

Appendix 1: Our strategic plan

This is our final year reporting against our *Strategic Plan 2016-2020*. Next year we will report on our newly developed *Strategic Plan 2021-2025* (introduced on page 20 and throughout the annual report).

Our people

Motivated, innovative, collaborative, accountable, valued, skilled, knowledgeable

Outcomes	Strategies
An appropriately skilled workforce capable of meeting current and future business needs	<ul style="list-style-type: none"> Maintain an environment where learning opportunities are readily available; employees actively pursue learning; and acquired learning can be applied Maintain a meaningful employee performance review process Ensure flexible and adaptive recruitment, contracting and employment arrangements to match work skills with demand
High performing people who contribute to strategic objectives	<ul style="list-style-type: none"> Invest in organisational capability that will give the OAG a long-term benefit Empower employees to complete all of their responsibilities on an audit or business project Encourage innovation and acknowledge employees for being innovative in their approach
A work environment that is recognised as a workplace of choice	<ul style="list-style-type: none"> Assist employees wishing to undertake relevant further studies Provide opportunities for professional growth within the OAG Provide national and international secondment opportunities Ensure a safe and healthy working environment

Our tools

Robust, efficient, user-friendly, flexible, agile, reliant, compliant

Outcomes	Strategies
Efficient, effective and responsive business operations that meet current and emerging needs	<ul style="list-style-type: none"> Work within a framework and governance structure which is current and effective Respond effectively to changes in our environment by maintaining a strategic focus Maintain an appropriate and effective approach to risk management Ensure accurate and reliable technical advice is available
Sound information systems that support operational needs	<ul style="list-style-type: none"> Ensure IT systems are efficient, effective and supported Capitalise where possible on our existing systems to improve our business operations Have an approach to IT that recognises and addresses operational and strategic business requirements Continuously improve internal and external accessibility and useability of our tools
Sound financial management of our business	<ul style="list-style-type: none"> Maintain a strong, sound and transparent financial management approach Use accurate business data that informs management decision-making Continuously improve our processes to ensure quality and compliance of internal financial management practices
Audit methodology tools are current, reliable and compliant	<ul style="list-style-type: none"> Ensure our methodology remains current and compliant

Our approach

Consistent, fair and balanced, independent, transparent, pragmatic, professional, contemporary

Outcomes	Strategies
Audits completed in accordance with auditing and professional standards	<ul style="list-style-type: none"> Maintain a contemporary and quality audit approach All reports to go through the OAG quality framework
Relationships with audit clients professionally managed	<ul style="list-style-type: none"> Communicate, consult and develop quality relationships with clients
Our reputation for independence, integrity and impartiality is maintained	<ul style="list-style-type: none"> Further enhance transparency and accountability of our topic selection process and outcomes Continuously reinforce to employees the OAG principles of independence, integrity and impartiality Maintain an awareness of the external perception of the OAG
A well informed Parliament and public	<ul style="list-style-type: none"> Set clear expectations and communicate our role and purpose to Parliament, entities and the community Identify and implement strategies to address Parliament's needs and expectations Prepare for performance and legislative reviews

Our products

Value for money, timely, relevant, accurate, quality, innovative

Outcomes	Strategies
Timely, relevant and quality reports on public sector performance and accountability	<ul style="list-style-type: none"> Table reports on time and on budget
Value for money reporting that addresses issues of public interest	<ul style="list-style-type: none"> Use benchmarking to ensure audit costs reflect value for money Produce reports that are considered valuable and relevant to Parliament Ensure that the right audit product is selected to achieve value for money
Reports and opinions that lead to improved public sector performance and accountability	<ul style="list-style-type: none"> Include consideration of topics important to Parliament and entities when developing forward audit program Ensure clearly articulated and accessible report findings and recommendations

Appendix 2: Financial audit clients 2020-2021

Audits under *Financial Management Act 2006*

Departments

Commissioner for Equal Opportunity
Department of Biodiversity, Conservation and Attractions
Department of Communities
Department of Education
Department of Finance
Department of Fire and Emergency Services
Department of Health
Department of Jobs, Tourism, Science and Innovation
Department of Justice
Department of Local Government, Sport and Cultural Industries
Department of Mines, Industry Regulation and Safety
Department of Planning, Lands and Heritage

Department of Primary Industries and Regional Development
Department of the Legislative Assembly
Department of the Legislative Council
Department of the Premier and Cabinet
Department of the Registrar, Western Australian Industrial Relations Commission
Department of Training and Workforce Development
Department of Transport
Department of Treasury
Department of Water and Environment Regulation
Governor's Establishment
Mental Health Commission
Office of the Commissioner for Children and Young People
Office of the Director of Public Prosecutions
Office of the Information Commissioner

Office of the Inspector of Custodial Services
Parliamentary Commissioner for Administrative Investigations
Parliamentary Services Department
Police Service
Public Sector Commission
Western Australian Electoral Commission

Statutory authorities

Agricultural Produce Commission
Animal Resources Authority
Botanic Gardens and Parks Authority
Building and Construction Industry Training Board
Central Regional TAFE
Chemistry Centre (WA)
Child and Adolescent Health Service
Combat Sports Commission
Commissioner of Main Roads

Construction Industry Long Service Leave Payments Board
Corruption and Crime Commission
Country Housing Authority
Curtin University
Disability Services Commission
East Metropolitan Health Service
Economic Regulation Authority
Edith Cowan University
Energy Policy WA
Fire and Emergency Services Superannuation Board
Forest Products Commission
Gaming and Wagering Commission of Western Australia
Gascoyne Development Commission
Gold Corporation
Goldfields-Esperance Development Commission
Government Employees Superannuation Board

Great Southern Development Commission	Minerals Research Institute of Western Australia	School Curriculum and Standards Authority	Trustees of the Public Education Endowment
Health and Disability Services Complaints Office	Murdoch University	Small Business Development Corporation	WA Country Health Service
Health Support Services	North Metropolitan Health Service	South Metropolitan Health Service	Western Australian Coastal Shipping Commission
Heritage Council of Western Australia	North Metropolitan TAFE	South Metropolitan TAFE	Western Australian Energy Disputes Arbitrator
Housing Authority	North Regional TAFE	South Regional TAFE	Western Australian Greyhound Racing Association
Infrastructure WA	Parliamentary Inspector of the Corruption and Crime Commission	South West Development Commission	Western Australian Health Promotion Foundation
Insurance Commission of Western Australia	PathWest Laboratory Medicine WA	Swan Bells Foundation Inc	Western Australian Institute of Sport
Keep Australia Beautiful Council (W.A.)	Peel Development Commission	The Aboriginal Affairs Planning Authority	Western Australian Land Information Authority
Kimberley Development Commission	Perth Theatre Trust	The Anzac Day Trust	Western Australian Meat Industry Authority
Law Reform Commission of Western Australia	Pilbara Development Commission	The Board of the Art Gallery of Western Australia	Western Australian Planning Commission
Legal Aid Commission of Western Australia	Professional Standards Council	The Burswood Park Board	Western Australian Sports Centre Trust
Legal Contribution Trust	Public Transport Authority of Western Australia	The Coal Miners' Welfare Board of Western Australia	Western Australian Tourism Commission
Legal Costs Committee	Public Trustee	The Library Board of Western Australia	Western Australian Treasury Corporation
Local Health Authorities Analytical Committee	Quadriplegic Centre	The National Trust of Australia (W.A.)	Wheatbelt Development Commission
Lotteries Commission	Racing and Wagering Western Australia	The Queen Elizabeth II Medical Centre Trust	WorkCover Western Australia Authority
Metropolitan Cemeteries Board	Racing Penalties Appeal Tribunal of Western Australia	The University of Western Australia	
Metropolitan Redevelopment Authority	Rottneest Island Authority	The Western Australian Museum	
Mid West Development Commission	Rural Business Development Corporation		

Zoological Gardens Authority

Subsidiaries

Australian Pathways Education Group Pty Ltd

Goldmaster Enterprises Pty Ltd

Homeswest Loan Scheme Trust

Innovative Chiropractic Learning Pty Ltd

Keystart Bonds Limited

Keystart Housing Scheme Trust

Keystart Loans Limited

Keystart Support Trust

Murdoch Retirement Services Ltd

Perth International Arts Festival Limited

The University Club of Western Australia Pty Ltd

UWA Accommodation Services Pty Ltd

UWA Sport Pty Ltd

Young Lives Matter Foundation UWA Ltd

Request audits

Alan and Iris Peacocke Research Foundation

Perth USAsia Centre Pty Ltd

Tertiary Institutions Service Centre Ltd

The Delegate to the Queen Elizabeth II Medical Centre Trust

Audits under other legislation

Cemeteries Act 1986

Albany Cemetery Board

Bunbury Cemetery Board

Port Authorities Act 1999

Fremantle Port Authority

Kimberley Ports Authority

Mid West Ports Authority

Pilbara Ports Authority

Southern Ports Authority

Other legislation

Annual Report on State Finances

Bunbury Water Corporation

Busselton Water Corporation

Horizon Power – Regional Power Corporation

Synergy – Electricity Generation and Retail Corporation

Water Corporation

Western Australian Land Authority

Western Power – Electricity Networks Corporation

Subsidiaries

South West Solar Development Holdings Pty Ltd

Synergy Renewable Energy Development Pty Ltd

Vinalco Energy Pty Ltd

Vinalco Energy Trust

Local government audits by transition year

2017-18

City of Belmont

Shire of Brookton

Shire of Bruce Rock

City of Bunbury

Bunbury-Harvey Regional Council

Town of Cambridge

Shire of Capel

City of Cockburn

Town of Cottesloe

Shire of Cranbrook

Shire of Cue

Shire of Cunderdin

Shire of Dandaragan

Shire of Denmark

Eastern Metropolitan Regional Council

Shire of Exmouth

Shire of Jerramungup

City of Joondalup

City of Kalgoorlie-Boulder

Shire of Kellerberrin

Shire of Kondinin

Shire of Koorda

Shire of Laverton

Shire of Menzies

Shire of Moora

Shire of Morawa

Shire of Narrogin

Shire of Northampton

Shire of Nungarin

Shire of Perenjori

City of Perth
Pilbara Regional Council
Shire of Ravensthorpe
Rivers Regional Council
City of Rockingham
Shire of Sandstone
City of South Perth
City of Stirling
Shire of Tammin
Shire of Three Springs
City of Wanneroo
Shire of West Arthur
Shire of Woodanilling
Shire of Wyalkatchem
Shire of Yalgoo
Shire of York

2018-19

City of Albany
Shire of Ashburton
Town of Bassendean
City of Bayswater
Shire of Boddington
Shire of Boyup Brook
Shire of Bridgetown-
Greenbushes

Shire of Broome
City of Busselton
City of Canning
Shire of Carnamah
Shire of Christmas Island
Town of Claremont
Shire of Cocos (Keeling) Islands
Shire of Coorow
Shire of Corrigin
Shire of Cuballing
Shire of Dalwallinu
Shire of Derby-West Kimberley
Shire of Donnybrook-Balingup
Shire of Dowerin
Shire of Dundas
Town of East Fremantle
City of Fremantle
Shire of Gnowangerup
Shire of Goomalling
City of Gosnells
City of Greater Geraldton
Shire of Halls Creek
Shire of Irwin
City of Kalamunda
City of Karratha

Shire of Katanning
Shire of Kojonup
Shire of Kulin
City of Kwinana
Shire of Lake Grace
Shire of Meekatharra
City of Melville
Shire of Merredin
Shire of Mingenew
Town of Mosman Park
Shire of Mount Magnet
Shire of Mukinbudin
Shire of Mundaring
Shire of Murchison
Murchison Regional Vermin
Council
Shire of Nannup
City of Nedlands
Shire of Northam
Shire of Northampton
Shire of Nungarin
Shire of Peppermint Grove
Shire of Pingelly
Shire of Serpentine-Jarrahdale
South Metropolitan Regional
Council

City of Subiaco
City of Swan
Shire of Upper Gascoyne
Town of Victoria Park
Shire of Victoria Plains
City of Vincent
Shire of Wagin
Western Metropolitan Regional
Council
Shire of Westonia
Shire of Wickepin
Shire of Williams
Shire of Wiluna

2019-20

City of Armadale
Shire of Augusta-Margaret River
Shire of Beverley
Shire of Broomehill-Tambellup
Shire of Carnarvon
Shire of Chapman Valley
Shire of Chittering
Shire of Coolgardie
Shire of Dardanup
Shire of Dumbleyung
Shire of Harvey

Shire of Leonora
Shire of Manjimup
Mindarie Regional Council
Shire of Mount Marshall
Shire of Murray
Shire of Narembeen
Town of Port Hedland
Shire of Shark Bay
Shire of Trayning

Shire of Toodyay
Shire of Wandering
Shire of Waroona
Shire of Wongan-Ballidu
Shire of Wyndham-East
Kimberley
Shire of Yilgarn

2020-21

Shire of Collie
Shire of East Pilbara
Shire of Esperance
Shire of Gingin
Shire of Kent
City of Mandurah
Shire of Ngaanyatjarraku
Shire of Plantagenet
Shire of Quairading
Tamala Park Regional Council

Appendix 3: Acronyms

AAS	Australian Accounting Standards	JAC	Joint Audit Committee
ACAG	Australasian Council of Auditors-General	KPI	key performance indicator
AQMC	Audit Quality Monitoring Committee	LG	local government
ARMC	Audit and Risk Management Committee	MOU	memorandum of understanding
CAANZ	Chartered Accountants Australia and New Zealand	NAIDOC	National Aborigines and Islanders Day Observance Committee
DAIP	disability access and inclusion plan	OAG	Office of the Auditor General
DoF	Department of Finance	OSH	occupational safety and health
EFOC	Standing Committee on Estimates and Financial Operations	PAC	Public Accounts Committee
Executive	Executive Management Group	PID	public interest disclosure
FTE	full time equivalent employee	TAFE	technical and further education
GCC	general computer control	TI	Treasurer's instruction
GESB	Government Employees Superannuation Board	WA	Western Australia
GSS	Gold State Superannuation Scheme	WSS	West State Superannuation Scheme
GST	Goods and Services Tax		
IS	information systems		
IT	information technology		

Appendix 4: Glossary

Accountability is traditionally established when Parliament confers responsibility on public sector entities to account through a Minister of the Crown for all that is done in the exercise of their authority, the manner in which it is done and the ends sought to be achieved.

Annual Report on State Finances is a report prepared in accordance with the *Government Financial Responsibility Act 2000* that provides the State's whole-of-government financial results for the financial year and outlines material differences between these results and the financial forecasts contained in the State Budget for that financial year.

Assurance audit or financial audit is audit work performed to enable an opinion to be expressed on the financial statements of a State or local government entity. For State government entities, it also includes audit work to enable an opinion to be expressed on their controls and key performance indicators.

Audit includes to examine, investigate, inspect and review.

Clear audit opinion is expressed when the audit concludes, based on the audit evidence obtained, that, in all material respects, the financial statements are free from material misstatement and, if necessary, the key performance indicators are relevant and appropriate and fairly represent indicated performance, or controls are adequate.

Corporatised entities operate under enabling legislation in a similar manner to companies under the *Corporations Act 2001*.

Department means a department of the public sector established under the *Public Sector Management Act 1994*.

Effectiveness indicators are key performance indicators that provide information on the extent to which entity level government desired outcomes have been achieved, or contributed to, through the delivery of services.

Efficiency indicators are key performance indicators that generally relate services to the level of resource inputs required to deliver them.

Financial statements are a structured set of financial information including explanatory notes derived from accounting records to communicate for a period of time an entity's financial performance and cash flows, and at a point of time its financial position, that is useful to a wide range of users in making economic decisions.

Focus area audit are audits which assess how well public sector entities perform common business practices and related controls. They are carried out as an extension of our annual financial audits.

A **follow-up audit** reviews the extent to which recommendations from a previous performance audit have been implemented, generally 3 to 5 years after tabling a report.

A **follow-on audit** examines the progress in implementing recommendations from a previous report and has additional scope in covering significant issues or developments in the area or activity.

Key performance indicator (KPI) is information about critical or material aspects of service performance or outcome achievement.

Key performance indicator audit is an audit performed to enable an opinion to be expressed about whether or not the key performance indicators are relevant and appropriate having regard to their purpose and fairly represent indicated performance.

A **local government entity (LG entity)** is one of the 139 local governments or 9 regional councils in Western Australia.

Management letter is a letter to senior management of an entity that conveys the audit findings and results of an audit.

It may include recommendations for improvements in controls and other matters.

Outcomes are the effect, impact, result on or consequence for the community, environment or target clients of government services.

Performance audits are audits that examine efficiency and effectiveness of public sector entities.

Public sector entities is the collective term for all Western Australian State and local government entities.

Service means the supply of an activity or good to a user external to the entity providing the service. Services comprise programs and outputs.

A **State government entity** is a Western Australian government department or agency, parliamentary department, statutory authority, university or State training provider, superannuation fund, corporatised entity, cemetery board or subsidiary entity.

Statutory authority means a person or body specified in Schedule 1 of the *Financial Management Act 2006*. These entities are established by Parliament under legislation for specified purposes.

Treasurer's instruction (TIs) are prescribed requirements at a minimum level with respect to matters of financial administration that have the force of law and must be observed by State government entities under the *Financial Management Act 2006*.