

RE: Specific representation letter

From: Hayley Keagan <hkeagan@lawlerpartners.com.au>
To: Mark Johnson <mjohnson@sasl.org.au>, Clayton Hickey <chickey@lawlerpartners.com.au>, Scott Tobutt <stobutt@lawlerpartners.com.au>
Cc: Mikael Smith <msmith@sasl.org.au>, Shalesh Gundar <sgundar@sasl.org.au>, Tony Cividin <tcividin@sasl.org.au>
Date: Tue, 25 Sep 2012 21:23:17 +1000
Attachments: Updated Audit MJ transactions - Specific Representation Letter.docx (23.24 kB)

Hi Jack

Please find attached the amended representation letter incorporating your suggested table. I have discussed this with Scott and the format will be acceptable for our audit purposes.

Kind regards
Hayley

From: Mark Johnson [mailto:MJohnson@sasl.org.au]
Sent: Tuesday, 25 September 2012 4:37 PM
To: Clayton Hickey; Scott Tobutt; Hayley Keagan
Cc: Mikael Smith; Shalesh Gundar; Tony Cividin
Subject: FW: Specific representation letter

Clayton,

I would ask you to consider the format and contents of the Table attached (GV01).

Following the review requested by you this afternoon, we have concluded that the attached format and contents, represent a more understandable account of the payments made. You will note that there is only a subtle variation to the bottom line.

I would be very comfortable to sign off your requested letter with the table attached replacing the table provided in your draft letter. Accordingly, I would, without reservation, recommend to the Gandangara Board that they endorse and sign the attached letter, at the earliest opportunity, that being immediately prior to the AGM tomorrow evening.

That being the case, it is still my fervent hope that I can have a copy of the audit and your revised letter (above) in my Inbox to-day, so that I can distribute to my Board overnight, and give them all day tomorrow to raise any queries that they may have with me, during the day, prior to the meeting.

I have "blind copied" the Board into this correspondence, in order that they are aware of the timeframes and issues and in order to preserve their privacy.

Regards,
Jack

Jack (Mark) Johnson
CEO
Gandangara LALC (GLALC) and Sydney Aboriginal Services Ltd (SASL)
103 Moore St
Liverpool
Phone: (02) 9602 5280

From: Scott Tobutt [mailto:STobutt@lawlerpartners.com.au]
Sent: Tuesday, 25 September 2012 3:50 PM
To: Mark Johnson
Cc: Clayton Hickey; Hayley Keagan
Subject: Specific representation letter

Dear Jack

Consistent with the discussions you had with Clayton I am re-attaching the specific representation letter regarding your salary, bonus and reimbursements, and the workings that we have used from your system to derive this amount. Please note these were both provided previously.

Please check the attached for factual accuracy and let us know if you note any discrepancies. We note that given this would typically be expected to be performed by GLALC, that it must be checked prior to going to the Board.

In addition as discussed with Clayton we will be sending a set of draft accounts for your review and as stated by Clayton, the audit opinion will be finalised subject to his satisfaction with all responses provided.

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Kind regards

Scott

Scott Tobutt

Principal

Lawler Partners Chartered Accountants

Level 9, 1 O'Connell St Sydney NSW 2000 www.lawlerpartners.com.au

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Hayley Keagan

Assistant Manager

Lawler Partners Chartered Accountants

Level 9, 1 O'Connell St Sydney NSW 2000 www.lawlerpartners.com.au

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NSW ICAC EXHIBIT

Jack

Jack (Mark) Johnson
CEO
Gandangara LALC (GLALC) and Sydney Aboriginal Services Ltd (SASL)
103 Moore St
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Phone: (02) 9602 5280

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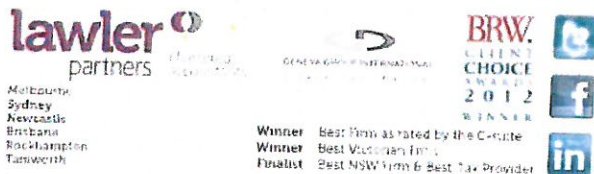
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Scott Tobutt
Principal
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25 September 2012

Mr Clayton Hickey
Lawler Partners
PO Box 2368
NEWCASTLE WEST NSW 2302

Dear Clayton

Subject: Specific management representation letter covering transactions with Mark Johnson and his personal company, Waawidji Pty Ltd.

This representation letter is provided in connection with your audit of the financial report of Gandangara Local Aboriginal Land Council, and its controlled entities, ("GLALC") for the year ended 30 June 2012, for the purpose of expressing an opinion as to whether the transactions between GLALC and the CEO, Mark Johnson, (listed below) have been transacted in accordance with his and Waawidji's employment contracts with GLALC.

The following summarises the payments made between GLALC and Mark Johnson in the year ended 30 June 2012:

Entity	Payroll Expense \$	Services Rendered \$	Reimbursement of expenses \$	Bonus \$	Total \$
GANDANGARA ABORIGINAL LAND COUNCIL	82,099.93		95,527.53	-	177,627.46
GANDANGARA MANAGEMENT SERVICES LIMITED	-	159,887.41	90,310.93	316,738.41	566,936.75
GANDANGARA TRANSPORT SERVICES LIMITED	-	11,663.35	-	-	11,663.35
Total	82,099.93	171,550.76	185,838.46	316,738.41	756,227.56

In regards to the bonus that was paid during this year we confirm that this relates to performance to 30th June 2011, which is in accordance with his employment contracts with GLALC, however we clarify the following:

The bonus was based on 3% of the surplus generated in GLALC Funds as follows:

- 80% of profit on sale of Stage 2 and Lot 101 in the books of Gandangara Local Aboriginal Land Council.
- Increase in loans of \$3.53m to other related entities from Gandangara Local Aboriginal Land Council, which is to be eventually forgiven.

Statement by the Chief Executive Officer and Directors

We confirm the completeness and accuracy of the information provided regarding the payments to Mark Johnson during the year ended 30 June 2012. We confirm that the transactions above have occurred in accordance of the employments contracts between Mark Johnson/Waawidji and GLALC.

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We have disclosed to you all information required to meet the disclosure requirements of AASB 124 Related Party Disclosures and section 300A of the Corporations Act 2001, in particular information relating to key management personnel.

Yours sincerely

For and on behalf of the Board of Directors of

Chief Executive Officer of Gandangara Local Aboriginal Land Council