



NATIONAL ARCHIVES OF AUSTRALIA

**National Archives of Australia
Updated Report to the
Joint Committee of Public Accounts
and Audit (JCPAA) Inquiry into
Commonwealth Financial Statements
2022–23**

24 APRIL 2025

RKS R1247502024



Australian Government
National Archives of Australia

INTRODUCTION

National Archives of Australia (National Archives) is established under the Archives Act 1983 (Archives Act). It is a non-corporate Commonwealth entity (a listed entity) under the Public Governance, Performance and Accountability Act 2013 (PGPA Act) and an Executive Agency under the Public Service Act 1999 (PS Act). National Archives sits within the Arts portfolio (Department of Infrastructure, Transport, Regional Development, Communications and the Arts) and reports to the Minister for the Arts, the Hon Tony Burke MP.

National Archives provides advice and assurance that the Australian Government has access to authentic, reliable and usable Commonwealth records to enable evidence-based decisions, provide sound advice, develop good policy, deliver programs effectively, and to facilitate access to the archival resources of the Commonwealth

Following the Committee's invitation, National Archives of Australia made a submission to the Joint Committee of Public Accounts and Audit (JCPAA) Inquiry into Commonwealth Financial Statements 2022–23.

National Archives was the subject of audit findings from the Australian National Audit Office (ANAO) as outlined in the Auditor-General Report No. 9 2022–23 Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2023.

The significant A and moderate B findings related to ineffective Financial Management Information System (FMIS) controls over the agency's upgraded TechnologyOne system, and lack of timely process associated with the financial statements preparation.

Recommendation 5 of the JCPAA's [Report 506](#) required National Archives of Australia to report back to the Committee within 6 months of the report on its progress in closing the significant breaches relating to its governance and control of information technology (IT) systems.

ANAO 2022-23 AUDIT FINDINGS UPDATE

In undertaking the 2023-24 financial statement audit and subsequent ANAO year ended 30 June 2024 closing letter to National Archives dated August 2024, the ANAO reviewed the status of the 2022-23 audit findings and downgraded both to a Low C finding.

The ANAO noted significant improvements to both findings, with new processes and controls being implemented throughout the period. However, the ANAO highlight that these controls and process were not effectively operating for a full year at the time of the next 2023-24 ANAO audit; noting the 2022-23 ANAO audit findings were provided November 2023. This has meant that National Archives needs to demonstrate that relevant controls were in place over a full 12 months for the findings to be than consider resolved. The 2024-25 ANAO audit will establish if National Archives has resolved both findings, however, National Archives is confident that the controls have been in place and the remaining Low C findings will be closed.

Category	Closing Position (2022-23)	New Findings (2023-24)	Findings Downgraded Category A to C (2022-23)	Closing Position (2023-24)
Significant (A)	1	0	1	0
Moderate (B)	1	0	1	0

Total	2	0	2	0
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Finding 1: Ineffective IT general controls. (Category A; downgraded to C)

Summary of the finding

Design and implementation of IT general controls (“ITGCs”) that address the IT risks were found to be ineffective, due to lack of oversight over privilege user activity and lack of formalised periodic user access reviews, including those with privileged access.

Remediation by National Archives

- All privileged user access in relation to TechOne had been removed for National Archives staff. External suppliers have been setup as interim system administrators to have access to allow for critical maintenance and support.
- TechOne automatically generates logs to record the use of privileged access such as activities undertaken by system administrators as well as the creation of new vendors or changes to vendor details. These logs are provided to the Chief Finance Officer for review on a monthly basis.
- As part of the ANAO 2023-24 Financial Statement Audit, the ANAO, through RSM, have undertaken a detailed review of ITGC’s which included not only TechOne but was much broader across all National Archives systems

Finding 2: Financial Statements Preparation Process (Category B; downgraded to C)

Summary of findings

Management’s review of end of month and year-end financial reporting was not adequate for the requirements of National Archives. The year-end financial statements closing process had taken longer than the close process of other entities of a similar size and complexity. Journal entries are not reviewed and approved by an independent individual who understands the implications of entries

Remediation by National Archives

- National Archives now reviews its month end close process and developed a detailed year end plan for the preparation of the financial statements and who is responsible for each item.
- The 2023-24-year end financial statements plan was noted by National Archives Audit and Risk Committee and agreed with the ANAO prior to commencing the financial statements audit.
- The plan included meeting key deadlines for the provision of most supporting documentation as well as draft financial statements, the first version produced in accordance with the plan on the 15th of July 2024 (10 business days post the end of financial year).
- The plan was successful in identifying high risk items, such as the Collection valuation, and ensured plenty of time for the finalisation and discussion of the outcome.
- It is expected that the month end process will continue to be refined, and the 2023-24 financial statements plan will form the basis of the 2024-25 plan, updated with lessons learned.
- All manual journals are reviewed and appropriately authorised as part of the ANAO recommendations.