



The Hon Tony Burke MP
Minister for the Arts
Parliament House
Canberra ACT 2600

6 October 2023

Dear Minister,

Request for an extension to submit the Bundanon 2022-23 Annual Report

In accordance with Section 97 of the Public Governance, Performance and Accountability Act 2013, Bundanon's 2022-23 Annual Report is required to be provided to you by 31 October 2023.

I am writing to seek your approval under Section 34C(7) of the Acts Interpretation Act 1901 to an extension to the submission date of this Annual Report.

Bundanon has recently found itself unable to meet this date, as the audit of our financial accounts by the Australian National Audit Office is not yet complete, despite all relevant information and responses being provided within the timeframes requested. Based on recent advice from the appointed auditors, we now do not anticipate receiving the Independent Auditor's Report in sufficient time to enable us to meet the statutory submission date.

Based on most recent advice from the auditors, Bundanon expects to provide you with the 2022-23 Annual Report before the end of November 2023.

Yours sincerely,

Samuel Edwards
Chairman



Attachment (a)



The Hon Tony Burke MP
Minister for Employment and Workplace Relations
Minister for the Arts
Leader of the House

MS23-004591

Mr Samuel Edwards
Chair
Bundanon Trust
PO Box 3343
NORTH NOWRA NSW 2541

By email:

Dear Mr Edwards

Thank you for your letter of 6 October 2023 seeking an extension to the deadline for the presentation of the 2022-23 Bundanon Trust annual report.

Under Section 34C(5) of the *Acts Interpretation Act 1901*, I agree to your request for an extension. Please provide the annual report to me by 30 November 2023.

I encourage you to finalise the annual report as soon as practicable, noting that 2022-23 Budget Estimates hearings commence on 23 October 2023.

Yours sincerely

TONY BURKE

24 / 10 / 2023

The Hon Tony Burke MP
Minister for the Arts
Parliament House
Canberra ACT 2600

30 November 2023

Dear Minister,

Bundanon 2022-23 Annual Report

On 24 October 2023, you provided an extension to the deadline for the presentation of the Bundanon Trust 2022-23 Annual Report, to 30 November 2023.

I am writing to advise that due to matters beyond the control of Bundanon the deadline of 30 November 2023 has not been able to be met.

I therefore seek your agreement under Section 34C(7) of the Acts Interpretation Act 1901 to a further extension to the submission date. Bundanon Trust expects the 2022-23 Annual Report to be provided to you on or before 31 January 2023.

On a related matter, I am aware that the Environment and Communications Committee raised concerns at delays to Bundanon's 2021-22 Annual Report in its 'Report on Annual Reports'. I am intending to write to the Committee as a courtesy to inform it of delays to the 2022-23 Annual Report noting that Bundanon has sought a further tabling extension.

Yours sincerely,

Sam Edwards
Chair



Attachment (b)



The Hon Tony Burke MP
Minister for Employment and Workplace Relations
Minister for the Arts
Leader of the House

MS23-004973

Mr Samuel Edwards
Chair
Bundanon Trust
PO Box 3343
NORTH NOWRA NSW 2541

By email:

Dear Mr Edwards

Thank you for your letter of 30 November 2023 advising of further delays to the finalisation of the Bundanon Trust 2022-23 Annual Report and seeking a further extension to the deadline for the presentation of the Report. I note this extension of time is in addition to a previous extension I approved on 24 October 2023.

Under Section 34C(7) of the *Acts Interpretation Act 1901*, I agree to your request for an extension to 31 January 2024.

The presentation of Australian Government agency annual reports is an important part of accountability and transparency to the Parliament and the public. Accordingly, I encourage you to finalise the Report as soon as practicable.

Thank you for taking the time to write to me on this matter.

Yours sincerely

TONY BURKE

15/12/2023

Senator Karen Grogan
Chair
Environment and Communications Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Via Committee Secretary
Senate Standing Committees on Environment and
Communications: ec.sen@aph.gov.au

14 December 2023

Dear Senator Grogan,

I refer to the Committee's *Report on Annual reports (No. 2 of 2023)*, which noted delays in the tabling of the Bundanon Trust 2021-22 annual report. I am writing as a courtesy to let you know that Bundanon Trust is again experiencing significant delays in the tabling of its 2022-23 annual report.

Bundanon Trust has noted the Committee's request that Bundanon present its report to the Minister for its tabling to meet the timing requirements of the *Public Governance, Performance and Accountability Act 2013*. The delays experienced in finalising the 2021-22 report were beyond the direct control of Bundanon Trust and were centrally around the length of time required by the Australian National Audit Office to finalise its settling of Bundanon Trust's audited financial statements.

As the Committee may be aware on 24 October 2023 the Minister for the Arts, the Hon Tony Burke MP tabled an extension of time to 30 November 2023 for the presentation of the Bundanon Trust 2022-23 annual report. This extension has not been able to be met and Bundanon Trust is seeking a further extension of time from the Minister. The delays in tabling the 2022-23 annual report have again been because of the length of time required by the Australian National Audit Office to finalise its audit of financial statements.

Bundanon Trust takes its responsibilities and reporting requirements under the *Public Governance, Performance and Accountability Act 2013* very seriously however this situation has not been within the control of Bundanon Trust and we regret the delays in our annual reporting being publicly accessible.



We are seeking solutions from the Australian National Audit Office in order that future annual reports can be completed in sufficient time to meet the legislative requirements of the *Public Governance, Performance and Accountability Act 2013*.

Yours sincerely,

Sam Edwards
Chair

Attachment (d)



THE SENATE

SENATE STANDING COMMITTEES ON ENVIRONMENT AND COMMUNICATIONS

25 March 2024

Mr Samuel Edwards
Chair
Bundanon Trust
PO Box 3343
NORTH NOWRA NSW 2541

By email:
CC:

Dear Mr Edwards

Delays in the tabling of Bundanon Trust's Annual Reports

Thank you for your letter of 14 December 2023 advising the Committee of significant delays in the tabling of Bundanon Trust's 2022-23 annual report. The Committee notes that the report was later tabled on both the Senate and the House on 7 February 2024.

In light of the information outlined in your letter regarding delays by the Australian National Audit Office (ANAO) in completing its audit of Bundanon's financial statements, coupled with the fact that this is the second consecutive year this issue has occurred, the Committee has agreed to write to the ANAO seeking an explanation for the delays.

We are seeking solutions from the ANAO in order that future Bundanon Trust annual reports can be completed and tabled by the relevant statutory deadlines.

Please note that in the interests of transparency, the committee is likely to publish previous correspondence from Bundanon, the Committee's letter to the ANAO, and the ANAO's response.

I have cc'd the Hon Tony Burke MP, Minister for the Arts as a courtesy.

Don't hesitate to contact the Committee Secretary, Mr Stephen Palethorpe, 02 6277 3526 if you would like to discuss this matter.

Yours sincerely

Attachment (d)

Senator Karen Grogan
Committee Chair

cc: The Hon Tony Burke MP, Minister for the Arts

Attachment (e)



SENATE STANDING COMMITTEES ON ENVIRONMENT AND COMMUNICATIONS

25 March 2024

Ms Rona Mellor PSM
A/g Auditor-General
Australia National Audit Office
GPO Box 707
CANBERRA ACT 2601

By email:

Dear Ms Mellor,

Delays in the tabling of Bundanon Trust's Annual Reports

As you may be aware, the Senate Environment and Communications Legislation Committee is required under Senate Standing Orders to examine annual reports of entities within the Communications and Arts portfolio, including the annual report of the Bundanon Trust.

For two consecutive financial years, the Bundanon Trust has not meet the tabling timing requirements contained in the *Public Governance, Performance and Accountability Act 2013* and outlined in the *Tabling Guidelines* developed by the Department of the Prime Minister and Cabinet. Despite receiving tabling extensions for its 2021-22 and 2022-23 annual reports, the Bundanon Trust submitted both reports after the granted extension dates.

The Bundanon Trust's Chair, Mr Sam Edwards attributed the delays in completing its reports to 'the length of time required by the Australian National Audit Office to finalise its audit of financial statements' (see attached correspondence).

In correspondence to the Minister for the Arts the Hon Tony Burke MP, Mr Edwards stated that, on both occasions, Bundanon had provided all relevant information and responses within the timeframes requested by the appointed auditors. The ANAO's Independent Auditor's Report which appears in the 2021-22 annual report is dated 9 May 2023, over six months after the report should have been presented to the Minister.

The presentation of Australian Government agency annual reports is an important part of their accountability and transparency responsibilities to the Parliament and the public. Accordingly, the committee is seeking an explanation from the ANAO for the delays in finalising the audit of these financial statements, in order that future Bundanon Trust annual reports can be completed and tabled on time.

Please note that in the interests of transparency, the committee is likely to publish the Bundanon Trust correspondence, this letter and the ANAO's response.

Attachment (e)

Don't hesitate to contact the Committee Secretary, Mr Stephen Palethorpe, 02 6277 3526 if you would like to discuss this matter.

Yours sincerely

Senator Karen Grogan
Committee Chair



Auditor-General for Australia



17 April 2024

Senator Karen Grogan
Chair
Senate Standing Committees on Environment and Communications
Parliament House
CANBERRA ACT 2600

Dear Senator Grogan

Delays in the tabling of Bundanon Trust's Annual Reports

Thank you for your correspondence dated 25 March 2024 relating to the delays in tabling of the Bundanon Trust's Annual Reports.

The ANAO considers the presentation of Annual Reports in Parliament a key accountability as it provides transparency and allows for scrutiny of entity activity by the Parliament. The ANAO supports transparency and accountability through the timely auditing of financial statements included in entity annual reports. Annual reports that are not tabled in a timely manner before Budget supplementary estimates hearings decrease the opportunity for the Senate to scrutinise an entity's performance. [Auditor-General Report No.9 2023–24 Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2023](#) includes a table in Appendix 1 outlining: the dates that each entity's financial statements and auditor's reports were signed; and the date that each entity's annual report was approved and tabled in Parliament.

For the 2022–23 financial year the ANAO was responsible for auditing, and providing auditor's reports for 244 entities' financial statements to be included in entity annual reports. The number of audits conducted each year can change as it is dependent on the number of Australian Government entities in existence at the time. The final phase of financial statements audits are conducted in a relatively short time frame. The ANAO cannot issue an auditor's report until audit work has been completed, and the ANAO is presented, by the entity, materially correct financial statements that comply with Australian Accounting Standards.

During the 2021–22 audit, Bundanon Trust had significant financial sustainability issues. This resulted in Bundanon Trust not presenting a draft financial report to be audited until 22 October 2022. During the course of the audit there were issues identified that needed to be addressed including going concern disclosures and cash flow analysis. These matters are outlined in paragraphs 41 to 50 of Appendix 5 of [Auditor-General Report No.9 2023–24 Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2023](#).

Attachment (f)

OFFICIAL

Where there are delays in the preparation of financial statements by entities, the ANAO redeploys resourcing to other priorities to ensure that a delay in one audit does not cause a flow-on delay in other entity audits. In addition to the financial statement preparation delays by Bundanon Trust the ANAO also experienced delays within the audit team due to unexpected team member personal leave and other leave arrangements.

The ANAO identified a risk and raised concerns with Bundanon Trust regarding the lack of expertise within the organisation to support the financial statements preparation process. Bundanon Trust addressed this risk with the utilisation of external support to assist with the completion of the 2021–22 financial statements.

As a result of the financial sustainability issues an emphasis of matter was included in the auditor's report. A significant audit finding was also raised in relation to financial sustainability.

During the 2022–23 audit the additional external support was not continued by Bundanon Trust. The draft financial report was presented for audit on 26 September 2023. There were delays in the provision of information from Bundanon Trust as well as adjustments identified by the audit team that were required for the financial report to be materially correct.

Bundanon Trust did not have a detailed financial statements preparation plan in either the 2021–22 or 2022–23 periods. This resulted in a moderate risk finding being raised at the conclusion of the 2022–23 audit in relation to the deficiencies in Bundanon Trust's financial statements preparation process with the ANAO making recommendations to assist Bundanon Trust to improve the preparation process. A moderate risk finding in relation to governance, including not meeting all requirements for the functioning and composition of the Audit Committee and not having an internal audit function, was also raised. The significant risk finding relating to financial sustainability that was raised at the conclusion of the 2021–22 audit was considered resolved during 2022–23. Bundanon Trust agreed to the findings and recommendations.

As an entity with significant and moderate risk findings, Bundanon Trust would normally have been included Auditor-General Report No.9 2023–24 *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2023*, however due to the delays noted above it was not included as the audit had not been completed at the time that this report was tabled in Parliament.

In order to provide transparency to Parliament, the ANAO's report *Interim Report on Key Financial Controls of Major Entities* that is due to table in late May 2024 will include a section on the results of the Bundanon Trust 2022–23 audit. This will include the reporting of the two moderate audit findings from the 2022–23 audit, and the resolution of the significant finding from the 2021–22 audit.

Once Bundanon Trust has addressed the moderate risk findings we anticipate that its financial report will be presented for audit in a timeframe, and to a quality, that will allow the audit to be conducted in a timely manner and future annual report timeframes to be met.

I have provided a copy of this letter to Mr Julian Hill MP, Chair of the Joint Committee of Public Accounts and Audit.

Yours sincerely

Rona Mellor PSM
Acting Auditor-General

cc: Mr Julian Hill MP

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Attachment (g)



THE SENATE

SENATE STANDING COMMITTEES ON ENVIRONMENT AND COMMUNICATIONS

Mr Samuel Edwards
Chair
Bundanon Trust
PO Box 3343
North Nowra NSW 2541

By email:

Dear Mr Edwards

Delays in the tabling of Bundanon Trust's Annual Reports

Thank you for your letter of 14 December 2023 advising the Committee of significant delays in the tabling of Bundanon Trust's 2022-23 annual report. The Committee notes that the report was later tabled on both the Senate and the House on 7 February 2024.

As you would be aware the committee wrote to the Australian National Audit Office (ANAO) in March 2024, seeking its views on the delays. The committee has now received a response from the ANAO regarding the tabling of Bundanon Trust's 2022-23 annual report, which is attached. The letter outlines the findings of the ANAO following their auditing of the Bundanon Trust financial statements in both 2021-22 and 2022-23.

During both the 2021-22 and 2022-23 audit, the ANAO found that the Bundanon Trust had 'significant financial sustainability issues' which resulted in delays of the presentation of draft financial reports for audit. In addition, in 2022-23 the ANAO noted that 'adjustments identified by the audit team that were required for the financial report to be materially correct.'

The ANAO also acknowledged that 'in addition to the financial statement preparation delays by Bundanon Trust the ANAO also experienced delays within the audit team due to unexpected team member personal leave and other leave arrangements.'

The 2021-22 audit found a 'lack of expertise' in the Bundanon Trust to support the financial statements preparation process. This was raised with Bundanon Trust, and the issue was addressed by engaging external support to assist with the 2021-22 financial statements. However, in the 2022-23 audit the external support was discontinued which led to further delays in the provision of information from Bundanon Trust, as well as adjustments being required due to the reports being materially incorrect.

It was found that Bundanon Trust did not have detailed financial statements preparation plan in either the 2021-22 or 2022-23 periods leading to the ANAO raising a moderate risk finding at the conclusion of the 2022-23 audit, with recommendations made to assist Bundanon Trust in future. The ANAO stated that the findings and recommendations of the audits were agreed to.

The ANAO noted that due to Bundanon Trust being labelled an entity with significant and moderate risk findings, it would have been included in the Auditor-General Report No.9 2023-24 *Audits of the*

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Email: ec.sen@aph.gov.au | Internet: www.aph.gov.au/senate_ec

Attachment (g)

Financial Statements of Australian Government Entities for the Period Ended 30 June 2023, however the above delays prevented it from being included before that report was tabled in Parliament.

The Committee notes that the ANAO will include a section on the results of the Bundanon Trust 2022-23 audit in its *Interim Report on Key Financial Controls of Major Entities* which was due to table in late May 2024.

In your correspondence dated 14 December 2023, you stated that the significant delays were due to factors well beyond the direct control of Bundanon Trust and related to the length of time that the ANAO required to finalise its audit. This assertion that the delays were beyond the control of Bundanon Trust appear to be contradicted by the ANAO correspondence and the concerns that it has raised with Bundanon Trust regarding the preparation of financial reports.

The Committee encourages Bundanon Trust to employ best practices in future when preparing financial statements and addresses the concerns raised by the ANAO to ensure that future delays can be minimised or prevented. Transparent communication with the ANAO with regards to any potential delays should be attempted to ensure that if there are any issues with the financial statements process that they can be raised early in the process and assistance can be sought if it is necessary.

This correspondence has been copied to the Hon Tony Burke MP, Minister for the Arts and the Secretary of the Department of Infrastructure, Transport, Rural Development, Communications and the Arts.

Don't hesitate to contact the Committee Secretary, Mr Stephen Palethorpe, 02 6277 3526 if you would like to discuss this matter.

Yours sincerely

Senator Karen Grogan
Committee Chair

Senator Karen Grogan
Chair
Environment and Communications Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Via Committee Secretary
Senate Standing Committees on Environment and
Communications: ec.sen@aph.gov.au

25 June 2024

Dear Senator,

Thank you for providing your letter of 7 June 2024 regarding the delays in the tabling of Bundanon Trust's FY 2020-21 and FY 2021-22 Annual Reports.

Since that time, Bundanon has undertaken key corrective actions arising, including the requested documenting and reporting of management actions into the next Audit & Risk Committee meeting. Further, we have continued to retain external expertise to support the preparation of the FY 2023-24 financial statements.

We anticipate the timely and efficient delivery of the FY 2023-24 financial statements and we look forward to a positive and timely process going forward.

Yours sincerely,

Samuel Edwards
Chair

Cc: Rachel Kent, Bundanon

