

THE ANGLICAN CHURCH OF AUSTRALIA
STANDING COMMITTEE OF GENERAL SYNOD

SCGS MEETING DATED: 16-18 November 2012
--

SCGS AGENDA ITEM: 2012/2/12.2

FROM NAME:	General Secretary
FROM GROUP:	General Synod Office
AREA:	Professional Standards
SUBJECT:	National Register Audit 2011
DATE OF REPORT:	19 October 2012
MOTION:	<ol style="list-style-type: none"> 1. That the report of the General Secretary dated 19 October 2012 be received. 2. That the Standing Committee authorises the General Secretary to retain Nexia Court to conduct the audit of the operation of the National Register for 2012 using Australian Accounting Standards on Assurance Engagements ASAE 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

BACKGROUND

Section 15 of the Canon states that:

(2) The Standing Committee shall:

- (a) determine the scope of an audit of the operation of the National Register to verify compliance with this Canon and the protocols under this Canon; and*
- (b) appoint a person to undertake an audit of the operation of the National Register for each calendar year and provide a report to the Standing Committee as soon as practicable after the end of that year.*

THE AUDIT

Nexia Court was engaged to carry out an Independent Assurance Compliance Audit on the operation of the National Register. The audit was conducted in accordance with the Australian Accounting Standards on Assurance Engagements ASAE 3000: *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. There were arrangements imposing duties of confidentiality and non-disclosure on Nexia Court.

RESULTS

Nexia Court's Operational Compliance Audit Report for the National Register dated 16 October 2012 is attached.

The Report is qualified in that:

1. The Auditor could not conclude that the National Register contains all cases as required by the National Register Canon 2007.

Comment

The Auditor cannot determine whether Directors of Professional Standards (DPSs) have notified all relevant Information without auditing the operations of the DPSs. Such an audit would be prohibitively expensive.

Not all Information that has been notified has been verified by the verifying DPS.

Funds have been set aside for the National Register Officer to assist DPSs with any backlog that may exist. This offer has not been taken up by any of the DPSs.

A factor that is impacting the effectiveness of the verification process is that it is cumbersome to operate. This is being addressed in the upgrade of the National Register.

2. Delay sending notification to a respondent.

Comment

There was one instance of delay in notification that appears in the Audit report several times under different headings.

During the period that notification of entry of Information should have been given, there was a changeover of National Register personnel and technical problems significantly affected the running of the National Register during 2011. This was impacting all users and needed urgent resolution. The technical problems have previously been reported to the Standing Committee.

Notification was sent to the respondent as soon as the omission was discovered. As it happens, the notification was returned in the post.

No complaint has been received and no adverse consequence has been identified.

OTHER MATTERS ARISING FROM AUDITOR'S REPORT

The Auditor has made some findings from which one can infer that the software could be improved. These comments will be referred to the software developer working on the upgrade.

The upgrade is at the stage where a Functional Requirements Specification is being finalised in consultation with the DPSs and a demonstration of a prototype will be given by the software developer at the November meeting of the Directors of Professional Standards.

This was the first audit using an Australian Standard as the yardstick. The Standing Committee can feel comfortable that the Standard provided a sound basis for an audit.

Once a capable auditor was identified, the processes of negotiating the terms of the audit and conducting it went smoothly and efficiently. The auditor expressed appreciation for the assistance of the National Register Officer, Susan Harvey.

Recommendation

I recommend Nexia Court be retained to conduct the audit for 2012 using Australian Accounting Standards on Assurance Engagements ASAE 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information.