 September 2022
22IR-2		<b>Password setting needs strengthening in three business systems</b>	<b>Work in progress</b> Action date: 31 January 2023
22IR-3		<b>Define critical functions for monitoring privileged user activities in three systems</b>	<b>Work in progress</b> Action date: 30 June 2023
22IR-4		<b>Reassess the assignment of higher access privileges to some accounts</b>	<b>Work in progress</b> Action date: 31 December 2022
21IR-3		<b>Active Directory – managing the system and its accounts</b> (control activities)	<b>Resolved pending audit verification</b> Action date: 30 July 2022
18FR-1		<b>Asset Capitalisation – untimely capitalisation of completed and ready for use assets and aging of Assets Under Construction</b>	<b>Resolved</b>



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Sri Narasimhan  
Queensland Audit Office  
T: 07 3149 6208  
E: [Sri.Narasimhan@qao.qld.gov.au](mailto:Sri.Narasimhan@qao.qld.gov.au)

T: (07) 3149 6000  
E: [qao@qao.qld.gov.au](mailto:qao@qao.qld.gov.au)  
W: [www.qao.qld.gov.au](http://www.qao.qld.gov.au)  
53 Albert Street, Brisbane Qld 4000  
PO Box 15396, City East Qld 4002

