

FW: Specific representation letter

From: Mark Johnson <"o=first organization/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=mark johnson">
To: "Clayton Hickey (CHickey@lawlerpartners.com.au)" <chickey@lawlerpartners.com.au>, "Scott Tobutt (STobutt@lawlerpartners.com.au)" <stobutt@lawlerpartners.com.au>, "Hayley Keagan (HKeagan@lawlerpartners.com.au)" <hkeagan@lawlerpartners.com.au>
Cc: Mikael Smith <msmith@sasI.org.au>, Shalesh Gundar <sgundar@sasI.org.au>, Tony Cividin <tcividin@sasI.org.au>
Bcc: "Carol Brown [REDACTED]" <cinderellacronan@[REDACTED]>, "Cindy Cronan (cinderellacronan@[REDACTED])" <cinderellacronan@[REDACTED]>, "Danny Boy Thorne (denis.thorne@[REDACTED])" <denis.thorne@[REDACTED]>, "George Bloomfield (george.bloomfield@sswahs.nsw.gov.au)" <george.bloomfield@sswahs.nsw.gov.au>, "Gloria Provest (gloria.provest@det.nsw.edu.au)" <gloria.provest@det.nsw.edu.au>, John Dickson [REDACTED] "Keira Edwards (keira.edwards7@det.nsw.edu.au)" <keira.edwards7@det.nsw.edu.au>, "Merv Donovan (merv.donovan@det.nsw.edu.au)" <merv.donovan@det.nsw.edu.au>, Rohan Tobler <rohan.toble[REDACTED]>
Date: Tue, 25 Sep 2012 16:37:13 +1000
Attachments: Audit MJ transactions - Specific Representation Letter.doc (48.64 kB); KMP Transactions - Waawidji.xlsx (20.66 kB); 12-09-20 Audit MJ transactions - Specific Representation Letter (GV 01).docx (16.52 kB)

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.

Kind regards

Scott

Scott Tobutt
Principal
Lawler Partners Chartered Accountants
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NSW ICAC EXHIBIT



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20 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 \$	Reimbursement of expenses \$	Bonus \$	Total \$
GANDANGARA ABORIGINAL LAND COUNCIL	82,100	95,525	-	177,624
GANDANGARA MANAGEMENT SERVICES LIMITED	-	250,198	316,738	566,937
GANDANGARA TRANSPORT SERVICES LIMITED	-	11,663	-	11,663
Total	82,100	357,386	316,738	756,225

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.

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

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	A	B
1	Name	ACN
2	GANDANGARA ABORIGINAL LAND COUNCIL GROUP	N/A this will be used fo
3	GANDANGARA ABORIGINAL LAND COUNCIL	
4	GANDANGARA DEVELOPMENT SERVICES PTY LTD	126 886 262
5	GANDANGARA EMPLOYMENT & TRAINING SERVICES PTY LTD	126 886 315
6	MURRIN NGURA PTY LTD (MN)	126 886 333
7	SYDNEY ABORIGINAL SERVICES LIMITED	147 848 039
8	GANDANGARA EMPLOYMENT & TRAINING LIMITED	145 344 592
9	GANDANGARA FUTURE FUND LIMITED	145 303 126
10	GANDANGARA HEALTH SERVICES LIMITED	144 486 975
11	GANDANGARA HOUSING SERVICES LIMITED (MN)	145 344 609
12	GANDANGARA MANAGEMENT SERVICES LIMITED	143 178 965
13	GANDANGARA TRANSPORT SERVICES LIMITED	143 964 149
14	GANDANGARA 101 LIMITED	150 895 033
15	GLALC DEVELOPMENT SERVICES LIMITED	143 172 463
16	LOT 3 (SOUTH) BARDEN RIDGE LIMITED	154 918 500
17	MARUMALI LIMITED	125 974 727
18	SPROULE ROAD LIMITED	143 179 051
19	STATEWIDE ABORIGINAL SERVICES LIMITED	154 918 439
20		
21		
22		
23		
24	Entity	Payroll Expense
25	GANDANGARA ABORIGINAL LAND COUNCIL	82,100
26	GANDANGARA MANAGEMENT SERVICES LIMITED	-
27	GANDANGARA TRANSPORT SERVICES LIMITED	-
28	Total	82,100
29		

NSW ICAC EXHIBIT

	C	D	E	F
1	ABN	Entity Abbreviation	Purchases Ledger	Payroll
2	r consol journals.	0	-	-
3	59 476 858 149	1	95,525	82,100
4	81 126 886 262	2	-	-
5	94 126 886 315	3	-	-
6	98 126 886 333	4	-	-
7	30 147 848 039	5	-	-
8	97 145 344 592	6	-	-
9	79 145 303 126	7	-	-
10	31 144 486 975	8	-	-
11	13 145 344 609	9	-	-
12	67 143 178 965	10	566,937	-
13	47 143 964 149	11	11,663	-
14		12	-	-
15	80 143 172 463	13	-	-
16		14	-	-
17	14 125 974 727	15	-	-
18	15 143 179 051	16	-	-
19	99 154 918 439	17	-	-
20			674,125	82,100
21				
22				
23				
24	Reimbursements of expenses	Bonus	Total	
25	95,525	-	177,624	
26	250,198	316,738	566,937	
27	11,663	-	11,663	
28	357,386	316,738	756,225	
29				

NSW ICAC EXHIBIT

	A	B	C	D
1	Gandangara Local Aboriginal Land Council <i>PO BOX 1038</i> <i>LIVERPOOL BC NSW 1871</i> Purchase Register [All Purchases] July 2011 through June 2012			
2				
3				
4				
5				
6				
7				
8				
9	Date	PO #	Supplier Inv#	Supplier Name
10	1/09/2011	143	10/8/2011	Waawidji Pty Ltd
11	8/09/2011	147	MJJohnson	Mark J Johnson
12	27/09/2011	193	MJ	Mark J Johnson
13	31/10/2011	Mark	REIMBURSEMENTS	Mark Johnson
14	21/11/2011	Mark	Reimbursement	Mark Johnson
15	21/10/2011	Mark J	Mark Reimbursement	Mark J Johnson
16	2/07/2011	Waawidji	Waawidji	Waawidji Pty Ltd
17	21/07/2011	Waawidji	Waawidji	Waawidji Pty Ltd
18	4/08/2011	Waawidji	Waawidji	Waawidji Pty Ltd
19				
20				Total
21				
22				
23				
24	Gandangara Local Aboriginal Land Council <i>PO BOX 1038</i> <i>LIVERPOOL BC NSW 1871</i> Payroll Activity [Summary] 1/07/2011 To 30/06/2012			
25				
26				
27				
28				
29				
30				
31				
32	Employee	Wages	Deductions	Taxes
33	FILEWOOD, LEON ALAN	\$1,250.00	\$0.00	\$426.00
34	JOHNSON, MARK	\$82,099.93	\$29,447.08	\$13,168.00
35	SABATINO, Jascenta	\$20,764.80	\$0.00	\$4,302.00
36				
37	Total:	\$104,114.73	\$29,447.08	\$17,896.00
38				
39				
40				
41				

NSW ICAC EXHIBIT

	E	F	G	H
1				
2				
3				
4				
5				
6				
7				
8				
9	Amount	Amount Due	Status	Received
10	\$4,703.45	\$0.00	Closed	
11	\$12,743.13	\$0.00	Closed	
12	\$8,609.46	\$0.00	Closed	
13	\$4,558.25	\$0.00	Closed	
14	\$9,563.70	\$0.00	Closed	
15	\$8,406.09	\$0.00	Closed	
16	\$111.14	\$0.00	Closed	
17	\$40,412.11	\$0.00	Closed	
18	\$6,417.20	\$0.00	Closed	
19				
20	\$95,524.53	\$0.00		
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32	Net Pay	Expenses		
33	\$824.00	\$112.50		
34	\$39,484.85	\$7,200.04		
35	\$16,462.80	\$1,807.04		
36				
37	\$56,771.65	\$9,119.58		
38				
39				
40				
41				

NSW ICAC EXHIBIT

	A	B	C	D
1				
2				
3	GANDANGARA MANAGEMENT SERVICES LTD 103 MOORE STREET LIVERPOOL NSW 2170 Purchase Register [All Purchases] July 2011 through June 2012			
4				
5				
6				
7				
8				
9				
10				
11	Date	PO #	Supplier Inv#	Supplier Name
12	5/09/2011	21	113	Waawidji
13	5/09/2011	22	112	Waawidji
14	13/09/2011	26	54442926	Mark Johnson
15	13/09/2011	27	74	Mark Johnson
16	9/09/2011	30	114	Waawidji
17	26/09/2011	44	114	Waawidji
18	1/11/2011	Mark	REIMBURSEMENTS	Mark Johnson
19	1/12/2011	Mark	Reimbursements	Mark Johnson
20	14/12/2011	Mark	Reimbursement	Mark Johnson
21	16/01/2012	Mark	REIMBURSEMENT	Mark Johnson
22	1/02/2012	Mark	REIMBURSEMENT	Mark Johnson
23	15/02/2012	Mark	REIMBURSEMENTS	Mark Johnson
24	1/03/2012	Mark	REIMBURSEMENT	Mark Johnson
25	15/03/2012	Mark	REIMBURSEMENT	Mark Johnson
26	23/03/2012	Mark	REIMBURSEMENT	Mark Johnson
27	3/04/2012	Mark	REIMBURSEMENT	Mark Johnson
28	19/04/2012	Mark	REIMBURSEMENT	Mark Johnson
29	7/05/2012	Mark	Reimbursement	Mark Johnson
30	22/05/2012	Mark	Reimbursement	Mark Johnson
31	28/06/2012	Mark	REIMBURSEMENT	Mark Johnson
32	1/03/2012	Waawi	119	Waawidji
33	26/06/2012	Waawi	149	Waawidji
34	26/06/2012	Waawi	152	Waawidji
35	31/01/2012	Waawid	118	Waawidji
36	1/07/2011	Waawidj		Waawidji
37	6/07/2011	Waawidj	110	Waawidji
38	31/10/2011	Waawidj	115	Waawidji
39	30/12/2011	Waawidj	116	Waawidji
40	30/12/2011	Waawidj	117	Waawidji
41	30/03/2012	Waawidj	120	Waawidji
42	8/05/2012	Waawidj	146	Waawidji
43				
44			Total	
45				

NSW ICAC EXHIBIT

	E	F	G	H
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11	Amount	Amount Due	Status	Received
12	\$12,587.88	\$0.00	Closed	
13	\$12,694.56	\$0.00	Closed	
14	\$3,000.00	\$0.00	Closed	
15	\$1,500.00	\$0.00	Closed	
16	\$32,034.18	\$0.00	Closed	
17	\$12,587.88	\$0.00	Closed	
18	\$6,813.70	\$0.00	Closed	
19	\$2,502.82	\$0.00	Closed	
20	\$4,542.40	\$0.00	Closed	
21	\$7,500.08	\$0.00	Closed	
22	\$5,170.83	\$0.00	Closed	
23	\$4,649.37	\$0.00	Closed	
24	\$1,052.12	\$0.00	Closed	
25	\$6,217.15	\$0.00	Closed	
26	\$3,290.93	\$0.00	Closed	
27	\$12,705.12	\$0.00	Closed	
28	\$11,058.88	\$0.00	Closed	
29	\$2,995.21	\$0.00	Closed	
30	\$8,282.08	\$0.00	Closed	
31	\$9,030.24	\$0.00	Closed	
32	\$12,587.79	\$0.00	Closed	
33	\$4,835.93	\$0.00	Closed	
34	\$4,835.93	\$0.00	Closed	
35	\$12,587.79	\$0.00	Closed	
36	\$89,038.41	\$0.00	Closed	Bonus
37	\$227,700.00	\$0.00	Closed	Bonus
38	\$12,587.88	\$0.00	Closed	
39	\$12,587.79	\$0.00	Closed	
40	\$12,587.79	\$0.00	Closed	
41	\$12,587.79	\$0.00	Closed	
42	\$4,784.22	\$0.00	Closed	
43				
44	\$566,936.75	\$0.00		
45				

NSW ICAC EXHIBIT

	A	B	C	D	E	F	G	H	
1									
2	GANDANGARA TRANSPORT SERVICES LTD								
3	<i>103 MOORE STREET</i>								
4	<i>LIVERPOOL NSW 2170</i>								
5									
6									
7	Purchase Register [All Purchases]								
8	July 2011 through June 2012								
9									
10	Date	PO #	Supplier	Inv	supplier Name	Amount	Amount Due	Status	Received
11	26/06/2012	Waawi	151	Waawidji P		\$3,875.93	\$0.00	Closed	
12	26/06/2012	Waawi	154	Waawidji P		\$3,875.93	\$0.00	Closed	
13	8/05/2012	Waawidji	148	Waawidji P		\$3,911.49	\$0.00	Closed	
14									
15	Total					\$11,663.35	\$0.00		
16									

NSW ICAC EXHIBIT

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