



PROVISION OF AUDIT SERVICES

Transport Heritage NSW | HLB Mann Judd

November 2024



TRANSPORT
HERITAGE
NSW

A SITUATION REVIEW & ANALYSIS



Transport Heritage NSW Ltd (“THNSW”) is inviting firms to submit proposals for the audit of the financial report for THNSW for five successive years commencing with the year ending 2024/2025.

Your decision to consider the NFP specialist team at HLB Mann Judd for the audit of THNSW presents you with an exciting opportunity to partner with an energetic and experienced firm who can present a fresh set of eyes, a new perspective, and a total commitment to providing an effective and efficient service.

In partnering with HLB Mann Judd, you will have access to an exceptional mid-tier internationally affiliated chartered accounting and advisory firm who can provide you with the infrastructure and technical knowledge expected from a large firm, but with the personalised service provided by a smaller firm. You will have the best of both worlds.

We are at the leading edge in the delivery of **auditing** and **advisory** services and possess exceptional skills in **transaction advisory**, **financial transformation**, **performance improvement**, **risk management** and **systems enhancement**.

We have built industry expertise in the Not-for-Profit sector over many years and have a demonstrated commitment to the sector. As a multi-service chartered accounting and advisory firm, we also offer you expertise in a range of services to assist you in pursuing your mission.

Against this backdrop, we will ensure that your financial systems develop in line with best practice, with a risk focus that will add value to and improve the performance of core delivery areas of THNSW’s operations, while providing you with the level of assurance you require.

For future consideration:



Digital workforce and Automation



Cyber Security



Impact Reporting



ESG Reporting

Specialisation & Expertise

Engage with a firm that can demonstrate their level of specialisation, commitment and an in-depth knowledge of the sector, and understands THNSW and the challenges it faces.

Work with you as part of a team

It is important to us to work with you as part of your team as we work towards the same goals. We are also available to attend any meetings with the Finance, Risk & Audit Committee and Board, and being a sounding board to the management team throughout the year.

Valuable

We recognise that there is value to be created beyond delivering a high quality statutory financial statement audit. We will actively engage with your stakeholders and introduce our subject matter experts at the appropriate time to assist your organisation achieve its strategic objectives.

OUR EXPERTISE & EXPERIENCE

How we support Transport Heritage NSW Ltd

Develop checklists which test compliance with the ACNC Act and Accounting Standards that we use on our audits of not-for-profits each year to help them ensure they are meeting their obligations.

These checklists are reviewed each year to ensure they continue to monitor compliance with the Act and Accounting Standards.

Built up a knowledge of NFP's that generate revenue through providing services to clients, including those that receive government funding.

Tailor our audit approach by addressing specific risks, and discussion with the Board/FR&AC whether there are other specific risks they want addressed.

Benefit to Transport Heritage NSW Ltd

As part of our audit each year, we check your compliance with the ACNC Act and Accounting Standards, including disclosures in financial statements. We know the legislation exceptionally well meaning you have a trusted partner you can rely on.

We take on the responsibility of reviewing changes in legislation that impact on you and inform you when this occurs, meaning that you will be kept up-to-date with all changes. with management to ensure there is full compliance with all required legislation.

We take care of this, and are proactive in ensuring that you know what to do, and are fully compliant. Your directors can rest easy knowing that such matters will be taken care of by us.

We have a deep understanding on how the sector works, including how revenue is generated. Your staff do not need to explain any of this to us and your Board/FR&AC can rest easy knowing they are dealing with a firm that understands your sector.

Our deep knowledge of your sector means we can tailor our audit approach to address the risks. From our previous experience, we will consider the following to be key audit and other risks:

- Revenue recognition for government funding, including associated funding deed liabilities and expenditure.
- Payroll – ensuring staff have been paid correct amounts, including calculation of leave entitlements owing.
- Accounting for property, plant and equipment.
- Accounting for reserve funds.

OUR EXPERTISE & EXPERIENCE

How we support Transport Heritage NSW Ltd	Benefit to Transport Heritage NSW Ltd
<p>We are a member of the ACNC's Adviser Forum, by invitation from the ACNC. This Forum assists the ACNC in the development, evaluation and improvement of its processes and materials, in sector interaction, and in being open and accountable.</p>	<p>We are a key influencer in the ACNC's Adviser Forum, and will directly inform you of the relevant topical issues that impact you as they happen. HLB Mann Judd's involvement in this Forum enables us to directly impact what the ACNC does, and to be a voice for our clients.</p> <p>You will have a trusted partner who is actively involved in the NFP sector, and if there are any issues that you would like to raise with the ACNC, you will have direct access to a firm that is a member of the Forum.</p>
<p>Exclusive Not-for-Profit Community with over 1,500 members</p>	<p>Where one NFP is facing an issue, it is likely that are many others facing the same or a similar issue, or will do so soon. A huge benefit of our community is its openness and willingness to share knowledge, issues encountered and how they have tackled these.</p> <p>This means THNSW will have easy and direct access to other NFP's and how they are approaching the same issues THNSW faces, giving you suggestions from similar organisations as to how to deal with these situations.</p> <p>We also have an exclusive LinkedIn Group, where questions can be asked of other NFP's who may be experiencing the same issues.</p> <p>We have developed a boardroom briefing program which includes presentations by AASB & GAAP Consulting on financial reporting standards.</p>
<p>Ensure the audit is planned in full detail regarding every area and risk of the audit, and what we plan to do to address this.</p> <p>We communicate the key elements of our audit approach to the Board/FR&AC at the planning stage of the audit, including the significant and material risks.</p>	<p>This ensures that the team are aware of who is doing what, how that addresses the audit risk, and the timeframe that the work must be completed within.</p> <p>Your Board/FR&AC can get comfort that our audit will test the key risks you face, and will also have input to direct additional focus on the areas that could keep you awake at night.</p>

OUR EXPERTISE & EXPERIENCE

How we support Transport Heritage NSW Ltd	Benefit to Transport Heritage NSW Ltd
<p>Involvement of the Partner & Director at the planning stage and throughout the audit process, so that any issues can be identified and resolved on a timely basis, and communicated with you immediately.</p>	<p>Using the experience of the Partner & Director throughout the audit also means that you have access to the key decision makers throughout the audit process.</p>
<p>Continually manage the audit progress against the plan and be agile enough to take corrective action if there are any delays.</p> <p>Keeping the Board/FR&AC and/or management informed as to progress, so that any issues encountered or delays are communicated immediately and a plan to resolve is prepared.</p>	<p>All parties are kept up to date with developments on a timely basis. This means there are no last-minute surprises for you.</p> <p>You can rest assured we will meet your deadlines and provide everything to you in accordance with an agreed timetable.</p>
<p>Perform testing throughout the year rather than one visit at a time that is agreed with management beforehand.</p>	<p>Any issues are identified and resolved quickly, before year end so you have time to action.</p> <p>Timing is agreed at a time that is mutually convenient and minimises disruptions to your staff.</p>
<p>Educate our whole team to have sufficient knowledge and expertise to be able to identify accounting and financial reporting issues and suggest solutions to resolve them, have access to technical specialists in our audit division, and our National Directors of Financial Reporting and Professional Standards. However, the ultimate responsibility for decision making in relation to these types of issues lies with the person with the best knowledge of the client, the audit engagement partner.</p>	<p>This promotes better client service by facilitating a more timely response.</p> <p>If your team has any questions or needs clarification throughout the year, we encourage you to reach out to us. We prefer to address any issues or matters proactively, rather than after decisions have been made.</p> <p>This service is included in our audit fee—there are no additional charges for phone calls with us.</p>
<p>We ensure continuity of senior staff on the audit from the year to year and ensure that any questions from junior staff are checked with a senior member of staff beforehand, or asked directly by the senior member.</p>	<p>We train our junior staff, not you.</p>
<p>We offer comprehensive training to our clients year-round, covering essential topics such as updates to Accounting Standards, Fringe Benefits Tax (FBT) and other tax changes, and legislative changes affecting NFP's. Additionally, our For Impact newsletter is published regularly, providing the latest legal, accounting, and regulatory updates relevant to the not-for-profit sector.</p>	<p>When changes occur that affect your organisation, we will inform you and your staff promptly. We go beyond merely providing updates through training sessions and newsletters. If there is a significant impact on you, we will follow up with a personal phone call.</p> <p>We pride ourselves on being proactive in all aspects of our work. If we become aware of anything that might impact or benefit you, we will notify you immediately.</p>

YOUR DEDICATED HLB TEAM

Because your enterprise is unique, HLB learnt a long time ago that “one size fits all” rarely works, and that approach is certainly not efficient to get the job done. That is why we have put a specifically talented team together to deliver our services to THNSW. The members of our team bring skills and cohesion to the task. They are **knowledgeable and available**.

We pride ourselves in being **accessible** and able to provide management and the board with timely and **confident responses to your questions, as well as be proactive in our advice**, we are therefore taking the opportunity to introduce your team.

This team will be led by **Vanessa Abboud**, who will be your **Client Service and Audit Engagement Partner**. Vanessa will be assisted by **Heather Leffler**, who will be your **Audit Director**. Vanessa and Heather will be your primary points of contact and are available to assist and resolve any issues related to THNSW’s ongoing audit compliance and advisory needs.

Our senior team adopt a “hands on” approach and will be involved in planning and day to day operations. We believe that a more efficient and effective service can be provided when your senior service providers are closely involved.

We have a great culture at HLB, and many of our staff members have been with us for lengthy periods of time.

We see continued staff development and client continuity as important both from a staff training perspective and from a client satisfaction perspective. As such we strive to achieve staff continuity in our engagement teams from year to year, with minimal changes to our engagement team structures.

A professional profile of Vanessa Abboud, and Heather Leffler are included in the following pages.



Vanessa Abboud

Client Service & Audit
Engagement Partner



Heather Leffler

Audit Director

VANESSA ABBOUD

PARTNER
ASSURANCE & ADVISORY

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AREAS OF EXPERTISE

- Audit & Accounting Standards
- Charities and Not for profits
- Financial reporting
- Financial services
- Property management and construction
- Property outgoings audits
- IT & Technology

QUALIFICATIONS AND MEMBERSHIPS

- Bachelor of Commerce (Accounting) – Macquarie University
- Member, Chartered Accountants Australia and New Zealand
- Certificate of Public Practice issued by Chartered Accountants Australian and New Zealand
- Registered Company Auditor

Vanessa has more than 16 years' experience providing audit and financial reporting services in the assurance and advisory division.

Over the course of her career, Vanessa has worked with a diverse range of clients, from small businesses to large corporations and listed entities, helping them to navigate the complex financial landscape.

Highly respected for her strong problem-solving abilities, she strives to gain a better understanding of her clients and thrives in adding value throughout the audit process.

She is regarded for being professional and responsive in her service approach and has a thorough understanding of accounting and auditing standards.

She is dedicated to maintaining the highest standards of accuracy and integrity in all her work, making her a trusted advisor in the field of financial reporting and assurance services.

Significant highlights

- Long standing trusted advisor to several clients
- Extensive experience planning and executing audit engagements for a range of clients across various industries
- Finalist in the 2018 Women in Finance Awards Young Leader of the Year
- Registered Company Auditor.



HEATHER LEFFLER

DIRECTOR
ASSURANCE & ADVISORY

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AREAS OF EXPERTISE

- Audit
- Accounting Standards
- Financial Reporting
- Not-for-Profit
- Quality Management

QUALIFICATIONS AND MEMBERSHIPS

- Masters of Arts in Accounting and Finance
- Member of the Institute of Chartered Accountants of Scotland
- Member of Chartered Accountants Australia and New Zealand

As a director in the assurance and advisory team, Heather is responsible for managing a diverse portfolio of external audit clients.

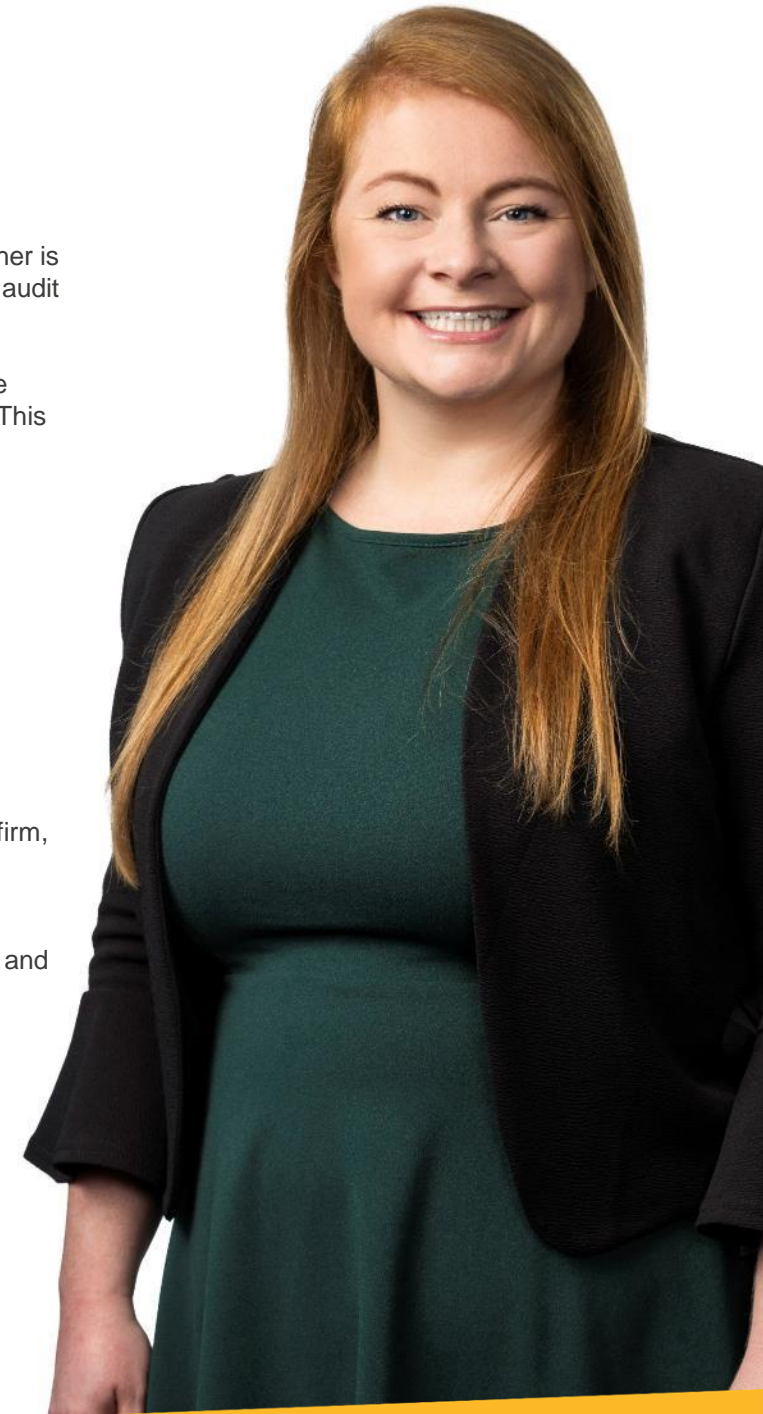
She has worked with a wide variety of public and private companies, listed companies and not for profit entities. This has given her the opportunity to be exposed to more complex areas of work which, in turn, has benefited her clients.

Heather specialises in:

- Audit of Financial Reports
- Accounting Standards
- Client relations
- Government Grant Acquittals
- Not for profit
- Quality management

As the audit director for quality management within the firm, ensuring high quality outputs are paramount in her role.

Heather is highly regarded for being professionally responsive in her personal approach to meet the needs and deadlines of all her clients. She prides herself on her approachable nature and the strong client relationships which she has built up over her career.



OUR COMMITMENT TO THE NOT FOR PROFIT SECTOR

Some years ago HLB Mann Judd decided to bring our passion for helping Not-for-Profits into the forefront of what we do. Our services are provided by Partner-led, highly experienced and committed teams.

We offer our NFP clients integrated or standalone services including:

- Auditing
- Governance & structuring advice
- Business strategy advice
- Fraud prevention processes
- Risk management tools
- Tax advice & compliance
- Corporate advisory services
- Merger & Acquisition advice

Below are just a few short paragraphs demystifying what these and other services can mean for your supporters and executives.

Audit for confident reporting

Telling your stakeholders clearly what has been achieved is essential to the integrity of objectives, reputation, and stakeholder confidence. We provide financial auditing, internal audits of systems and controls, and more checks and balances to ensure that your Executives and the Board are delivering quantified results. Reliable information is the prerequisite building block for success in any complex organisation.

Rigorous corporate governance tools

Board structure, Audit Committees, organisation structure, different types of incorporation, other structures, legislative requirements, audit processes and reporting are all parts of good governance, and all areas where you can rely on HLB Mann Judd's experience to help with smoothing your operational performance. We are like having a 'virtual Company Secretary' at your service.

Objective business advisory resource

For 'Not-For-Profits' of all sizes to deliver outstanding services, and growth, in a noisier, more competitive world they must adopt business practices proven to enhance their performance. Better planning, setting clear objectives and strategies, and leveraging experience are all tools that we can bring to your next campaign endeavour, or next big leap, confidently working with you over the years as you grow.

Preventing fraud, protecting reputation

You might be surprised to know that NFPs are victims of fraud more often than for-profit entities!

Our Fraud Prevention Reviews identify areas of highest fraud risk and assist you to prevent fraud.

If you are a victim of fraud, we have extensive experience in fraud investigation, including working with the police.

If you identify a risk of fraud, we can work with you to identify any missing funds etc.

Unfortunately, wherever there is money flow there is the potential for fraud. We can provide systems and processes that check that intentional and un-intentional misuse of funds is not only detected but actively made difficult to get started. We help you assess risks, prevent fraud and uncover trails through forensic accounting techniques. You want to be confident that every

Sustainable investment strategies build your surplus

As we have all seen from the 2008/09 GFC, and the current COVID-19 pandemic, there are risks in participating in global investment markets in 'hot new products'. Forming an investment philosophy and risk management plan, setting investment parameters in terms of capital preservation, diversification, fees focus, tax impacts, compliance and portfolio management are all aspects on which HLB Mann Judd can bring an objective eye and mind to your Board decisions on investment.

Board Reporting Review

Does your Board receive 'pertinent', concise information to help make decisions, and to monitor performance? We can help review your current reports to the Board, and we can often save significant time for management in preparing Board reports.

We assist the Board by giving them important information in an easily understood manner.

Better prepared with accurate tax advice

One of the real issues, often not understood by NFPs, is tax exemption status and when it doesn't apply. Having a clear understanding of tax responsibilities for staff salaries, applicable

FBT and GST, superannuation responsibilities, subcontractor status, and other tax matters is essential to ensuring a complete and responsible picture. Our tax specialists keep you informed and structured correctly to meet your objectives and legal requirements, to maximise your potential result and respond to and anticipate regulatory change.

If you are not taking full advantage of the FBT rules to provide your valued people with more benefits for their efforts, we can help!

Corporate strategy and advice

Forming a new NFP entity, winding-up a foundation, merging or joint-venturing have complexities and risks for NFPs and their Executives, so it pays to have a chat with our Corporate Advisory team if you are contemplating a significant change to the way you currently operate.

Use our experience rather than learning the outcomes in an unexpected way!

Mergers and Acquisitions

There can be significant benefits for NFPs in being large, and merging with another NFP is one way to achieve this.

Having assisted many mergers & acquisitions, HLB Mann Judd can guide you through the process, from determining 'why', to the practical tasks to enhance the new organisation's impact.

Industry Newsletter

"For Impact - News for the Not-for-Profit Sector" is our regular newsletter which keeps NFPs up to date with Governance, Financial Reporting, Legislation, ACNC activities, tax changes and other matters affecting NFPs.

Online Banking Reviews

A HLB Mann Judd Online Banking Review is one of our tools to keep you safe! Many NFP's take advantage off all the benefits of online banking, without implementing the controls that such a system requires to protect the NFP.

OUR COMMITMENT TO THE NOT FOR PROFIT SECTOR

Managing Risk

Risk management is much more than a 'compliance' task – it is a strategic necessity for NFPs to achieve the impact they seek.

HLB Mann Judd's risk management specialists help NFPs implement a risk management culture throughout the whole organisation, that has operational impact.

ACNC Compliance

HLB Mann Judd can assist NFPs with ACNC's requirements, so that your organisation can comply.

ACNC Adviser Forum

We are a member of the ACNC's Adviser Forum, by invitation from the ACNC. This Forum assists the ACNC in the development, evaluation and improvement of its processes and materials, in sector interaction, and in being open and accountable.

HLB Mann Judd's involvement in this Forum enables us to directly impact what the ACNC does, and to be a voice for our clients.

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NDIS

This minefield needs a guide to transition your activity - use our knowledge.

Modelling and Forecasting

Development of financial models that bring all parts of the organisation together and monitor organisational risks, one of which is the risk of cash insolvency at any particular point in time.

Process mapping

Procedures and processes must be formalised as part of the organisation's policies and documented to guarantee their continuity in the organisation, regardless of the changes in management or staff.

Can the organisation continue to operate as well as it does without the people who are currently employed? The answer to this question is only affirmative if processes are clearly recorded and filed, if all good practices are stored and secured as part of the real value of the organisation.

Exclusive Not-For-Profit Group ("ENFP")

Our ENFP Community is an initiative we set up in 2010, which has provided significant benefits to the sector. This group started with our desire to provide a forum for collaboration and bring together individuals working in the NFP sector.

We had a relationship with the Commonwealth Bank, and together we wanted to give back to the NFP sector, which had not been really considered a sector at that time. From these discussions, we organised for 12 senior executives from Commonwealth Bank's and our NFP clients to meet and tell us what the sector wanted.

Out of that has grown our ENFP; which now provides many benefits to the sector.

The ENFP group provides:

- Exclusive boardroom briefings for senior Executives of NFP's (a brochure showing past meeting and future meeting dates and topics is available) – currently we do this six times per year. Your senior Executives and Board members are most welcome to join these briefings.
- An exclusive LinkedIn community with over 950 members. Opportunities to share thoughts, ideas and solutions with other NFPs.

This community also provides an opportunity to access expertise in many areas, some of which include accounting, banking, legal and fund raising.

The strategic ENFP Partners in this alliance are:

- HLB Mann Judd
- Commonwealth Bank of Australia

NFP Strategy Link

We have developed our NFP Strategy Link, a process to give more power to strategic thinking and operations of Not-For-Profits. This process can add significant impact to setting your strategies, and even more importantly, implementing them.

Engaging a HLB Mann Judd facilitator for your strategy planning sessions can increase impact, and drive specific outcomes for your organisation

We know that a strategic plan has to be a living tool, guiding your day to day activities.

Boardroom facilities

As a member of the ENFP community we offer our boardroom facilities complimentary. We have hosted numerous events from corporate fundraising through to team workshops.

NFP Sector partnerships

This is the sixth consecutive year that we partnered with Pro Bono Australia and Beveridge Consulting to deliver Australia's largest and most comprehensive annual Salary Surveys. This survey has become an indispensable decision-making tool on remuneration for all C-suite executives and boards

Social Enterprise – For Impact

We work closely with NFP's to establish social enterprise, applying commercial strategies to maximize improvements in human and environmental well-being—this may include maximising social impact alongside profits for external shareholders.

Impact Measurement

The ability to measure and demonstrate the Ripple Effect of what you do. HLB Mann Judd can support you in the cycle of measuring, controlling and communicating impact.

Project management

Customised specialised project management, using processes and/or software that fit the organisation's needs and capacity. Ongoing monitoring of task-based project development, interaction with all responsible parties, and ongoing reporting of progress. Financial reports per project, per teamwork, per program, tailored for practical use and decision-making of non-financial Managers and Program Directors.

Contract management

Ongoing monitoring of cash flow and expenditure, due deliverables and contractual obligations. Live reporting on pending balances, met, pending and overdue deliverables.



reception



MANN JUDD
ADVISORY AND ACCOUNTING

APPENDICES



WHAT HLB STANDS FOR... HELPING LOCAL BUSINESS

HLB Mann Judd is a leading integrated advisory and accounting firm.

Mann Judd was formed in 1970 and through natural growth the business has become one of Sydney's better known "people-sized" accounting practices and the hub of the Australasian network. In 1998 Mann Judd firms were rebadged as HLB Mann Judd in recognition of our affiliation with the HLB International global network.

The Sydney firm has 21 partners, 19 directors and over 200 staff members and is located in Suncorp Building on Level 5, 10 Shelley Street, Sydney. The Australasian network has over 90 partners with offices in all major Australian business centres. Through our membership of HLB International (a global network of accounting firms with 400 offices in more than 100 countries), our clients also have access to worldwide expertise and techniques.

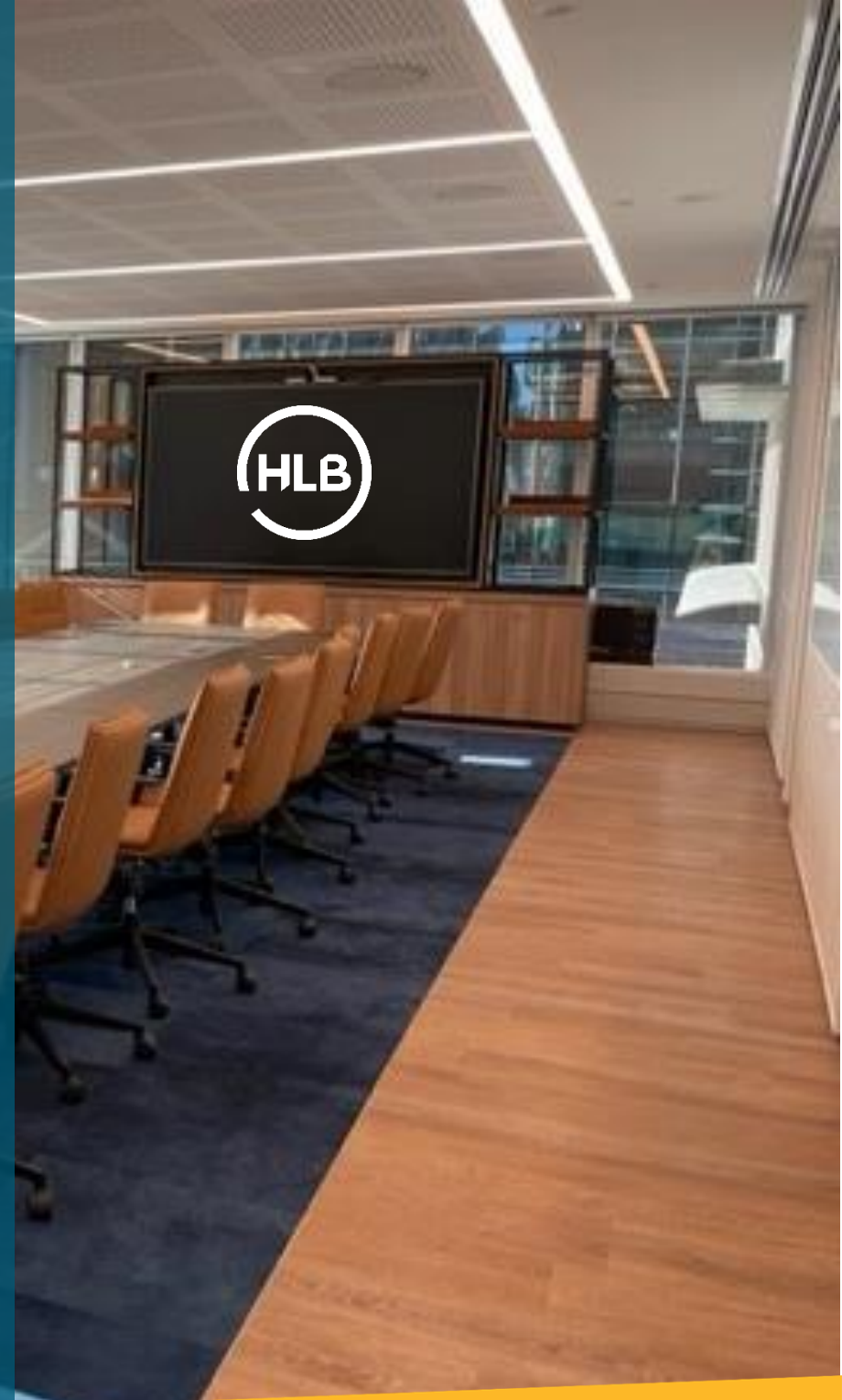
HLB is in the top 8 global accounting networks and has extensive experience serving global clients. Our advice is based on our wide knowledge of commercial markets and the structuring of local and international business transactions. We currently act as the financial advisors to a large number of Australian companies with overseas operations, including the USA, New Zealand, UK, South Africa, Germany, China, France to name a few. Our international clients operate in industries as diverse as Agribusiness, Clean Energy, IT, FMCG, Manufacturing, Professional Services, Not For Profit and Transport.

Our principal aim is to provide profit generating solutions to our clients' business problems and give them the assistance and support they need to be successful. We provide clients with a comprehensive range of business and financial services in addition to the audit, accounting and taxation advice that are central to our practice.

Personal involvement of Partners in all client engagements is an integral component of the way we work with you. Partners are ably supported by outstanding staff, working as a finely-tuned team to complete assignments in a truly efficient way. See more of the HLB expertise at our websites:

www.hlb.com.au

www.hlbi.com



THE HLB WAY...A STANDARD OF EXCELLENCE

In partnering with HLB Mann Judd, you will have access to an exceptional mid-tier internationally affiliated chartered accounting and advisory firm, which can provide you with the infrastructure and technical knowledge expected from a large multi-national firm, but with the personalised service provided by a smaller firm. **You will have the best of both worlds.**



We do not want to be the biggest firm, rather the most highly regarded



THNSW will be treated as an A class client to ensure a consistently high level of service underpinned by the provision of value.



HLB Mann Judd's Vision
To be the most highly regarded accounting and advisory firm, through the growth of our people and of our clients.



We live our VALUES

- Valuable – “Worth working with”
- Accessible – “Easy to work with”
- Supporting – “Working with you”
- Trustworthy – “Reliable to work with”



AWARD WINNING SERVICE: WHAT DOES THIS MEAN FOR THNSW?

HLB Mann Judd is 100% focussed on delivering the very best in service.

HLB Mann Judd are passionate and want to support your next phase of growth.

Our proposition to you is not to be the cheapest nor the most expensive service provider; our commitment is to provide the best value for money and award-winning service.

Award Winning Service

For the **ninth** time HLB Mann Judd has been recognized as the Best Accounting Firm in Australia in the Client Choice awards. Our commitment to excellence has also resulted in two consecutive wins as the **Best Professional Services Firm in Australia**. We were also recognised as finalists for Best Provider to Government & Community and Best CX firm: Accounting & Consulting Services.

For the Eighth consecutive year, we have received a Net Promoter Score 9 out of 10

Managing Director of Client Culture, Greg Tilse said “HLB Mann Judd can be justly proud of their very impressive results with an extremely high Client Experience score of 9 out of 10. Impressively, these scores come from approximately 1,000 client responses for the Sydney firm.”





TOGETHER WE MAKE IT HAPPEN

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