



TOWN OF BASSENDEAN

Audit Planning Memorandum - 30 June 2020

Final





CONTENTS

1	PURPOSE OF THE AUDIT PLANNING MEMORANDUM	1
2	KEY ENGAGEMENT INFORMATION	1
3	BACKGROUND AND GENERAL INFORMATION	1
4	KEY DELIVERABLES	2
5	MILESTONE MEETINGS	3
6	TERMS OF ENGAGEMENT	4
7	AUDITOR GENERAL	5
8	STAKEHOLDER RELATIONSHIP	6
9	CURRENT YEAR DEVELOPMENTS	7
10	AUDIT APPROACH TO THE KEY AUDIT AREAS	8
11	SIGNIFICANT RISK AREAS	10
12	OTHER CRITICAL DISCLOSURES IN THE FINANCIAL REPORT	12
13	CONTROLS	13
14	FRAUD RISK	15
15	OTHER AUDIT MATTERS	15
16	INVOLVEMENT OF INFORMATION SYSTEMS AUDIT SPECIALIST	16
17	TIMETABLE	17
18	APPENDIX A: DRAFT MANAGEMENT REPRESENTATION LETTER	19
19	APPENDIX B: ADDITIONAL INFORMATION CONTACTS	24

1 PURPOSE OF THE AUDIT PLANNING MEMORANDUM

The primary purpose of this Audit Planning Memorandum (**APM**) is to brief the Audit Committee on the proposed approach by RSM Australia (**RSM**), on behalf of the Office of the Auditor General (**OAG**), to audit the financial report of the Town of Bassendean (**Town**) for the year ending 30 June 2020. The APM is a key tool for discharging our responsibilities in relation to communicating with those charged with governance.

2 KEY ENGAGEMENT INFORMATION

2.1 Key Town stakeholders and personnel

Ratepayers	Town of Bassendean
Minister for Local Government	The Hon. David Templeman MLA
Mayor	Renée McLennan
Deputy Mayor	Kathryn Hamilton
Chief Executive Officer	Peta Mabbs
Director Corporate Services	Paul White

2.2 Key OAG personnel

Auditor General	Caroline Spencer
Acting Director, Financial Audit ⁽¹⁾	Liang Wong

2.3 Key RSM personnel

Audit Director ⁽¹⁾	Alasdair Whyte
Audit Manager	Krushna Hirani
National Technical Director	Ralph Martin

(1) Refer to Appendix B for contact details

3 BACKGROUND AND GENERAL INFORMATION

3.1 Background

The Town was established in 1829 and is located approximately 10 kilometres north-east of Perth and 5 minutes from the Swan Valley vineyards and is home to approximately 16,000 people from diverse cultural backgrounds and covers 11 square kilometres.

3.2 Executives

The Town's Executive team at the date of this APM are:

- Peta Mabbs, Chief Executive Officer
- Paul White, Director Corporate Services
- Luke Gibson, Director Community Planning
- Philip Adams, Executive Manager Infrastructure

3.3 Governance

The Town is governed by the Council who appoints the Chief Executive Officer (**CEO**) to advise and provide information to the Council in relation to the Town's functions and ensures the resources of the Town are effectively and efficiently managed.

3.4 Regulation

In terms of financial reporting, the Town is subject to the *Local Government Act 1995 (Act)* and the *Local Government (Financial Management) Regulations 1996 (Financial Management Regulations)*.

4 KEY DELIVERABLES

4.1 Financial report audit and opinions

The annual financial report will be general purpose financial statements for the financial year ended 30 June 2020. The Auditor General is required by the Act to provide an opinion on the financial report and other legal and regulatory requirements in accordance with the *Local Government (Audit) Regulations 1996 (Audit Regulations)*. The objective of the Auditor General's audit is to obtain reasonable assurance about whether the Town's financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report.

The Auditor General's report will be sent to the Council, CEO and the Minister for Local Government in accordance with the Act. The Town is required to publish the auditor's report with the annual financial report on its website. If the Auditor General has reported other significant matters, then the Town is required to report the action it has taken about the matters to the Minister and to publish a copy of that report on its website.

The Auditor General will also communicate with the Council and the CEO regarding, among other matters, any significant findings regarding deficiencies in internal control that may be identified during the audit.

4.2 Management letters

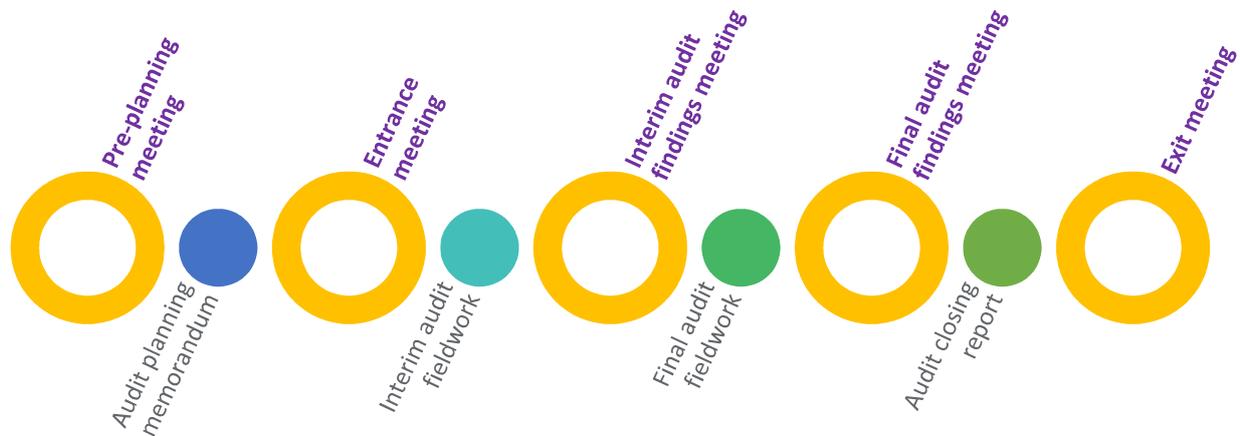
Significant findings, emerging issues and their recommended resolutions that arise during the audit will be progressively discussed and communicated by RSM firstly to the OAG, then the Council and the CEO. Any weaknesses in controls, which may be identified during the current year audit, will be highlighted in the management letter to the Council and the CEO following the conclusion of the interim and final audits. The draft management letters will be reviewed by the OAG before being provided to the Town for comment.

Prior year management letter points will be followed up as part of the current year audit procedures to determine if any control weaknesses highlighted during prior year audits have been properly resolved.

4.3 Matters of significance

In accordance with section 24(1) of the *Auditor General Act 2006*, the Auditor General is required to report on matters arising out of the performance of the Auditor General's functions that are, in the opinion of the Auditor General, of such significance as to require reporting.

5 MILESTONE MEETINGS



5.1 Pre-planning meeting

The pre-planning meeting will be with the Town's management, OAG (if required) and RSM. The meeting will discuss current developments at the Town and any changes in governance or systems. The meeting will form the basis for the preparation of the APM.

5.2 Entrance meeting

The entrance is normally held with Council, CEO, Audit Committee, OAG and RSM. The meeting mainly covers the presentation and discussion of the APM. However, for this financial year, due to the resource constraints being experienced by the Town from the COVID-19 crisis, the entrance meeting will not be formally conducted. Instead, the Town has determined, and the OAG has agreed, that the preliminary discussions already held between the Town and the auditors will take the place of the formal audit entrance meeting. The Town plans to table the APM at a Council meeting.

5.3 Interim audit findings meeting

The interim audit findings meeting with the CEO, OAG and RSM will mainly cover the presentation and discussion of the significant control matters as reported in the interim audit management letter, if any.

5.4 Final audit closing meeting

Significant accounting issues and audit findings, if any, noted during the final audit will be discussed with the CEO, OAG and RSM. If there are significant, unresolved matters, then a meeting will also be held with the Audit Committee.

5.5 Audit exit meeting

The exit meeting with the Audit Committee, OAG and RSM will mainly cover the presentation and discussion of the audit closing report, which will outline any significant audit related matters concerning the financial report, management letters and improvement suggestions for future audits.

5.6 Council and Audit Committee meetings

Attendance at Council and Audit Committee meetings is by invitation and provides insight into matters that may impact on our audit approach. Generally, OAG and RSM will attend the Council and Audit Committee meetings as required.

6 TERMS OF ENGAGEMENT

6.1 Arrangements

Audits are not an absolute guarantee of the accuracy or reliability of the Town's information and may not identify all matters of significance. This is because the work undertaken to form an opinion is permeated by judgement and most audit evidence is persuasive rather than conclusive. In addition, there are inherent limitations in any audit, including the use of testing, the effectiveness of internal control structures and the possibility of collusion.

Under the Local Government Act 1995 and associated regulations, the Council and the CEO are responsible for keeping proper accounts and records, maintaining effective internal controls, preparing the annual financial report, and complying with the Local Government Act and Regulations, and other legislative requirements.

The Council and CEO are responsible for ensuring the accuracy and fair presentation of all information in its annual report, and that it is consistent with the audited annual financial report. We do not provide assurance over your annual report.

Under the Local Government Act 1995 and associated regulations, the Council and the CEO have responsibility for maintaining internal controls that prevent or detect fraud or error and to ensure regulatory compliance. The Audit Committee and the Auditor General should be informed by management of any fraud or material errors. During the audit we will make inquiries with management about their process for identifying and responding to the risks of fraud, including management override. It should be noted that our audit is not designed to detect fraud, however should instances of fraud come to our attention, we will report them to you.

Under the *Auditor General Act 2006*, audit staff have unrestricted access to information held by the Town, irrespective of any restrictions on disclosures imposed, such as secrecy provisions.

Confidentiality of audit files and working papers is required under the *Auditor General Act 2006*. The OAG is an 'exempt agency' under the *Freedom of Information Act 1992*.

The signed contract between the Auditor General and RSM contains strict confidentiality clauses.

6.2 Management representation letter

The audit plan assumes that the Director Corporate Services and the CEO will be able to sign a management representation letter. Refer to Appendix A for a draft Management Representation Letter. The letter would be signed at the same time as the annual financial report is signed.

Please bring to the attention to the Mayor that RSM will rely on the Director Corporate Services and CEO signing the management representation letter as evidence to confirm they have:

- Fulfilled their responsibilities for the preparation and fair presentation of the financial statements in accordance with the Act and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.;
- Established and maintained an adequate internal control structure and adequate financial records;
- Provided RSM with access to all information of which they are aware that is relevant to the preparation of the financial statements and the operation of controls, such as records, documentation and other matters;
- Recorded all transactions in the accounting and other records and are reflected in the financial statements;
- Advised RSM of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- Provided RSM with the results of their assessment of the risk of fraud, any instances of fraud (not just material fraud) and any known data and security breaches.

7 AUDITOR GENERAL

7.1 Audit of local government

The *Local Government Amendment (Auditing) Act 2017* makes legislative changes to the Act to provide for the auditing of local governments by the Auditor General. The Act allows the Auditor General to contract out some or all of the financial audits, but all audits will be the responsibility of the Auditor General. It also allows for performance audits, which will examine the economy, efficiency and effectiveness of any aspect of local government operations. The Act also places an obligation on local governments to publish their annual report, including their annual financial report and auditor's report, on their website.

The Auditor General has been given the mandate to:

- Audit the annual financial report of WA local governments, related entities and subsidiaries;
- Conduct performance audits of local governments;
- Perform supplementary audits requested by the Minister; and
- Report to Parliament on the results of financial and performance audits.

Parliament has appointed the Auditor General as it expects this will raise the standards of accountability for local governments to a level more consistent with public sector entities. This follows recommendations by the Public Accounts Committee and the Corruption and Crime Commission that the Auditor General be appointed the auditor of all local governments.

This change brings Western Australia in line with most other Australian jurisdictions and New Zealand.

7.2 Auditor General audits and reports

The Auditor General has completed, is undertaking or planning the following audits that may be relevant to local government:

- Controls over corporate credit cards (report issued 9 May 2018). Auditor General found that local governments generally managing credit cards well but identified some room for improvement.
- Timely payment of suppliers (report issued 13 June 2018). The Auditor General found that local governments are generally timely in paying suppliers, but recommended improvements.
- Local government procurement (report issued 11 October 2018). The Auditor General found that improvements are needed to strengthen local government procurement controls.
- Management of supplier master files (report issued 7 March 2019). The Auditor General found improvements are needed in the areas of policies or procedures and controls over creation or amendment of supplier master file records.
- Audit Results Report - Annual 2017-18 Financial Audits of Local Government Entities (report issued 7 March 2019). The Auditor General identified where improvements may be considered and where opportunities exist. One such stark governance-related opportunity relates to audit committees. The Auditor General also identified the need for more emphasis on auditor independence.
- Records management in local government (report issued 9 April 2019). The audit found that there is room to improve the implementation of recordkeeping plans and managing their records to promote accountable and transparent decision making.
- Information Systems Audit Report (report issued 15 May 2019). The audit found that the most common weaknesses related to poor contract management, policies, procedures and information security.
- Local government building approvals (report issued 26 June 2019). The audit found that local government entities conduct limited monitoring and inspections of building works, and that compliance issues were not always resolved quickly.
- Fraud prevention in local government (report issued 15 August 2019). The audit found that all the entities reviewed had some controls in place to prevent fraud, but many had not assessed their fraud risks and did not have comprehensive fraud management plans and programs.

- Verifying employee identity and credentials (report issued 19 June 2019). The audit found that all entities need to improve their practices for screening employees.
- Annual Report 2018-2019 (report issued 19 September 2019). The report noted the OAG's will continue to urge local government entities to develop a stronger commitment towards good and better practice rather than focusing on minimum compliance with their legislative responsibilities. The report also noted that that each local government audit takes more time than comparably sized State sector audits.
- Audit Results Report - Annual 2018-19 Financial Audits of Local Government Entities (report issued 11 March 2020). The report noted the Auditor General's concerning that 93 material matters of non-compliance were reported in the auditor's reports of 48 entities, and 823 significant or moderate weaknesses in financial management and information systems controls in the auditor's management letters.
- Local government waste management (tabling is expected in the second quarter of 2020).
- Management of contract extensions and variations (tabling is expected in the second quarter of 2020).
- Management of unauthorised discharge of minor pollutants (tabling is expected in the second quarter of 2020).
- Regulation of consumer food safety (tabling is expected in the second quarter of 2020).

Further details of the current and forward audit program can be found on the OAG website:

<https://audit.wa.gov.au/>

Also, on the OAG website is a library of better practice guidance that the OAG has developed to help the Western Australian public sector perform efficiently and effectively.

7.3 Staged transition to the Auditor General

There is a staged transition for financial audits. As existing audit contracts expire, responsibility will transition to the Auditor General. There are 139 local governments and 9 regional councils in Western Australia. The Auditor General audited 112 local governments for the 2018-19 financial year. By financial year 2020-21, all local governments will be audited by the Auditor General, regardless of whether existing audit contracts have expired. The financial audit of the Town has transitioned to the Auditor General since the financial year ended 30 June 2019.

8 STAKEHOLDER RELATIONSHIP

8.1 RSM's relationship with the Auditor General and the Town

RSM has been contracted by the Auditor General to perform the audit of the financial report of the Town and report on whether the annual financial report of the Town:

- Is based on proper accounts and records; and
- Fairly represents, in all material respects, the results of the operations of the Town for the financial year and its financial position at the end of that period in accordance with the Act and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

RSM is also required by the Auditor General to report:

- Any material matters indicating non-compliance with Part 6 of the Act, the Financial Management Regulations or applicable financial controls of any other written law;
- Any significant adverse trends in the financial position of the Town;
- Whether all required information and explanations were obtained;
- Whether all audit procedures were satisfactorily completed; and
- Whether the asset consumption ratio and asset renewal funding ratio included in the annual financial report are supported by verifiable information and reasonable assumptions.

RSM is also required to report any matter which may affect the Auditor General's responsibilities under sections 24 and 28 of the *Auditor General Act 2006*, section 7.12 AD of the Act and the Audit Regulations.

8.2 Term of the audit contract

RSM has been appointed by the OAG for the financial year ending 30 June 2020.

RSM's services will be conducted under the overall direction of the Auditor General, who will retain responsibility for forming an audit opinion and issuing an audit report to the Town. The contract requires RSM to use its audit approach and methodology.

8.3 Grant acquittals

Grants received by the Town may need to be acquitted in accordance with the terms and conditions of the relevant Funding Agreement. Acquitting a grant means accurately reporting on the funded activities and the expenditure of the funding. Grant acquittal reports, providing activity and financial information, are generally required at certain stages during the funded project and / or on completion of the funded project. If satisfactory grant acquittal reports are not provided at the times and in the manner detailed in the Funding Agreement, there is a risk that any further payments due to the Town will be withheld and the Town may be ineligible to apply for further grants.

In most circumstances the grant acquittal reports are required to be audited. Generally, the Funding Agreement will require the Town to engage an auditor to form an opinion that the receipts and payments are true and fair and that the Town has complied with the terms and conditions of the Funding Agreement.

If RSM is invited by the Town to complete the audit of grant acquittal reports, then RSM must first obtain approval from the OAG before the audit begins.

8.4 Independence

The Auditor General is an independent officer of the Western Australia Parliament, appointed under legislation to examine, on behalf of Parliament and Western Australia taxpayers, the management of resources within the public sector. The Auditor General is not subject to control or direction by either Parliament or the government. In conducting the audit, the Auditor General, staff and delegates will comply with all applicable independence requirements of the Australian accounting profession.

RSM International audit methodology requires that we conduct an annual re-evaluation of our independence prior to the commencement of each assignment. We have fully satisfied ourselves that we do not have any actual or perceived conflict of interest.

We are fully compliant with our Ethics and Independence Policies, which are verified and tested each year by our Partner Responsible for Ethics and Independence. Each year we are required to submit certain information to our Partner Responsible for Ethics and Independence, which is analysed and subjected to a series of stringent tests. This system has been extensively reviewed by the Australian Securities and Investments Commission and found to be in accordance with Australian Auditing Standards, the *Corporations Act 2001* and better practice.

9 CURRENT YEAR DEVELOPMENTS

We had discussions with the Town and reviewed the 30 June 2019 financial statements. As at the date of this audit plan, we identified the following major developments:

9.1 COVID-19

We will work with your management to minimise the risk for your staff and councillors, our staff, and to your operations, while completing audits in the best timeframe possible under the circumstances. This will likely involve more audit work being performed remotely rather than at your premises, and/or delaying audit work if unforeseen circumstances arise.

9.2 Income recognition

Implementation of AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* are effective from 1 July 2019.

AASB 15 Revenue from Contracts with Customers

New requirements for recognising revenue i.e. when performance obligations are satisfied. Critical elements that need to be satisfied:

- Agreement between parties must create 'enforceable' rights and obligations
- Entity's promise to transfer goods or services needs to be 'sufficiently specific' to be able to determine when the obligation is satisfied.

The impact of AASB 15 is being assessed by the Town.

AASB 1058 Income of Not-for-Profit Entities

Applies to transactions of not-for-profit entities where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives. Whether income is recognised and its timing will depend on whether a transaction gives rise to a performance obligation, liability or contribution by owners. Transactions include those where an entity acquires or receives an asset in exchange for no consideration (i.e. cash grants, taxes and rates).

The impact of AASB 1058 is being assessed by the Town.

RSM audit response:

RSM will obtain and review the Town's assessment of the impact of AASB 15 and AASB 1058 and ensure adequate disclosure in the notes to the financial statements.

9.3 Lease accounting

Implementation of AASB 16 *Leases* is effective from 1 July 2019.

The distinction between operating leases and finance leases has been removed and requires all leases (except short term leases and leases of low value) to be recognised as lease assets and lease liabilities on the balance sheet. This will result in the grossing up of the balance sheet and higher expenses in the early years of the lease term. Lessor accounting remains similar to current practice (i.e. lessors continue to distinguish between operating leases and finance leases).

The Town has indicated that the application of AASB 16 has assessed that, based on the number of operating leases held by the Town, the impact is not expected to be material. The Town expects to apply AASB 16 following the practical expedient permitted by the standard.

RSM audit response:

RSM will obtain the various material lease agreements and review the accounting treatment and related disclosures in the notes to the financial statements. We will also review the practical expedient option applied by the Town to recognise the leases in the financial statements under AASB 16.

10 AUDIT APPROACH TO THE KEY AUDIT AREAS

10.1 Risk assessment

Key audit areas are those areas that, in RSM's professional judgment, present the most significant risk in our audit of the financial report.

As part of our audit approach we have conducted an initial financial report risk assessment to determine whether any of the risks identified are, in our judgment, significant. A significant risk is an identified and assessed risk of material misstatement in the financial report that, in our judgment is a key audit area and requires special audit consideration.



Our assessment of key audit areas is based upon:

- Discussion with the CEO and the Auditor General’s representative;
- The complexity of transactions within each area;
- The degree of subjectivity in the measurement of financial information related to the risk, especially those measurements involving a wide range of uncertainty;
- The degree of susceptibility to fraud risk; and
- Consideration of any relevant matters that may be discussed during the audit planning stage.

10.2 Materiality

The scope of our audit is influenced by the application of materiality. Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial report line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial report and on our opinion.

In assessing the risk profile of the Town, and in consideration of the users of the financial report, we have adopted materiality guidelines in accordance with Australian Auditing Standards.

For the purpose of determining materiality, assets and infrastructure are considered a key metric of interest to the users of the financial statements, Therefore, they will be used as the main benchmark for the calculation of overall materiality.

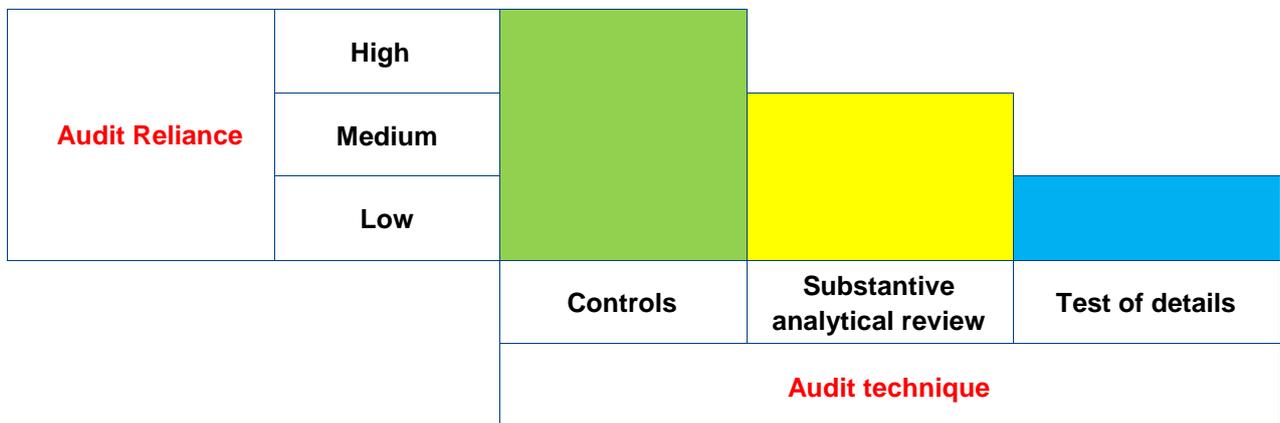
However, expenses are an item of significant interest to users of local government financial statements, as they seek to ensure funds are being spent appropriately. Therefore, we will consider a specific lower materiality for those account balances where there are circumstances (including qualitative factors) for which misstatements of lesser amounts than overall materiality could reasonably be expected to influence the economic decisions of users of the financial statements. For example, specific lower materiality will be calculated using total expenses as the benchmark for items such as revenue, other income, expenses, payroll and liability balances.

For the purpose of this APM, we referred to the audited 30 June 2019 financial report of the Town and used our professional judgment to determine a planning materiality amount. In line with OAG policy, we have not disclosed the amount of planning materiality.

10.3 RSM approach to auditing significant risk

RSM’s approach to auditing a class of transactions, account balance or disclosure is to initially assess whether there is a reasonable possibility that it could contain a material misstatement. Our risk assessment is based on both quantitative and qualitative criteria to determine whether they are significant.

Our audit strategy follows a hierarchy, which starts with testing of controls, then moves to substantive analytical review procedures and then finally testing of details. The following diagram shows an example where a high level of reliance on controls, along with a moderate level of reliance on substantive analytics is likely to result in testing of details that can safely rely on smaller sample sizes.



Based on our review of the Town's available financial information, we anticipate to rely on internal controls, which effectively means we can apply a moderate level of substantive analytics and limited testing of details. This controls based approach is both efficient and effective.

We are planning to conduct a review of the 30 June 2019 audit file prior to the commencement of interim audit fieldwork. If the circumstances do not permit this to occur, alternative audit procedures will be performed for prior period assessment of the design and implementation of controls.

10.4 Professional scepticism

We approach all our audits with a degree of professional scepticism as required by Australian Auditing Standards. In addition, professional scepticism is a key component of delivering an effective public sector audit. ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* defines professional scepticism as 'an attitude that includes a questioning mind, being alert to conditions which may indicate possible misstatement due to error or fraud, and a critical assessment of audit evidence'.

Professional scepticism is particularly relevant in areas that involve management assumptions and/or estimates. It is also critical when evaluating audit evidence to reduce the risk of the auditor:

- Overlooking unusual circumstances; and
- Over generalising when drawing conclusions from observations using inappropriate assumptions in determining the nature, timing and extent of evidence gathering procedures and evaluating the results thereof.

11 SIGNIFICANT RISK AREAS

Using the 30 June 2019 financial report as a guide and referring to the RSM calculated materiality amount and risk assessment, RSM has identified the following potential significant risk areas for the current financial year:

Significant risk area	30 June 2019 \$	30 June 2018 \$
Revenue and receivables cycle		
Rates	13,125,890	13,184,183
Fees and charges	6,220,530	5,892,776
Trade receivables (current and non-current)	1,347,336	1,437,754
Purchases and payment cycle		
Material and contracts	7,197,066	7,089,841
Property, Plant and Equipment (additions)	200,315	658,596
Infrastructure (additions)	1,157,619	1,614,522
Fixed assets cycle		
Property, Plant and Equipment	55,780,006	56,195,749
Infrastructure	107,396,632	109,135,859

11.1 Revenue and receivables cycle – rates / fees and charges / receivables

Reasons why RSM considers this area a significant risk

Revenue is measured by considering multiple elements, for example rates transactions are calculated by the application of a rate in the dollar to the Gross Rental Value (**GRV**) or Unimproved Value (**UV**), which is in turn determined by dividing the required rate collection amount by the total valuations on the roll. GRV's and UV's vary between the various property types. The GRV / UV is supplied by Landgate. Furthermore, rates

revenue represents a significant portion of the Town's annual operating income and is an important revenue stream in terms of the Town's cash flows.

Fees and charges are a material amount and is measured by the application of an annual charge to rateable land supplied with specified services. For example, community amenities and recreation and culture fees. There are also further complexities with the application of the eligible pensioners rebate scheme. In addition, further complexity and risk is associated with the requirement for the Town to comply with Part 6, Division 6 'Rates and service charges' of the Act.

Based on the above complexities and the high risk of management override, revenue recognition for rates is considered significant risk.

RSM audit response

RSM audit procedures will include, among other things, assessment of the Town's effectiveness of key internal controls operating within the revenue cycle, including application controls. RSM will perform a walkthrough of the key management controls over the revenue cycle and test key management controls. RSM will review, on a sample basis, the reconciliations and calculation of rates and compare these against historical results. In order to assess the completeness of recording revenue in the correct accounting period, RSM will perform revenue cut-off testing and review credit notes.

To determine the existence of the receivable balance and the recoverability thereof as at 30 June 2020, RSM will review receivables balances on a sample basis and perform subsequent receipt testing. Furthermore, we will perform analytical procedures on rates through detailed comparison with prior year balances and budget forecasts. RSM will also determine if the disclosures in the notes to the financial report related to the Town's revenue recognition policy are appropriate.

11.2 Purchases and payment cycle

Reasons why RSM considers this area a significant risk

All procurement made by the Town is subject to the requirements of the Act and Part 4 of the *Local Government (Functions and General) Regulations 1996 (Functions and General Regulations)*, which is the basis for the Town's purchasing policy (**Policy**). The Act and the Functions and General Regulations are there to guide the Town in delivering best practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance. Errors, uncertainty and unrealistic timelines can undermine market confidence, discredit a purchasing process and devalue the outcome of the procurement. Due to the strict and complex requirements of the Policy, including value for money, regulatory compliance, record management, transparency and professionalism, there is potential for insufficient knowledge of the Policy's requirements or failure to comply with the Policy.

RSM audit response

RSM will review the Town's purchasing policies and assess the effectiveness of internal controls operating within the payment cycle. In addition, we will perform a walkthrough of the key management controls over the purchase and payment cycle, including tendering, and perform tests of control on key management controls over the purchase and payment cycle. Furthermore, we will perform analytical procedures on procurement through detailed comparison with prior year balances and budget forecasts. Our testing will include an evaluation of whether the Town's purchasing activities have complied with the Act and the Functions and General Regulations.

11.3 Fixed assets cycle

Reasons why RSM considers this area a significant risk

Property, Plant and Equipment and Infrastructure respectively constitute 30% and 58% of the Town's total assets as at 30 June 2019. Under regulation 17A of the Financial Management Regulations, the Town's Property, Plant and Equipment and Infrastructure is to be carried at fair value less accumulated depreciation and accumulated impairment losses. Under regulation 17(4) of the Financial Management Regulations, the Town is required to revalue an asset:

- Whenever the local government believes the fair value of the asset is likely to be materially different from its carrying amount; and

- In any event, within a period of at least 3 years but not more than 5 years after the day on which the asset was last valued or revalued.

Furthermore, in accordance with paragraph 9 of AASB 136 *Impairment of Assets*, the Town is required to assess at reporting date whether there is any indication that an asset may be impaired.

Effective from 1 July 2018, regulation 17A (5) of the Financial Management Regulations provides that an asset is to be excluded from the assets of a local government if the fair value of the asset as at the date of acquisition by the local government is under \$5,000.

RSM audit response

The Town is not planning to revalue any classes of Property, Plant and Equipment or Infrastructure during the year ending 30 June 2020. Therefore, we will review the Town's assessment that the fair value of Property, Plant and Equipment and Infrastructure assets is not likely to be materially different from their carrying amounts and the Town's consideration of any potential impairment indicators.

We will review the Town's assessment that the fair value of Property and Infrastructure assets is not likely to be materially different from their carrying amounts and the Town's consideration of any potential impairment indicators.

We will review management's assessment of those assets below \$5,000, obtain and review the action taken by the Town to expense these assets from the asset register and confirm that the local government is properly and accurately recording portable and attractive assets.

12 OTHER CRITICAL DISCLOSURES IN THE FINANCIAL REPORT

RSM will also audit the following critical disclosures in the financial report:

12.1 Related party disclosures

The Town continues to be subject to the requirements of AASB 124 *Related Party Disclosures*. The Standard requires disclosures for senior officers' compensation and certain transactions with related parties. A review will be conducted to ensure proper accounting and disclosure of related party transactions and executive remuneration.

Further, section 7.12AL of the Act applies section 17 of the Auditor General Act 2006 to a local government, which requires the Town to advise the Auditor General in writing of details of all related entities that are in existence.

RSM Audit response:

We will review the disclosures and supporting material to ensure compliance with AASB 124. We will also assess the Town's internal controls around the identification and proper disclosure of related party transactions and director / executive remuneration.

12.2 Financial ratios

Under regulation 50 of the Financial Management Regulations, the annual report is to include financial ratios. Financial ratios are designed to enable users of annual financial reports to interpret more clearly the Town's performance and financial results as well as provide a comparison of trends over several years.

These indicators provide a measure of the financial sustainability of local governments and complement the national criteria endorsed by the Local Government and Planning Ministers' Council. They provide for a comprehensive tool for monitoring the financial sustainability of local governments.

RSM Audit response:

We will obtain and audit the ratios to assess compliance with regulation 50 of the Financial Management Regulations.

12.3 Capital and other commitments for expenditure

The Town will disclose in the financial statements several capital and other commitments relating to future asset construction and replacements.

RSM Audit response:

We will check the underlying calculations and review the evidence to support the amounts disclosed.

12.4 Reserve accounts

The Town has established several reserve accounts under section 6.11 of the Act for the purpose of setting aside money for a specific purpose to be used in a future period. Cash reserves are required to be held in separate bank accounts. However, reserve accounts are not separate funds and are consolidated with the municipal fund in the financial statements of the Town.

RSM Audit response:

RSM will review the reserve account reconciliations and test that the transfers to and from these accounts are in accordance with the specific purpose of the reserve.

12.5 Major land transactions

Regulation 46 of the Financial Management Regulations prescribes the disclosure requirement for major land transactions. The information to be disclosed by the Town is set out in regulation 47 and includes:

- Details of the total income and expenditure for the transaction; and
- Details of the amount or value of any surplus of money or assets.

RSM Audit response:

RSM will review the financial records of the Town to assess whether all major land transactions have been identified and disclosed in accordance with regulation 47.

13 CONTROLS

13.1 Internal control

Internal controls are systems, policies and procedures that help an entity reliably and cost effectively meet its objectives. Sound internal controls enable the delivery of reliable, accurate and timely external and internal reporting. The Town is responsible for developing and maintaining its internal control framework to enable:

- Preparation of accurate financial records and other information;
- Timely and reliable external and internal reporting;
- Appropriate safeguarding of assets; and
- Prevention or detection and correction of errors and other irregularities.

The annual financial audit enables RSM to form an opinion on the Town's financial report. An integral part of this, and a requirement of Australian Auditing Standard ASA 315 *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment*, is to assess the adequacy of an organisation's internal control framework and governance processes related to its financial reporting. While this understanding has a significant impact on our audit strategy, our audit of the Town's financial report is not designed to assess, nor do we provide an opinion on, the effectiveness of internal controls.

We focus on the internal controls relating to financial reporting and assess whether the Town has managed the risk that the financial report will not be complete and accurate. Poor controls diminish management's ability to achieve the organisation's objectives and comply with relevant legislation. They also increase the risk of fraud.

During our planning procedures we will gain an understanding of the following components of internal control:

- Control environment
- Risk assessment procedures
- Information systems
- Control activities
- Monitoring procedures

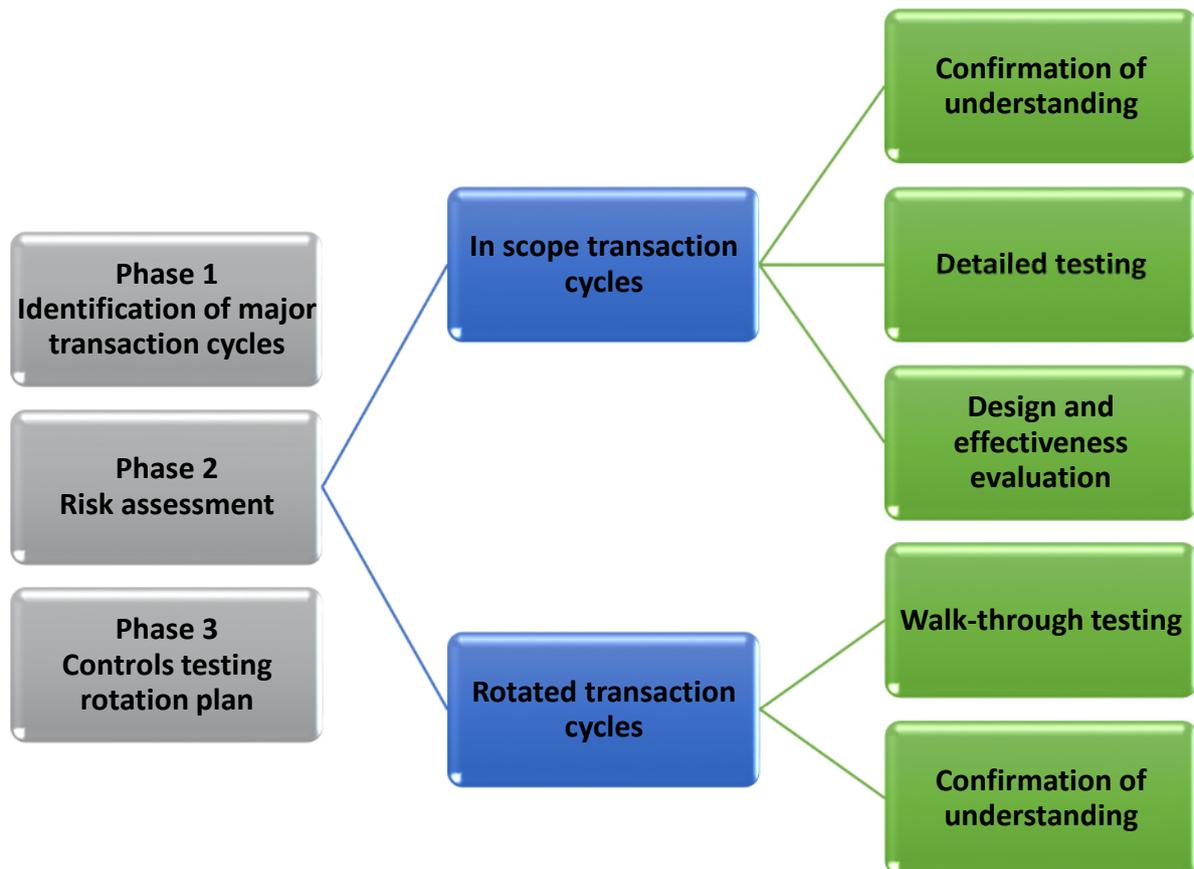
Our preliminary assessment of the internal control framework may indicate that the internal controls are likely to be effective in preventing or detecting and correcting material misstatements in the financial report. In these circumstances we would plan to place reliance on the key internal controls relating to the material components in the financial report to support our audit opinion.

13.2 Significant changes to internal controls

No significant changes to internal controls for the 2020 financial year to date.

13.3 Rotation approach

In accordance with our rotational controls testing approach, we will conduct a risk assessment for each major transaction cycle during our initial engagement year. The risk assessment is benchmarked against our knowledge of each transaction cycle within the local government sector. Using the risk assessment, we design a control testing rotation plan that will bring certain transaction cycles into audit scope each year. Those cycles not in scope will be subject to our normal walkthrough procedures and confirmation of our understanding of the key controls.



Those transactions cycles in scope will be subject to detailed controls testing, including testing of the design and effectiveness of those controls.

RSM Audit response:

During the current year audit, RSM will be testing controls over the revenue, purchases, fixed asset, payroll and cash/treasury cycles.

14 FRAUD RISK

Under Australian Auditing Standard ASA 240 *The Auditor's Responsibility Relating to Fraud in an Audit of a Financial Report*, when planning and performing audit procedures and evaluating the results, the auditor must consider the risk of material misstatement in the financial report because of fraud and error.

Although ASA240 sets out the principles and procedures we must follow, the primary responsibility for the prevention and detection of fraud and error rests with the Council and the CEO. The Council and the CEO is responsible for maintaining accounting records and controls designed to prevent and detect fraud and error, and for the accounting policies and estimates inherent in the financial report.

Our audit procedures on fraud risk include the following:

- Forward a copy of the fraud control checklist for self-assessment to the Town's management prior to our final audit visit. The checklist allows us to make inquiries of management, to obtain its understanding of the risk of fraud within the Town and to determine whether management have any knowledge of fraud that has been perpetrated on or within the entity. We will review the fraud control self-assessment by the Town;
- Review the Town's fraud control procedures in place to reduce the risk of fraud occurring within the entity, including the Town's code of conduct;
- Understand the Town's fraud control environment;
- Understand the business rationale for significant or unusual transactions;
- Review current accounting estimates for biases;
- Review the appropriateness of year end accounting adjustments;
- Make enquiries of management and others within the Town; and
- Incorporate an element of unpredictability in the selection of the nature, timing and extent of audit procedures to be performed as individuals within the entity who are familiar with the audit procedures normally performed on engagements may be more able to conceal fraudulent financial reporting.

15 OTHER AUDIT MATTERS

15.1 Internal audit

An effective internal audit function is important for ongoing maintenance and improvement of risk management, internal control overseen by an effective Audit Committee, and governance processes. The internal audit function acts as the independent eyes and ears for Council on administration and controls in key areas of risk.

Internal audit is a key component of the defence against fraud, including misrepresentation. Although the Town's financial management governance and risk framework, and management oversight and monitoring are the initial lines of defence against fraud or error, internal audit is also a crucial component.

Subject to the requirements of Auditing Standard ASA 610 *Using the Work of Internal Auditors*, if we have satisfied ourselves regarding the competence and objectivity of Town's internal audit function, we plan to rely on their work where possible. The use of the Town's internal audit function may be used in the following ways:

- To obtain information that is relevant to RSM's assessments of the risks of material misstatement due to error or fraud; and
- As partial substitution for audit evidence to be obtained directly by RSM.

The responsibility for internal audit rests with the Town. The Town has engaged Moore Stephens to perform internal audits. We have discussed the current year internal audit work program with the Town and plan to rely on the internal auditor's work where relevant and appropriate.

15.2 Audit preparation checklists

To assist the Town to gather and collate the necessary audit information and documentation, we will issue in advance of each audit visit an Interim Audit Preparation Checklist and a Final Audit Preparation Checklist. As the requested information will be an important part of our audit working papers, the information must be made available to RSM on the dates specified at section 17 of this APM. This will assist us in delivering an efficient audit and minimising interruptions to the Town's staff.

We have established a fully secure data upload function, which is available to the Town to file the documents and records we will need for our audit. We have found this facility to be very useful and clients have appreciated the savings in time and reduced disturbance by auditors during the audit fieldwork.



15.3 Important changes in governance, management or internal control environments

The Town has advised that, other than those matters mentioned in the APM, there are no other major changes to its governance, management or internal control environment that may significantly impact the 30 June 2020 financial report.

15.4 Cumulative knowledge of accounting and computer systems and any expected changes

The Town has represented that they are not aware of any significant changes to the accounting or computer systems.

16 INVOLVEMENT OF INFORMATION SYSTEMS AUDIT SPECIALIST

The financial management systems being used by the local government entities is varied, but there is a general reliance on "Authority". In some circumstances the information systems are integrated, whereas in others they are separate and rely on manual transfer of data between systems.

Due to the varying degree of financial system integration at each local government, RSM has assessed the information system environment as being sophisticated and we will engage an Information System Auditor (ISA) specialist to assess the risk of material misstatement imposed by the Information Technology (IT) environment at each local government.

The audit procedures conducted by the ISA will include, among others:

- Testing general IT controls around system access and testing controls over computer operations within specific applications which are required to be operating correctly to mitigate the risk of misstatement in the financial statements;
- Reviewing the key controls around change management related to significant IT systems.

RSM complies with Auditing Standard ASA 315 *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*. Our approach to information systems audit is to obtain an understanding of the information system, including the related business processes, relevant to financial reporting, including (amongst others) how the information system captures events and conditions, other than transactions, that are significant to the financial statements.

17 TIMETABLE

Phase	Task	Indicative timeframe ⁽¹⁾	Action
Planning	Pre-planning meeting to review and update the overall audit approach and plan	30 March 2020	RSM
	Issue draft 2020APM to the Town for commentary	6 April 2020	RSM
	Entrance meeting with the CEO and Audit Committee for the presentation and discussion of final APM	N/A ⁽²⁾	RSM Town
Interim audit fieldwork	Issuing of Interim Audit Preparation Checklist to the Town	20 April 2020	RSM
	Based on risk assessment, performance of cyclical controls testing, walkthrough of major business cycles and review of key reconciliation procedures for the 9 months ended 31 March 2020	1 – 5 June 2020	RSM
	Assessment of status of Management Letter points raised for the prior year		
Interim audit reporting	Interim audit findings meeting with Town management, the OAG and RSM to discuss any significant control matters surrounding the major transaction cycles and content of the management letter, if any	11 June 2020	RSM OAG Commission
	Issue of the draft Interim Management Letter to the OAG for consideration and comment.	15 June 2020	RSM OAG
	Issue the draft Interim Audit Management Letter to the Town for consideration and comment.	17 June 2020	RSM Town
	Return of draft Interim Audit Management Letter to RSM with commentary	22 June 2020	Town
	Issue the Interim Audit Management Letter to the OAG	25 June 2020	RSM
Draft financial report	The Town submits shell financial report to RSM for review and comment	19 June 2020	Town
	Town to submit draft financial report as per the Act deadline.	25 September 2020	Town
Final audit fieldwork	Issuing of Final Audit Preparation Checklist	31 July 2020	RSM
	Provision of trial balance as at 30 June 2020 to RSM	25 September 2020	Town

Phase	Task	Indicative timeframe ⁽¹⁾	Action
	Performance of substantive tests for revenue and expenditure cycles for the 3 months ended 30 June 2020	12-16 October 2020	RSM
	Performance of substantive tests for balance sheet accounts as at year end		
Final audit reporting	Final audit closing meeting with the Town management, the OAG and RSM to discuss any significant accounting issues and findings noted during the final audit. If there are significant, unresolved matters, then a meeting will also be held with Council and CEO.	XX October 2020	RSM OAG Town
	Issue the draft Final Audit Management Letter for the year ended 30 June 2020 to the OAG for consideration and comment	XX October 2020	RSM OAG
	Issue the draft Final Audit Management Letter for the year ended 30 June 2020 to the Town for consideration and comment	XX October 2020	RSM Town
	Return draft Final Audit Management Letter for the year ended 30 June 2020 to RSM with commentary	XX October 2020	Town
	Issue the Final Audit Management Letter to the OAG	XX October 2020	RSM
	Preparation of OAG Signing Review Memorandum	XX October 2020	RSM
	Review of audit file by OAG	XX October 2020	OAG
	Audit Closing Report issued	XX November 2020	RSM
	Exit Meeting with Town	XX November 2020	RSM OAG Town
	Issue final Management Representation Letter and approve Financial Report	XX November 2020	Town
	Independent Contract Auditor's Report issued	XX November 2020	RSM
	OAG to sign and issue the Audit Report	November 2020	OAG

(1) The above dates are tentative at this stage and are subject to amendment as a result of staff availability from the Town and OAG due to COVID-19.

(2) The entrance meeting has been marked as Not Applicable (**N/A**) due to the resource constraints being experienced by the Town from the COVID-19 crisis. The Town has advised that the APM will be circulated to Council at the next meeting.

18 APPENDIX A: DRAFT MANAGEMENT REPRESENTATION LETTER

Our Ref:
Your Ref:

Ms Caroline Spencer
Auditor General
Office of the Auditor General
7th Floor, Albert Facey House
469 Wellington Street
PERTH WA 6000

Dear Ms Spencer

REPRESENTATION LETTER IN RESPECT OF THE TOWN OF BASSENDEAN'S ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020
ERROR! REFERENCE SOURCE NOT FOUND.

This representation letter is provided in connection with your audit of the Town's annual financial report for the year ended 30 June 2020 for the purpose of expressing an opinion as to whether the annual financial report is fairly presented in accordance with the *Local Government Act 1995* (the Act), the *Local Government (Financial Management) Regulations 1996* and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

We submit the following representations for the year ended after making appropriate enquiries and according to the best of our knowledge and belief. This representation covers all material items in each of the categories listed below.

1. GENERAL

- (a) We have fulfilled our responsibilities for the preparation and fair presentation of the annual financial report in accordance with the *Local Government Act 1995* (the Act), the *Local Government (Financial Management) Regulations 1996* and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.
- (b) We have advised your auditors of all material contentious methods used in the presentation of the financial report.
- (c) There have been no changes in accounting policies or application of those policies that would have a material effect on the financial report, except as disclosed in Note XX to the financial report.
- (d) The prior period comparative information in the financial report has not been restated except as disclosed in Note XX to the financial report.
- (e) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm the disclosures related to accounting estimates are complete and appropriate.
- (f) We have established and maintained an adequate internal control structure and adequate financial records as we have determined are necessary to facilitate the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

-
- (g) We have provided your auditors with
- (i) Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters.
 - (ii) Additional information that your auditors have requested for the purpose of the audit.
 - (iii) Unrestricted access to staff and councillors of the Town from whom your auditors determined it necessary to obtain audit evidence.
- (h) All transactions have been recorded in the accounting and other records and are reflected in the financial report.
- (i) All internal audit reports and reports resulting from other management reviews, including legal issues and legal opinions which have the capacity to be relevant to the fair presentation of the financial report including, where relevant, minutes of meetings, have been brought to your auditors' attention and made available to them.
- (j) We have advised your auditors of all known instances of non-compliance or suspected non-compliance with laws and regulations, and all known data or security breaches whose effects should be considered when preparing the financial report.
- (k) We have provided to your auditors the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- (l) No frauds or suspected frauds affecting the involving:
- (i) Management;
 - (ii) Employees who have significant roles in internal control; or
 - (iii) Others

have occurred to the knowledge of management.

[OR]

We have provided information to your auditors of our knowledge of fraud or suspected fraud affecting the involving:

- (i) Management;
- (ii) Employees who have significant roles in internal control; or
- (iii) Others.

A summary of these is *provided below/attached*.

- (m) To our knowledge no allegations of fraud or suspected fraud affecting the Town's financial report has been communicated to us by employees, former employees, analysts, regulators or others.

[OR]

We have provided information to your auditors of our knowledge of any allegations of fraud or suspected fraud affecting the Town's financial report communicated by employees, former employees, analysts, regulators or others.

Details are *as follows/attached*.

- (n) We have disclosed to your auditors all known actual or possible litigation and claims whose effects should be considered when preparing the financial report, and they have been accounted for and disclosed in accordance with Australian Accounting Standards.

2. FAIR VALUE MEASUREMENTS AND DISCLOSURES

We confirm that where assets and liabilities are recorded at fair value, the value attributed to these assets and liabilities is the fair value.

We confirm that the carrying amount of each physical non-current asset does not materially differ from its fair value at the end of the reporting period. Significant fair value assumptions, including those with high estimation uncertainty, are reasonable.

We confirm the measurement methods, including related assumptions, used by management in determining fair values are appropriate and have been consistently applied.

We confirm that the fair value disclosures in the financial report are complete and appropriate.

3. GOING CONCERN

We confirm that the going concern basis of accounting is appropriate for the annual financial report.

4. CONTINGENT LIABILITIES

There are no material contingent liabilities at year end that have not been completely and adequately disclosed in the Notes to the financial report.

5. COMMITMENTS FOR CAPITAL AND OTHER EXPENDITURE

Other than those commitments reported in the Notes to the financial report, there were no significant commitments for capital or other expenditure contracts carrying over at year end.

6. FINANCIAL LIABILITY FOR CONTAMINATED SITES

We are aware of our obligations under the *Contaminated Sites Act 2003* and have reported to the Department of Water and Environmental Regulation, all land owned, vested or leased by the Town that is known to be, or is suspected of being, contaminated. All actual liabilities or contingent liabilities, if any, have been recognised and/or disclosed in the financial report as appropriate.

7. RELATED ENTITIES

We acknowledge our responsibility under section 17(1) of the *Auditor General Act 2006* (as applied by section 7.12AL of the *Local Government Act 1995*) to give written notice to the Auditor General if any of the Town's functions are being performed in partnership or jointly with another person or body, through the instrumentality of another person or body, and/or by means of a trust. We confirm that we have provided the Auditor General with details of all related entities in existence at 30 June 2020.

8. RELATED PARTIES

We have disclosed to your auditors the identity of the Town's related parties, as defined in Australian Accounting Standards, of which we are aware, and all the related party relationships and transactions of which we are aware. These include the Town's key management personnel (KMP) and their related parties, including their close family members and their controlled and jointly controlled entities.

We have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of Australian Accounting Standards.

9. KEY MANAGEMENT PERSONNEL COMPENSATION

We confirm the Town's key management personnel (KMP) have not received any other money, consideration or benefit (except amounts being reimbursements for out of pocket expenses) which has not been included in the compensation disclosed in the Notes to the financial report.

10. SUBSEQUENT EVENTS

All events subsequent to the date of the financial report and up to the date of this letter for which Australian Accounting Standards require adjustment or disclosure, have been adjusted or disclosed.

[OR]

No matters or occurrences have come to our attention between the date of the financial report and the date of this letter which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations.

11. INTERNAL CONTROL

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

12. INSURANCE

We have established procedures to assess the adequacy of insurance cover on all assets and insurable risks. We believe, where appropriate, assets and insurable risks are adequately covered by insurance.

13. RISK MANAGEMENT

We confirm that we have established and maintained a risk management framework that is appropriate to the Town.

14. FINANCIAL RATIOS

We confirm that the financial ratios included in the annual financial report have been prepared and fairly presented in accordance with the *Local Government (Financial Management) Regulations 1996*.

We confirm that the asset consumption ratio and the asset renewal funding ratio are supported by verifiable information and reliable assumptions.

15. ACCOUNTING MISSTATEMENTS

There are no uncorrected misstatements in the financial report

[OR]

The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report taken as a whole. A summary of these uncorrected misstatements is listed below.

Account	Reported balance	Actual balance	Variance

16. ELECTRONIC PRESENTATION OF THE AUDITED ANNUAL FINANCIAL REPORT AND AUDITOR'S REPORT

- (a) We acknowledge that we are responsible for the electronic presentation of the annual financial report.
- (b) We will ensure that the electronic version of the audited annual financial report and the auditor's report presented on the Town's website is the same as the final signed versions of the audited annual financial report and the auditor's report.
- (c) We have clearly differentiated between audited and unaudited information in the construction of Town's website and understand the risk of potential misrepresentation in the absence of appropriate controls.
- (d) We have assessed the security controls over the audited annual financial report and the auditor's report and are satisfied that procedures in place are adequate to ensure the integrity of the information provided.
- (e) We will ensure that where the auditor's report on the annual financial report is provided on the website, the annual financial report is also provided in full.

17. OTHER (UNAUDITED) INFORMATION IN THE ANNUAL REPORT

We will provide the final version of the annual report to you when available, to enable you to complete your required procedures.

Director Corporate Services (or the equivalent)

Date

NAME:

Chief Executive Officer

Date

NAME:

19 APPENDIX B: ADDITIONAL INFORMATION CONTACTS

Alasdair Whyte	Liang Wong
RSM Australia	Office of the Auditor General
Level 32, Exchange Tower	7th Floor, Albert Facey House
2 The Esplanade	469 Wellington Street
Perth Western Australia 6000	Perth Western Australia 6000
Tel: +61 8 9261 9421	Tel: +61 8 6557 7542

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network.

Each member of the RSM network is an independent accounting and consulting firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 11 Old Jewry, London EC2R 8DU.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

© RSM International Association

rsm.com.au

Liability limited by a scheme approved under professional standards legislation

