

THNSW EGM 01 March 2025 - MINUTES

Transport Heritage NSW Limited held an Extraordinary General Meeting (EGM) on Saturday 01 March 2025 at the NSW Rail Museum, Thirlmere.

Meeting opened at 4:30pm.

Chair: The Hon Nathan Rees

Attendees – THNSW Board

Hon Nathan Rees	Chair
Alex Claassens	Elected Director, Deputy Chair
Deanna Varga	Appointed Director
Dale Budd OBE	Elected Director
Colin Pursehouse	Elected Director
Ian Sheppard	Elected Director

Attendees – Voting Members

Some 42 voting members were in attendance at the commencement of the meeting, noting that those eligible to vote members in attendance who had already directly pre-voted online were not able to participate in the live voting conducted as part of the EGM.

The above number of voting members includes all Board, THNSW Management Team and Support Personnel present who are also voting members.

Attendees – Non-Voting Members

The Hon. Nathan Rees, Chair of the THNSW Board
Andrew Moritz, CEO

Attendees – Non-Voting Members

Recently joined members of THNSW who were not on the membership roll at the time of closing of the voting roll for this meeting – 31 December 2024.

Apologies

Appointed Board Directors: Howard Collins OBE and Janelle Middleton

Members: Joyce Eyre, Tony Eyre, Brian Mantel, Nigel Thompson, Robyn Wilson, James White.

1. Welcome & Apologies

The Chair opened the meeting with an Acknowledgement of Country.

The Chair thanked those in attendance and called for any apologies. Those already received and those given at the meeting are recorded above.

The Chair advised the meeting that some 225 members had pre-voted and those results had already been counted and will be displayed on the screen at the appropriate agenda item. The Chair also

advised that 12 proxies had been received, all nominating the Chair and at his discretion to vote, and that these too have already been counted and will be displayed on the screen at that agenda item.

The Chair reminded members that if they had already pre-voted online and were in attendance then they could not vote again here in person at the meeting.

The Chair sought confirmation that there was a quorum for the meeting – a minimum of 25 eligible to vote members – which was confirmed. A quorum was declared.

The Chair reminded those present that this was a meeting of financial members. Non-members were welcome however were not entitled to be heard nor vote. The Chair also reminded members that if they wished to raise a “Point of Order”, they should clearly state “Point of Order”. The Chair advised that all motions were moved by the Board as per the Notice of EGM provided to voting members, and as such movers and seconders would not be required for each motion.

2. Appointment of New Audit Services Provider (“Auditor”)

To appoint HLB Mann Judd, Advisory and Accounting, as THNSW’s auditor to carry out annual financial auditing services to Transport Heritage NSW Ltd as recommended by the THNSW Board.

The Board’s Finance, Risk & Audit Subcommittee (FR&AC) Chair Deanna Varga acknowledged the work of the previous Auditor Wayne Price from Castleton’s and confirmed to the meeting that Wayne had formally advised he would be retiring as auditor following the 2024 AGM.

The FR&AC Chair outlined the process involved in reaching this point.

The FR&AC had invited six potential audit service firms to submit in a closed ‘Request for Proposal’ process and received six proposals. The six audit firms represented a cross-section of audit service providers in the market – small, medium and large - and were identified and recommended via various Not for Profit organisations and public network forums. Their proposals were shortlisted and two audit service firms were invited to present their proposals in detail to the FR&AC.

This procurement was robust and aligned with the audit requirements and size of our organisation. There were no declared conflicts of interest with any FR&AC or Board members during the procurement process.

The FR&AC recommended the appointment of HLB Mann Judd to the THNSW Board, who in turn are recommending the appointment of HLB Mann Judd to Members. Once adopted by the THNSW Membership, this then proceeds to the Australian Securities & Investment Commission (ASIC) for the final approval.

The names of the other five audit firms, as well as the respective submissions of all six audit service providers, the criteria used and THNSW’s evaluation against those criteria are considered commercial-in-confidence and as such will not be disclosed/made public.

The FR&AC Chair responded to two questions on notice received regarding the recommendation to appoint HLB Mann Judd, and thanked the THNSW Members who asked these pertinent and important questions.

The first question asks ‘how confident are we with the quality of HLB Mann Judd’s assurance processes and its ability to test revenue correctly and identify fraud given the USA’s Public Company Accounting Oversight Board (PCAOB) findings against HLB Mann Judd in the US which occurred in 2018/19.’

The FR&AC Chair advised that the THNSW Board is now aware that HLB Mann Judd was sanctioned in the USA by the Public Company Accounting Oversight Board (PCAOB) in 2018/19. HLB Mann Judd subsequently withdrew from the US Market with respect to providing auditing services.

Importantly, as an Australian company neither ASIC nor the Chartered Accountants Australia & New Zealand (CA ANZ) (previously the Institute of Chartered Accountants Australia (ICAA)) have taken any actions against or placed any sanctions on HLB Mann Judd in Australia.

The FR&AC and THNSW Board are confident with the quality assurance processes outlined in HLB Mann Judd’s proposal as a control measure in mitigating the potential risk of fraud through the independent external audit process.

It is important to note that once adopted by the THNSW Membership, submission to ASIC for approval to appoint the new auditor is required. ASIC is highly unlikely to approve without question the appointment of an auditor over which it has concerns, nor is ASIC likely to approve the appointment of an auditor which is under its investigation or against which it is taking action.

The second question asks '*what procedures the THNSW Board and Audit Committee undertakes to assess the quality of the audit work performed.*'

There are various checks and balances involved in the preparation through to the presentation of the Audited Annual Financial Statements to THNSW members at the AGM. These include the application of accounting standards and the audit processes undertaken by the audit firm itself, as well as review by the FR&AC, THNSW Board and ultimately THNSW members, at the AGM.

Members of the FR&AC have the necessary qualifications such as CPA, skills and experience to assess the quality of work performed.

Additionally, THNSW must submit an Annual Information Statement (AIS) to the Australian Charities and Not-for-profits Commission (ACNC) each year, including an annual financial report, which provides an additional level of assurance regarding THNSW's operations and financial management for that year.

A small number of questions to clarify the information provided above were asked by members present and answered.

There were no further questions, the motion was put, the results of online voting were shown on the screen and a show of hand by those voting members voting in person at the meeting.

The FR&AC Chair declared the motion carried by majority.

3. General Business

To reply to any written questions on notice relating to the business of this meeting, that is relating specifically to the appointment of the auditor, received by the V/Company Secretary on or before 4:00pm (AEDT) Thursday 20 February 2025.

The Chair advised a total of four (4) questions were received from two (2) individual members.

Members Patrick Lloyd and Jarrod McCann had asked questions which the FR&AC Chair has addressed in her remarks at Agenda Item 2.

4. Meeting Close

The Chair acknowledged and thanked all members of the THNSW Board, the CEO, Management Team, staff and volunteers for their assistance with this EGM.

The Chair confirmed that there was no further business for the EGM that could not be better covered in the Members' Information Forum (MIF) being held immediately following the EGM.

The Chair therefore declared the Extraordinary General Meeting closed at 5:00pm.

The Hon Nathan Rees
Chair

Alex Claassens
Deputy Chair

Francis Child
Company Secretary