

Chairperson and Committee Members
AUDIT AND RISK COMMITTEE

30 NOVEMBER 2017

Meeting Status: **Public**

Purpose of Report: For Information

AUDIT ENGAGEMENT LETTER - 2018-2038 LONG TERM PLAN

PURPOSE OF REPORT

- 1 This report provides the Audit and Risk Committee with a copy of the draft Audit Engagement Letter covering the audit of the Consultation Document and the draft 2018-2018 Long Term Plan
- 2 This report asks that the Audit and Risk Committee recommend to Council that it adopts the Audit Engagement Letter at its next meeting which is scheduled for the 7th of December 2017.

DELEGATION

- 3 The Audit and Risk Committee has authority under the following delegation in the Governance Structure B.3:

Confirming the terms of engagement for each audit with a recommendation to the Council; and receiving the external audit reports for recommendation to the Council.

BACKGROUND

- 4 Work is well underway on the development of the Council's draft 2018-2038 Long Term Plan (LTP) and a project plan is in place to manage the development process.
- 5 The Office of the Auditor General has appointed David Borrie using the staff and resources of Ernst & Young under section 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council's Consultation Document and draft LTP.
- 6 Attached to this report is the Audit Engagement letter. It covers: the terms of the audit engagement and the respective responsibilities of the Council and the auditor, the audit scope and objectives, the approach to undertaking the audit, areas of emphasis, logistics and professional fees.
- 7 The Local Government Act 2002 (LGA) requires our auditors to:
 - Consultation Document – Determine whether the Consultation Document gives effect to the purpose specified in the LGA and the quality of the information and assumptions underlying the information contained in the Consultation Document
 - LTP – report on whether or not the LTP gives effect to the purpose to section 93 (6) of the LGA and that the information and assumptions underlying the forecast information provided in the LTP are of good quality.

ISSUES

- 8 The timeline for the development of the LTP is very tight. Following final decisions being made by Council on the content of the draft plan in late February, a Consultation Document will be adopted by Council in mid-March. This will allow formal consultation with the community to occur between the 23rd of March and the 23rd of April.
- 9 Following the close of the consultation period Council will hold a number of hearings and then move into making final decisions on the LTP to allow the documentation to be finalised. The final 2018-2018 LTP must be adopted by Council no later than 30 June 2018, as required by legislation.
- 10 This tight timeframe means that consideration of the draft and final audit management reports along with the draft LTP itself will need to be considered directly by Council in late June as part of the LTP adoption process. There will be insufficient time for consideration by both the Audit and Risk Committee and the Council while still meeting the statutory adoption date of no later than 30 June 2018.

Policy considerations

- 11 There are no policy considerations in relation to the information provided in this report.

Legal considerations

- 12 The Council is required to prepare a LTP in line with the requirements outlined in section 93 of the LGA.

Financial considerations

- 13 There are no financial considerations associated with this report.

SIGNIFICANCE AND ENGAGEMENT

Significance policy

- 14 This report is for the purpose of providing information only and does not trigger the Council's Significance and Engagement policy.

RECOMMENDATIONS

- 15 That the Audit and Risk Committee:
 - i. **Recommend** to Council that it adopts the Audit Engagement Letter at its next meeting which is scheduled for the 7th of December 2017.
 - ii. **Notes** that there is insufficient time for the LTP and Audit management reports to be considered by the Audit and Risk Committee in advance of its consideration by Council in late June 2018.

Report prepared by

Approved for submission

Approved for submission

Kevin Black

Sarah Stevenson

Wayne Maxwell

**Manager, Corporate
Planning and Reporting**

**Group Manager
Strategy and Planning**

**Group Manager
Corporate Services**

ATTACHMENT

Appendix 1 Audit Engagement Letter: Audit of the Consultation Document and
Long Term Plan for the Period commencing 1 July 2018



Building a better
working world

Ernst & Young
100 Willis Street
Wellington 6011 New Zealand
PO Box 490 Wellington 6140

Tel: +64 4 499 4888
Fax: +64 4 495 7400
ey.com/nz

4 October 2017

Ref: 60433304/19450023

The Councillors
Kapiti Coast District Council
Private Bag 60601
Paraparaumu 5254

Dear Councillors

AUDIT ENGAGEMENT LETTER: AUDIT OF THE CONSULTATION DOCUMENT AND LONG-TERM PLAN FOR THE PERIOD COMMENCING 1 JULY 2018

This audit engagement letter is sent to you on behalf of the Auditor-General who is the auditor of all "public entities", including Kapiti Coast District Council (the Council), under section 14 of the Public Audit Act 2001. The Auditor-General has appointed me, David Borrie, using the staff and resources of Ernst & Young, under section 32 and 33 of the Public Audit Act 2001, to carry out the audit of the Council's consultation document and long-term plan (LTP).

This letter outlines:

- the terms of the audit engagement and the respective responsibilities of the Council and me as the Appointed Auditor;
- the audit scope and objectives;
- the approach taken to complete the audit;
- the areas of audit emphasis;
- the audit logistics; and
- the professional fees.

1. SPECIFIC RESPONSIBILITIES OF THE COUNCIL FOR THE PREPARATION OF THE CONSULTATION DOCUMENT AND THE LONG-TERM PLAN

Our audit will be carried out on the basis that the Council acknowledges that it has responsibility for preparing the consultation document and LTP, by applying the Council's own assumptions, in accordance with the Local Government Act 2002 (the Act) (in particular the requirements of Part 6 and Schedule 10), and in accordance with generally accepted accounting practice in New Zealand. We assume that elected members are familiar with those responsibilities and, where necessary, have obtained advice about them.

For clarity we note the following statutory responsibilities as set out in the Act:

- section 93 of the Act requires the Council to have an LTP at all times. Part 1 of Schedule 10 governs the content of the LTP;
- section 111 aligns the financial information with generally accepted accounting practice;
- section 83 (with reference to section 93A) sets out the special consultative procedures required to be followed by the Council to adopt the consultation document and LTP; and
- Section 93C(4) requires an auditor's report on the consultation document and section 94 requires a separate opinion on the LTP.

Please note that the audit does not relieve the Council of any of its responsibilities.

Other general terms are set out in the relevant sections of this letter and Appendix 1.

2. OUR AUDIT SCOPE

The Act requires us to provide two separate reports as follows:

- On the consultation document, a report on:
 - Whether the consultation document gives effect to the purpose specified in section 93B; and
 - The quality of the information and assumptions underlying the information in the consultation document.
- On the LTP, a report on:
 - Whether the LTP gives effect to the purpose in section 93(6); and
 - The quality of the information and assumptions underlying the forecast information provided in the LTP.

We expect our work to assess the quality of underlying information and assumptions to be a single, continuous process across the entire LTP preparation period.

Our focus for the first limb of each opinion will be to assess whether each document meets its statutory purpose. Given the different purposes of each document, we will be assessing the answers to different questions for each opinion.

Our focus for the second limb of each opinion will be to obtain evidence about the quality of the information and assumptions underlying the information contained in the consultation document and LTP. How we obtain this information depends on our judgement, including our assessment of the risks of material misstatement of the information and assumptions underlying the information contained in the consultation document and LTP, whether due to fraud or error.

Our audit opinions do not:

- provide a guarantee of absolute accuracy of the information in the relevant document;

- provide a guarantee that the Council has complied with all relevant legal obligations;
- express an opinion on the merits of any policy content; or
- include an opinion on whether the forecasts will be achieved.

3. OUR APPROACH TO THIS AUDIT

3.1 The content of the consultation document

The Act emphasises the discretion of the Council to decide what is appropriate to include in the consultation document and the associated consultation process. In deciding what to include in the consultation document, the Council must have regard to its significance and engagement policy, and the importance of other matters to the district and its communities.

We will need to understand how the Council has approached the task of applying its significance and engagement policy, and how it has considered the importance of other matters in deciding what to include in the consultation document. This will help inform our assessment of whether the consultation document achieves its statutory purpose.

3.2 Adopting and auditing the underlying information

Before adopting the consultation document, section 93G of the Act requires the Council to prepare and adopt the information that:

- is relied on by the content of the consultation document,
- is necessary to enable the Auditor-General to issue an audit report under s93C(4), and
- provides the basis for the preparation of the LTP.

The information to be prepared and adopted needs to be sufficient to enable the Council to prepare the consultation document.

We consider that local authorities will need to have thought comprehensively about how best to meet the requirements of the Act. Consistent with the Society of Local Government Managers' (SOLGM) guidance, our view is that core building blocks of an LTP will be needed to support an effective consultation document. This will include, but not be limited to: draft financial and infrastructure strategies and the information that underlies them, including asset management information, assumptions, defined levels of service, funding and financial policies, and a complete set of financial forecasts.

We will work with management to understand the information proposed to be adopted and assess whether it will enable us to issue an audit report under section 93C(4).

In addition, the timeframes to consider and adopt the LTP after the consultation process will be tight. From a practical perspective, it will be important that the Council is well advanced with the preparation of the full LTP when it issues the consultation document. Otherwise you may find it difficult to complete the

work and adopt the full LTP before the statutory deadline. The same is true for the audit work. The more audit work that is able to be completed at the first stage of the process, the less pressure there will be on you and the audit team at the end of the process.

3.3 Control environment

The Council is responsible for establishing and maintaining accounting and internal control systems (appropriate to the size of the Council), supported by written policies and procedures, designed to prepare the consultation document and LTP, and to provide reasonable quality information and assumptions underlying the information contained in these documents.

Our approach to the audit will be to identify, confirm and assess the Council's key processes and controls over underlying information and production of both the consultation document and the LTP. The purpose of this assessment is to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit opinions. Our assessment is not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls.

We will carry out a review of the control environment to help us understand the approach taken to develop the consultation document and LTP, develop expectations of what should be included in the consultation document and LTP, and identify areas of potential audit risk. This will involve discussions with elected representatives and selected staff throughout the Council, review of publicly available information about the Council, updating our knowledge of the Council issues developed over recent years, and a review of Council minutes since the last audit review.

Our review of your self-assessment response (see below), and key controls relating to the underlying information and development of the LTP is useful to our initial assessment of audit risk and therefore the nature and extent of our overall audit work.

3.4. Project management, reporting deadlines and audit progress

The development of the consultation document and LTP is a significant and complex project and a comprehensive project plan is required for a successful LTP process. It is also essential that there is commitment throughout the organisation for the project, starting with the elected representatives. The involvement of senior management and elected representatives is important in deciding what to include in the consultation document.

The LTP has complex and inter-related information needs and draws together plans, policies, decisions and information from across the Council and its community. We recognise that the Council will be undertaking its LTP preparation over an extended period. A more efficient and cost effective audit can be achieved when audit work and feedback is provided in 'real time' or on an "auditing as you go" basis as the underlying information is developed.

Consequently, we will discuss with you and your staff the Council's approach to the preparation and completion of the LTP. We expect the Council is approaching its preparation on a project basis and recognise our audit work should "shadow" that project timetable. The success of this "auditing as you go" approach will depend on the Council's project management of the overall LTP process which should include time for audit work at appropriate points in the process.

3.5 Self-assessment

In order to assist our audit planning we intend to use a self-assessment process to assist with our risk assessment process. The self-assessment requires you to reflect on your most significant issues and risks, governance of the LTP project, and the systems and processes you have in place particularly to meet the purposes in the Act for the consultation document and the LTP, asset management, performance management and reporting, and financial management.

We have forwarded the self-assessment to you under a separate cover. We ask for your co-operation in completing this assessment for return to us by 3 November 2017.

The self-assessment is similar to those used in conjunction with our audit of previous LTPs. The information provided through the self-assessment will be confirmed with you through discussion after its completion.

4. OUR PARTICULAR AREAS OF AUDIT EMPHASIS

4.1 Financial strategy and infrastructure strategy

The Act requires a local authority to prepare two key strategies as part of the LTP: the financial strategy and the infrastructure strategy. The purpose of the financial strategy is to:

- facilitate prudent financial management by the local authority by providing a guide for the local authority to consider proposals for funding and expenditure against; and
- provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments

The purpose of the infrastructure strategy is to:

- identify significant infrastructure issues for the local authority over the period covered by the strategy; and
- identify the principal options for managing those issues and the implications of those options.

The Act expects close alignment between the two strategies and section 101B(5) allows for them to be combined into a single document.

While the Act clearly sets the minimum requirements for these strategies, it does not define the only things that can be in a strategy. A good strategy should include what is needed to be a good quality strategic planning document. In the case of the infrastructure strategy the principles of ISO55000 should be considered, particularly where the Council is seeking to prepare a best practice strategy.

Our focus when reviewing both strategies is to assess whether the Council has met the purpose outlined in the Act and presented the strategies in a coherent and easily readable manner. Specifically, we will:

- Confirm that the two strategies are appropriately aligned.
- Understand the impact of the financial forecasts included in the infrastructure strategy on the prudence of the financial strategy.
- Assess the reasonableness of the forecasts prepared. We will do this by:
 - understanding how the Council has applied the impact of its assumptions (for example, allowing for changing demographics) and levels of service on expenditure decisions, and outlined the implications of these decisions in the strategies.
 - reviewing the Council's relationship between its renewal capital expenditure and depreciation expenditure forecasts.
 - checking that the infrastructure strategy is appropriately inflated.

The Council's financial modelling is a significant component of the underlying information that supports both the financial strategy and infrastructure strategy. We will be placing particular emphasis on the integrity and effectiveness of the financial modelling of all local authorities.

An additional role played by these strategies is to facilitate accountability to the community. It is critical that these strategies are presented in such a way that they are engaging and informative, supporting the presentation of issues, options and implications presented in the consultation document.

4.2 Assumptions

The quality of the Council's financial forecasts is significantly impacted by whether the assumptions on which they are based are defined and reasonable. The Act recognises this by requiring all local authorities to clearly outline all significant forecasting assumptions and risks underlying the financial estimates in the LTP (schedule 10, clause 17). *Prospective Financial Statements* (PBE FRS 42) also requires the disclosure of significant assumptions.

We will review the Council's list of significant forecasting assumptions and confirm that they are materially complete. We will also test the application of selected assumptions within the financial forecasts to check they have been reasonably applied. Finally, we will confirm that:

- all significant forecasting assumptions disclose the level of uncertainty associated with the assumption; and

- for all significant forecasting assumptions that involve a high level of uncertainty, the uncertainty and an estimate of the potential effects of the uncertainty on the financial forecasts are appropriately disclosed in the LTP.

We consider that the significant forecasting assumptions are crucial to the underlying information for the consultation document and will complete our review during our audit of the consultation document.

4.3 Quality of asset-related forecasting information

A significant portion of the Council's operations relates to the management of its infrastructure: the roading network, the "three-waters" of water supply, sewerage, and stormwater drainage. These activities typically make up a significant portion of operational and capital expenditure.

To prepare reasonable quality asset information, the Council needs to have a comprehensive understanding of its critical assets and the cost of adequately maintaining and renewing them. An important consideration is how well the Council understands the condition of its assets and how the assets are performing.

In reviewing the reasonableness of the Council's asset-related forecasting information, we will:

- assess the Council's asset management planning systems and processes;
- understand what changes the Council proposes to its forecast levels of service;
- understand the Council's assessment of the reliability of the asset-related information;
- consider how accurate recently prepared budgets have been; and
- assess how matters such as affordability have been incorporated into the asset-related forecasts prepared.

Depending on what we identify in completing the above, we may have to complete further detailed testing on the Council's asset-related information.

5. OTHER MATTERS

5.1 Our Independence

It is essential that the audit team and Ernst & Young remain both economically and attitudinally independent of the Council (including being independent of management personnel and the Council). This involves being, and appearing to be, free of any interest that might be regarded, whatever its actual effect, as being incompatible with integrity, objectivity and independence.

5.2 Publication of the consultation document and adopted LTP on the Council's website

The Council is responsible for the electronic presentation of the consultation document and LTP on its website. This includes ensuring that there are enough security and controls over information on the

website to maintain the integrity of the data presented. Please ensure your project plan allows time for us to examine the final electronic file version of the respective documents, including our audit report, before their inclusion on the website.

We need to do this to ensure consistency with the paper based documents that have been subject to audit.

6. AUDIT LOGISTICS

6.1 Audit timing

Audit timetable key dates are as follows:

Self-assessment provided to Council	2 October 2017
Self-assessment returned to audit team for consideration	3 November 2017
First interim visit (3 weeks)	13 November 2017
Proposed consultation document available	16 February 2018
Second visit (3 weeks)	19 February 2017
Audit opinion on consultation document required	22 March 2018
Draft management report on consultation document engagement	22 March 2018
Finalised management report on consultation document engagement	31 March 2018
Proposed LTP for adoption available and audit visits	TBC
Audit opinion on adopted LTP required	TBC
Draft management report on LTP engagement	TBC
Finalised management report on LTP engagement	TBC

Should we encounter any significant problems or delays during the audit, we will inform you immediately.

We have an electronic audit management system. This means that our auditors will complete the majority of their work on their laptops.

We would therefore appreciate it if the following could be made available during our audit:

- a suitable workspace for computer use (in keeping with the health and safety requirements discussed in **Appendix 1**); and
- electronic copies of key documents.

As noted in section 3.4, our audit work needs to be undertaken as you develop your underlying information and prepare your consultation document and LTP, to ensure the timely completion of our audit.

To ensure we meet agreed deadlines, it is essential that the dates agreed are adhered to.

7. PROFESSIONAL FEES

Our audit fee, covering both the consultation document and the LTP for the period commencing 1 July 2018, is \$118,650 (excluding GST and disbursements) as outlined in **Appendix 2**.

The proposed fee is based on the following assumptions:

- Information required to conduct the audit is complete and provided in accordance with the agreed timelines, including the draft consultation document and the full draft financial strategy and draft infrastructure strategy that supports it;
- There will be an appropriate level of assistance from your staff;
- All documentation (consultation document, LTP and all other underlying documentation) provided will be subject to appropriate levels of quality review before submission for audit;
- The consultation document and LTP will include all relevant disclosures;
- We will review, at most, two drafts of each of the consultation document and LTP during our audit;
- We will also review one printer's proof copy of the consultation document and LTP and one copy of the electronic version of the consultation document and LTP (for publication on your website);
- There are no significant changes in the structure or level of operations of the Council; and
- The local authority is preparing forecast financial statements for the 'Council parent' only, rather than including consolidated forecast financial statements for the Council and any controlled entities in the adopted LTP.

If the scope and/or amount of work changes significantly (such as a change in direction during the development of the consultation document, or between the development of the consultation document and the LTP), we will discuss the issues with you at the time.

If information is not available for the visits as agreed, or the systems and controls the Council use to prepare the underlying information and assumptions cannot be relied on, we will seek to recover all additional costs incurred as a result. We will endeavour to inform you as soon as possible should such a situation arise.

This fee is exclusive of any subsequent amendments the Council might make to the adopted LTP under section 93D;

We wish to interim bill as work progresses. We propose the following billing arrangements:

October 2017	\$28,000
November 2017	\$45,000
February 2018	\$32,000
May 2018	<u>\$13,650</u>
Total	\$118,650

8. PERSONNEL

Our personnel involved in the management of the audit are:

David Borrie	Appointed Auditor
Marcus Henry	Engagement Quality Control Review Partner
Zaryab Hyder	Audit Senior Manager
Shabib Shahul	Audit Senior

We have endeavoured to maintain staff continuity as far as possible.

9. AGREEMENT

Please sign and return the attached copy of this letter to indicate that:

- it is in accordance with your understanding of the arrangements for this audit of the consultation document and LTP for the period commencing 1 July 2018; and
- you accept the terms of the engagement set out in this letter that apply specifically to the audit of the consultation document and LTP and supplement the existing audit engagement letter dated 5 April 2017.

If there are any matters requiring further clarification please do not hesitate to contact me.

Yours sincerely

David Borrie
Partner
Ernst & Young
On behalf of the Auditor-General

cc Patrick Dougherty, Chief Executive
Wayne Maxwell, Group Manager, Corporate Services

I acknowledge that this letter is in accordance with my understanding of the arrangements of the audit engagement. I also acknowledge the terms of the engagement that apply specifically to the audit of the consultation document and LTP, and which supplements the existing audit engagement letter dated 5 April 2017.

Signed: _____

Date: _____

K (Guru) Gurunathan
Mayor

DRAFT

Appendix 1: Terms of the engagement that apply specifically to the audit of the consultation document and LTP

Objectives

The objectives of the audit of the consultation document and LTP are:

- to provide independent opinions on the consultation document (under s 93C(4) of the Act) and on the LTP (under s 94(1) of the Act) about:
 - whether each document gives effect to the relevant statutory purpose; and
 - the quality of the information and assumptions underlying the information included in each document.
- to report on matters relevant to the Council's planning systems which come to our attention.

Our audit involves performing procedures that examine, on a test basis, evidence supporting assumptions, amounts and other disclosures in the consultation document and LTP, and evaluating the overall adequacy of the presentation of information.

We also review other information associated with the consultation document and LTP to identify whether there are material inconsistencies with the audited consultation document and LTP.

Provision of a management report to the Council

We will report to the Council at a minimum at the conclusion of the engagement. The management report communicates matters which come to our attention during the engagement and which we think are relevant to the Council. For example we will report:

- any weaknesses in the Council's systems; and
- uncorrected misstatements noted during the audit.

Please note that the Auditor-General may refer matters that are identified in the audit of consultation documents and LTPs in a report to Parliament if it is in the public interest, in keeping with section 20 of the Public Audit Act.

Materiality

Consistent with the annual audit, the audit engagement for the consultation document and LTP adheres to the principles and concepts of materiality across the 10-year period of the LTP and beyond (where relevant).

Materiality is one of the main factors affecting our judgement on the areas to be tested and the nature and extent of our tests and procedures performed during the audit. In planning and performing the audit, we aim to obtain assurance that the consultation document and LTP, and the information and

assumptions underlying the information contained in these documents, do not have material misstatements caused by either fraud or error.

Material misstatements are differences or omissions of amounts or and disclosures that, in our judgement, are likely to influence a reader's overall understanding of the forecast financial statements and performance information.

Consequently, if we find material misstatements that are not corrected, we will refer to them in the audit opinion. Our preference is for any material misstatement to be corrected, avoiding the need to refer to misstatements in our opinion.

The standards applied when conducting the audit of the consultation document and adopted LTP

Our audit is carried out in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

Responsibilities

General Responsibilities

The general responsibilities of the Council for preparing and completing the consultation document and LTP are consistent with those for the annual report, as set out in the audit engagement letter dated 5 April 2017 – but noting that the consultation document and LTP include forecast information.

These responsibilities include those set out in Appendices 1 and 2 of that audit engagement letter as detailed below:

- Appendix 1: Respective specific responsibilities of the Council and the Appointed Auditor:
 - Responsibilities for compliance with laws and regulations.
 - Responsibilities to establish and maintain appropriate standards of conduct and personal integrity.

Specific Responsibilities

The Council is responsible for:

- Maintaining accounting and other records that:
 - correctly record and explain the forecast transactions of the Council;
 - enable the Council to monitor the resources, activities and entities under its control;
 - enable the Council's forecast financial position to be determined with reasonable accuracy at any time; and

- enable the Council to prepare forecast financial statements and performance information that comply with legislation.
- Providing us with:
 - access to all information and assumptions relevant to preparing the consultation document and LTP, such as records, documentation and other matters;
 - additional information that we may request from the Council for the purpose of the audit;
 - unrestricted access to Council members and employees that we consider necessary; and
 - written confirmation concerning representations made to us in connection with the audit.

Health and safety of audit staff

The Auditor-General and Ernst & Young take seriously their responsibility to provide a safe working environment for audit staff. Under the Health and Safety at Work Act 2015 we need to make arrangements with you to keep our audit staff safe while they are working at your premises. We expect you to provide a safe work environment for our audit staff. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment, where required. We also expect you to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.

Appendix 2: Team mix and hours for the audit of the consultation document and LTP for the 20-year period commencing on 1 July 2018

	Total Hours
Appointed Auditor	80
Engagement Quality Review Director	20
Audit Manager	110
Other CA staff	190
Staff not yet CA qualified	245
Totals	645

FEE CALCULATIONS

	\$
Net fee	118,650
OAG overhead contribution*	NIL
Total fee (including overhead contribution)	<hr/> 118,650
GST	17,797.5
Audit fee for the LTP for the period commencing 1 July 2018	<hr/> <hr/> 136,447.5

* No OAG overhead is charged in relation to the audit of the LTP.

We will charge disbursements, including travel, on an actual and reasonable basis.