

PROPONENT AUDIT OF PIIOP FUNDS

CHECKLIST of information to be put together before Audit

Background:

As per Clause 10 of your Proponent Agreement (see next page) you are required to undergo a Financial Audit of the funds you received under PIIOP. This requirement applies for both **RED** and **GREEN** Zone proponents, and the Audit must be conducted in accordance with Australian Auditing Standards.

The auditor must produce a letter consistent with Clause 10 of your proponent agreement (attached to this checklist). Please refer to the following checklist for the necessary information needed to facilitate the efficient completion of this audit:

Information Needed Prior to Audit:	Check
Bank statements for ALL the month(s) in which the deposit (income) of the grant/capital income occurred.	<input type="checkbox"/>
Bank statements for ALL the month(s) in which the expenditure related to your on-farm project occurred.	<input type="checkbox"/>
A bank reconciliation for those same months.	<input type="checkbox"/>
A General Ledger listing showing a summary of the income and expenditure as entered into your bookkeeping system (e.g. Phoenix = category review, MYOB = General Ledger Detail) OR an overall summary Table of Income and Expenditure for the Project.	<input type="checkbox"/>

We have worked with WHK Audit services to gain a “fixed price” quote. WHK are the Schemes Auditors and are familiar with the overall project. If you choose to undertake the audit with WHK and you provide all information in the above format, WHK will charge a flat fee of \$350 plus GST per audit. If the information is not provided in this format WHK will charge you more.

The auditor must produce an “Audit Statement” which is a requirement for completion of your project. Please note that you will be responsible for meeting the cost associate with the audit. If you have any PIIOP funds left, you may draw on these to pay for it.

While not compulsory, we recommend WHK, as they know and understand the project. If you have a reasonable reason not to use WHK Audit Services, please contact us to discuss the possibility of choosing an independent auditor of your choice to undertake the audit.

Please contact us if you have any queries:

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Clause 10 from Proponent Agreement:

10. REPORTING

- 10.1 The Proponent agrees to provide the Organisation with written reports at the times and containing the information specified in Item 5 of the Schedule.
- 10.2 Within 40 Business Days after the expiry of the Activity Period, completion of the Activity or termination of this Agreement (whichever is the earliest), the Proponent agrees to provide the Organisation with:
- (a) audited financial statements of its income and expenditure in respect of the Funding, Proponent's Contributions (if any), Other Contributions (if any), and Project Generated Income that include:
 - (i) a definitive statement as to whether the financial information for the Activity is true and fair and is based on proper accounts and Records;
 - (ii) a definitive statement as to whether the Funding (and any Proponent's Contributions, Other Contributions and Project Generated Income) was spent for the Activity and in accordance with this Agreement; and
 - (iii) a detailed breakdown of expenditure of Funds (in accordance with any template provided by the Organisation, including any template provided by the Department to the Organisation under the Commonwealth Agreement) in each Financial Year in relation to each item of expenditure specified in the Budget in the Workplan for the relevant Financial Year;
 - (b) a statement of financial position with respect to the Funding (listing assets and liabilities by class), which must include, under assets, the balance of the Proponent's account referred to in paragraph 5.5(a); and
 - (c) a copy of a letter to the Proponent from its Approved Auditor, or a report from the Proponent's Approved Auditor, including:
 - (i) specific comment on the adequacy of financial controls being maintained by the Proponent; and
 - (ii) where there are any qualifications or limitations on the audit, an outline of the reason(s) for the qualifications or limitations and the remedial action recommended.