

19 June 2016

Mr Clayton Hickey
PKF Newcastle
755 Hunter Street
NEWCASTLE WEST NSW 2302

Dear Mr Hickey

**Subject: Directors representation on transactions included in the financial report of
Awabakal Local Aboriginal Land Council ("ALALC") for the year ended 30 June 2015**

This representation letter is provided in connection with your audit of the financial statements of Awabakal Local Aboriginal Land Council ("Awabakal") for the year ended 30 June 2015 for the purpose of forming an opinion whether, in all material respects, the financial statements are presented fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements, the *Aboriginal Land Rights Act 1983* (as amended), section 41B of the *Public Finance and Audit Act 1983* and the Aboriginal Land Rights Regulations so as to present a view which is consistent with your understanding of Awabakal's financial position, the results of its operations and its cash flows.

We confirm, to the best of our knowledge and belief, the following representations:

General

- We have provided you with:
 - 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;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.

Fraud

- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting ALALC's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected ALALC.
- During the period 3 February to 30 June 2015, transactions occurred within the Land Council which were not subject to normal approval process, however are considered bona fide and pertain to the operations of ALALC.

Related parties

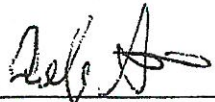
- That the following related party transactions, which occurred during the period 1 July 2014 to 30 June 2015, are accurate and pertain to ALALC operations:


- Payments made to the following board members not in connection with attendance at board meetings:
 - i. Ms Debbie Dates \$1,500
 - ii. Mr Richard Green \$1,190
 - iii. Ms Jaye Quinlan \$340
 - iv. Mr Leonard Quinlan \$340
 - v. Mr Ronald Jordan \$340
 - vi. Ms Eleanor Swan \$170
 - Rental benefits received by Ms Nicole Steadman between January and August 2015 without any payment;
 - Write off of rental arrears for Ms Nicole Steadman for around \$6,000;
 - Payments made to Ms Tammy Towers and Mr Peter Townsend for \$1,200 and \$1,050 respectively for the provision of dancers; and
 - Payment to Ms Tammy Towers of \$350.
- That the following related party transactions, which occurred on or after 1 July 2015, are accurate and pertain to the land council operations:
 - Payment to CEO for settlement on termination in the amount of around \$50,000;
 - Back payment of wages to Ms Nicole Steadman for \$39,995 for the period 3 February 2015 to 7 August 2015;
 - Back payment of wages to Ms Candy Towers for \$5,760 for the period 3 February 2015 to 7 August 2015;
 - A payment made to Ms Debbie Dates on behalf of Ms Candy Towers for \$700;
 - A payment made to Mr Warren Towers for \$2,000; and
 - A sponsorship payment made to Mr Leonard Quinlan for \$1,500.
 - That the above listed related party transactions is a complete list of all transactions which have occurred between ALALC and related parties from 1 July 2014 to 30 September 2015.
 - Related party transactions which have occurred since 1 October 2015 to the date of this letter have transaction in accordance with Part 10 of the Aboriginal Land Rights Act 1983 (NSW).

Laws, regulations and litigation

- We have provided you with a complete list of contingent liabilities including, but not limited to, details of any outstanding legal disputes; any instances of non-compliance from any regulatory body; all known potential claims over the assets of ALALC and any other potential outgoing which is contingent on a future event.
- There are no entities established outside of the ALALC in which the ALALC has either a direct or indirect interest in.
- In relation to the land holdings of ALALC there have been no transfers of title, developments or other land dealings outside of the requirements of the ALRA.

Made for and on behalf of the Directors of
Awabakal Local Aboriginal Land Council:

 Debbie Dates
Board Member No 1

 Leonard Quinlan
Board Member No 2
Made for and on behalf of Management: