



## FREEDOM OF INFORMATION COVERSHEET

The following information is provided pursuant to section 28 of the *Freedom of Information Act 2016*.

FOI reference: 23-099

| Information to be published                       | Status         |
|---|----------------|
| 1. Access application                             | Published      |
| 2. Decision notice                                | Published      |
| 3. Schedule                                       | Published      |
| 4. Documents                                      | Published      |
| 5. Additional information identified              | Not Applicable |
| 6. Fees   | Not Applicable |
| 7. Processing time (in working days)              | 45 days        |
| 8. Decision made by Ombudsman                     | Not applicable |
| 9. Additional information identified by Ombudsman | Not applicable |
| 10. Decision made by ACAT                         | Not applicable |

|   |                |
|---|----------------|
| 11. Additional information identified by ACAT | Not applicable |
|---|----------------|

**From:** [REDACTED]  
**To:** [TCCS FreedomOfInformation](#)  
**Cc:** [REDACTED]  
**Subject:** FOI request - Cemeteries and Crematoria Authority  
**Date:** Thursday, 24 August 2023 3:51:16 PM

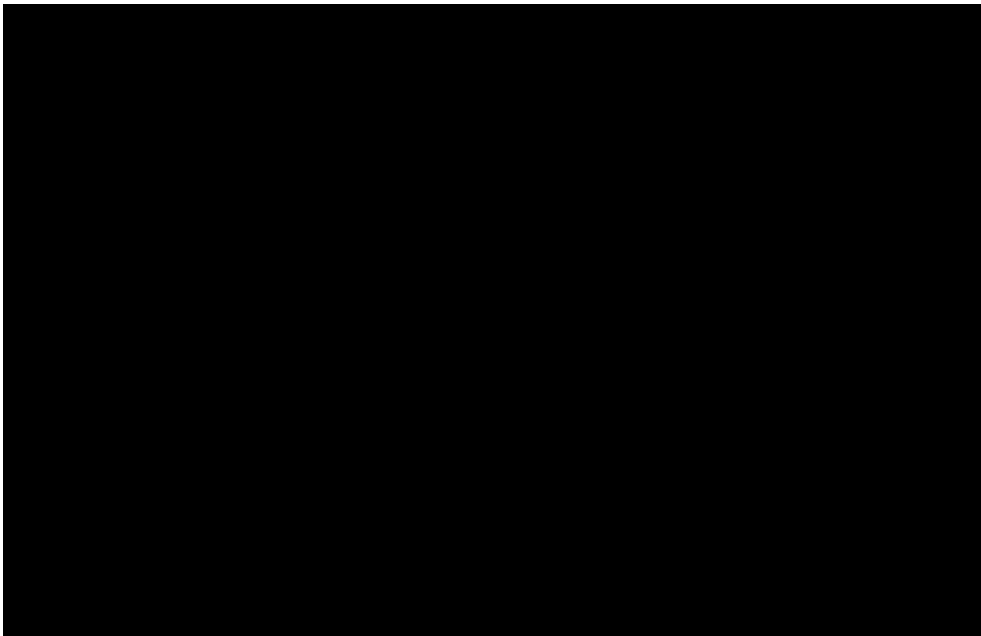
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Good afternoon,

On behalf of [REDACTED] I write to request, under the *Freedom of Information Act 2016*, any briefing materials or other documents (including emails, text messages, or other digital messages) to or from any ministerial office and TCCS or the Cemeteries and Crematoria Authority regarding the adverse opinion on the Cemeteries and Crematoria Authority's financial statements in the modified audit report referenced on p. 57 of Auditor-General's Report No. 10 of 2022 - 2021-22 Financial Audits Financial Results and Audit Findings.

Thank you,

[REDACTED]





Dear [REDACTED]

### Freedom of Information Request - Reference 23-099

I refer to your access application under the *Freedom of Information Act 2016* (FOI Act) received by Transport Canberra and City Services (TCCS) on 24 August 2023. It is my understanding that you sought access to the following government information:

*“...any briefing materials or other documents (including emails, text messages, or other digital messages) to or from any ministerial office and TCCS or the Cemeteries and Crematoria Authority regarding the adverse opinion on the Cemeteries and Crematoria Authority’s financial statements in the modified audit report referenced on p. 57 of Auditor-General’s Report No. 10 of 2022 - 2021-22 Financial Audits Financial Results and Audit Findings.”*

I thank your office for clarifying the scope of your application on 3 October 2023 to:

- *Briefing or other records to or from any ministerial office and TCCS; and*
- *Briefing or other records to or from any ministerial office and Cemeteries and Crematoria Authority.*

### Timeframes

A decision was due on your application by 10 October 2023. I thank you for agreeing to an extension until 27 October 2023.

### Authority

I am an Information Officer appointed by the Director-General under section 18 of the Act to deal with access applications made under Part 5 of the FOI Act.

### Decision on access

In accordance with the FOI Act, a search of TCCS records has been completed. Following the removal of duplicate records, fourteen records have been identified as relevant.

Upon reviewing the information within these records and applying the public interest test under section 17 of the FOI Act, I have decided to provide you with:

- Full access to four records;
- Partial access to seven records; and
- Refused access to three records.

The records identified as relevant to your application are listed in the schedule enclosed at [Attachment A](#). Several attachments to these records have been identified as duplicate records. A reference to these attachments is included in the schedule for completeness.

A copy of the records with deletions applied to the information I have found to be contrary to the public interest is enclosed at [Attachment B](#). The reasons for my decision are detailed further below in the statement of reasons.

### **Statement of Reasons**

In making my decision on disclosing the relevant government information, I must identify all relevant factors in schedule 1. I must also identify any information relevant to the factors set out under schedule 2 of the FOI Act and determine, on balance, where the public interest lies. I have also taken the following into account:

- The FOI Act generally; and
- The *Human Rights Act 2016*.

#### **Schedule 1:**

- 1.2 – Information that is subject to legal professional privilege.

#### **Schedule 2:**

##### **Factors favouring disclosure in the public interest (Section 2.1)**

- Schedule 2.1(a)(i) - promote open discussion of public affairs and enhance the government's accountability;
- Schedule 2.1(a)(ii) - contribute to positive and informed debate on important issues or matters of public interest;
- Schedule 2.1(a)(iii) - inform the community of the government's operations, including the policies, guidelines and codes of conduct followed by the government in its dealings with members of the community;
- Schedule 2.1(a)(viii) - reveal the reason for a government decision and any background or contextual information that informed the decision.

##### **Factors favouring non-disclosure (Section 2.2)**

- Section 2.2(a)(ii) - prejudice the protection of an individual's right to privacy or any other right under the *Human Rights Act 2016*;
- Schedule 2.2(a)(xvi) prejudice a deliberative process of government.

In reviewing the relevant records, information subject to legal professional privilege has been identified. While I have considered that the engagement of the Government Solicitors Office relating to the 2021-22 adverse opinion by the Auditor General's Office is public knowledge, the details of this engagement and related correspondence is not. I am confident that this information is subject to legal professional privilege and schedule 1.2 of the FOI applies. As such, access to this information is deemed to be contrary to the public interest.

Personal information has been identified within the relevant records. I have considered that this information is not readily available to the public and the disclosure of this information is likely to prejudice the protection of an individual's right to privacy under the *Human Rights Act 2004* and carries significant weight. I find this information is, on balance, contrary to the public interest to disclose.

I have also identified information that has been prepared for or relates to an ongoing government deliberative process. I have considered that the disclosure of this information at this time is likely to prejudice those processes, including future deliberations by Cabinet. I have placed significant weight on this factor and find this information is, on balance, contrary to the public interest to disclose.

I have found that the factors favouring disclosure can be satisfied with the deletion of information which is contrary to the public interest. A copy of the relevant information is enclosed at Attachment B. Deletions have also been applied to information which is outside of the scope of your application.

### **Charges**

In accordance with [Freedom of Information \(Fees\) Determination 2018](#), a fee of \$0.35 per page of information disclosed, except for the first 50 pages, may be applied to an access application. No fee is applicable to your application as the total number of pages is within the fee-free threshold.

### **Online publishing – disclosure log**

Under section 28 of the Act, TCCS maintains an online record of access applications called a disclosure log. In accordance with section 28, your application, my decision and information disclosed to you will be published on the [TCCS Disclosure Log](#) within 3 – 10 business days. Your personal information, including information relating to your firm, will be removed from these documents prior to publication.

### **Ombudsman review**

My decision on your access request is a reviewable decision as identified in Schedule 3 of the Act. You have the right to seek an Ombudsman review of this outcome under section 73 of the Act within 20 working days from the day that my decision is published in TCCS' disclosure log, or a longer period allowed by the Ombudsman. If you wish to request a review of my decision, you may write to the Ombudsman at:

The ACT Ombudsman  
GPO Box 442  
CANBERRA ACT 2601  
Via email: [actfoi@ombudsman.gov.au](mailto:actfoi@ombudsman.gov.au)

### **ACT Civil and Administrative Tribunal (ACAT) review**

Under section 84 of the Act, if a decision is made under section 82 on an Ombudsman review, you may apply to the ACAT for review of the Ombudsman decision. Further information may be obtained from ACAT at:

ACT Civil and Administrative Tribunal  
Level 4, 1 Moore Street  
GPO Box 370  
CANBERRA CITY ACT 2601  
Telephone: (02) 6207 1740  
[www.acat.act.gov.au](http://www.acat.act.gov.au)

If you have any queries concerning the directorate's processing of your request, or would like further information, please contact the TCCS FOI team on (02) 6207 2987 or email to [tccs.foi@act.gov.au](mailto:tccs.foi@act.gov.au).

Yours sincerely



Cherie Hughes  
Information Officer

27 October 2023

## ATTACHMENT A - ACCESS APPLICATION SCHEDULE, FREEDOM OF INFORMATION

**Reference Number: 23-099**

Please be aware that under the *Freedom of Information Act 2016*, some of the information provided to you will be released to the public through the ACT Government's Open Access Scheme. The Open Access release status column of the table below indicates what documents are intended for release online through open access.

Personal information or business affairs information will not be made available under this policy. If you think the content of your request would contain such information, please inform the contact officer immediately.

Information about what is published on open access is available online at: [https://www.cityservices.act.gov.au/about-us/freedom\\_of\\_information/disclosure-log](https://www.cityservices.act.gov.au/about-us/freedom_of_information/disclosure-log)

### Factors favouring non-disclosure:

Schedule 1.2 – Information subject to Legal Professional Privilege

Schedule 2.2(a)(ii) - prejudice the protection of an individual's right to privacy or any other right under the *Human Rights Act 2016*.

Schedule 2.2(a)(xvi) - prejudice a deliberative process of government

| Reference number | Page number | Description  | Date            | Status         | Reason for non-release or deferral | Open Access release status  |
|------------------|-------------|--|-----------------|----------------|------------------------------------|---|
| 1                | 1           | 02. SIGNED - Minister Brief - MIN S2022 01986              | 11 October 2022 | Full access    | Not applicable                     | Decision to be published on the <a href="#">TCCS Disclosure Log</a> . |
| -                | -           | 01. Attachment A – Resignation letter                      | -               | -              | Out of scope of the application    |   |
| -                | -           | 02. Attachment B – Thank you letter                        | -               | -              | Out of scope of the application    |   |
| 2                | 4           | 03. REQUEST MIN S2022_02021 - MIN RESPONSE_ ACT Cemeteries | 11 October 2022 | Partial access | Schedule 2.2(a)ii                  |   |

|    |    |   |                 |                |  |  |
|----|----|---|-----------------|----------------|--|--|
|    |    | and Crematoria Authority Letter to Minister Steel - Neale Guthrie       |                 |                |  |  |
| 3  | 5  | 03. Signed - Minister Brief - MIN S2022_02021                           | 25 October 2022 | Full access    | Not applicable   |  |
| 4  | 8  | 03. Signed - Attachment A - Letter to Cemeteries Board                  | 27 October 2022 | Full access    | Not applicable   |  |
| 5  | 9  | 03. Attachment B - Letter to Minister Steel dated 11 October 2022 final | 11 October 2023 | Partial access | Schedule 2.2(a)(xvi)<br>Schedule 1.2<br>Information was out of scope |  |
| 6  | 13 | 04. Request for Meeting Brief - MIN S2023_00083                         | 11 January 2023 | Partial access | Schedule 2.2(a)(ii)  |  |
| 7  | 14 | 04. Meeting Brief - MIN S2023_00083                                     | 3 February 2023 | Partial access | Information is out of scope  |  |
| -  | -  | 04. Attachment A - Letter to Minister Steel dated 11 October 2022 final | 11 October 2023 | -              | Duplicate record, see record 5                                       |  |
| 8  | 19 | 05. Minister Brief - MIN S2023_00741                                    | 13 April 2023   | Partial access | Schedule 1.6<br>Schedule 2.2(a)(xvi)                                 |  |
| 9  | 25 | 05. Attachment A - Application of PCT Policy                            | March 2023      | Full access    | Not applicable   |  |
| -  | -  | 05. Attachment B - Min Brief 2022-10986                                 | 11 October 2022 | -              | Duplicate record, see record 1                                       |  |
| 10 | -  | 05. Attachment C1 - 642228 GSO Advice                                   | February 2023   | Refused        | Schedule 1.2   |  |



|           |           |   |                |                |                                      |  |
|-----------|-----------|---|----------------|----------------|--------------------------------------|--|
| <b>11</b> | -         | 05. Attachment C2 - 642228<br>Further advice from GSO                               | March 2023     | Refused        | Schedule 1.2                         |  |
| <b>12</b> | <b>28</b> | 06. Minister Brief - MIN S2023-01866 - Signed                                       | 16 August 2023 | Partial access | Schedule 1.6<br>Schedule 2.2(a)(xvi) |  |
| -         | -         | 06. Attachment A - Min brief 2023-00741   |                | -              | Duplicate record, see record 8       |  |
| -         | -         | 06. Attachment B – Application of PTC Policy  |                | -              | Duplicate record, see record 9       |  |
| <b>13</b> | -         | 06. Attachment C - KPMG Accounting Advice_Cemeteries and Crematoria Authority_Final | 16 July 2023   | Refused        | Schedule 2.2(a)(xvi)                 |  |
| <b>14</b> | <b>32</b> | 06. Attachment D - Letter to Minister PCT dated 31 July 2023                        | 31 July 2023   | Partial access | Schedule 1.6<br>Schedule 2.2(a)(xvi) |  |

**Total number of documents: 14**

**Transport Canberra and City Services**

|                             |   |                           |
|-----------------------------|---|---------------------------|
| <b>To:</b>                  | Minister for Transport and City Services  | Tracking No.: S2022/01986 |
| <b>Date received in MO:</b> | 11/10/2022  |                           |
| <b>From:</b>                | Chief Operating Officer, Transport Canberra and City Services   |                           |
| <b>Through:</b>             | Director-General, Transport Canberra and City Services<br>Deputy Director-General, Transport Canberra and Business Services<br>Chief Financial Officer, Finance<br>Chief Executive Officer, Canberra Memorial Parks |                           |
| <b>Subject:</b>             | Cemeteries and Crematoria Authority Governing Board – Ms Linda Addison resignation  |                           |
| <b>Critical Date:</b>       | 14/10/2022  |                           |
| <b>Critical Reason:</b>     | To response to Ms Addison’s resignation in a timely manner  |                           |

**Recommendations**

That you:

1. Note the information contained in this brief; and

*[Handwritten signature]*  
**Noted / Please Discuss**

2. Sign the attached thank you letter to the outgoing member (Attachment B).

*[Handwritten signature]*  
**Signed / Not Signed / Please Discuss**

Chris Steel MLA ..... *[Handwritten signature]* ..... 13/10/22

|                     |
|---------------------|
| Minister’s Feedback |
|---------------------|

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**Background**

1. The Cemeteries and Crematoria Authority (the Authority) is established by the *Cemeteries and Crematoria Act 2020* (the Act) and is governed by the Cemeteries and Crematoria Authority Governing Board (the Board).
2. The Act requires the Board to have at least six but not more than 12 members (including the Chief Executive Officer), be sufficiently diverse to carry out its functions and include at least two members who, in the Minister’s opinion, represent the general community and religious denominations.
3. The Chief Executive Officer of the Authority, Mr Kerry McMurray, is also a member of the Board under Section 80(4) of the *Financial Management Act 1996*.
4. Current membership of the Board stands as follows:

| Position     | Name  | Current appointment Date | Expiry Date of appointment | Original appointment Date |
|--------------|---|--------------------------|----------------------------|---------------------------|
| Chair        | Neale Guthrie                                 | 23/08/2021               | 22/08/2024                 | 03/08/2016                |
| Deputy Chair | Georgina McKenzie                             | 23/08/2021               | 22/08/2024                 | 03/08/2016                |
| Member       | Fiona Jolly                                   | 23/08/2021               | 22/08/2024                 | 23/08/2021                |
| Member       | Deepak-Raj Gupta                              | 23/08/2021               | 22/08/2024                 | 23/08/2021                |
| Member       | Paula McGrady                                 | 23/08/2021               | 22/08/2024                 | 23/08/2021                |
| Member       | Nigel Corne                                   | 23/08/2021               | 22/08/2024                 | 23/08/2021                |
| Member       | Vacant (previously occupied by Linda Addison) |                          |                            |                           |
| Member       | Vacant  |                          |                            |                           |
| Member       | Vacant  |                          |                            |                           |
| Member       | Vacant  |                          |                            |                           |
| Member       | Vacant  |                          |                            |                           |
| CEO          | Kerry McMurray                                | 01/02/2022               | 31/01/2027                 | 01/02/2022                |
|              |   |                          |                            |                           |

**Issues**

5. Ms Linda Addison has resigned from the Board, a copy of her resignation can be found at Attachment A.
6. This leaves seven members on the Board, including the CEO.
7. A thank you letter to the outgoing member is provided for your consideration at Attachment B.
8. You will be briefed separately regarding advertising the vacant position along with the proposed staggering of member appointments going forward. ✓
9. Your office has been verbally briefed on issues related to the Audit Office and consultant advice on accounting treatments in the Crematoria and Cemeteries Authority’s 2021-22 Financial Statements in relation to the Perpetual Care Trust. The Directorate will review the current legislative and accounting issues with a view to clarifying ownership and future reporting responsibilities and requirements. ✓
10. The directorate is preparing a sperate brief detailing the actions of the directorate and audit office in response to the concerns raised by Ms Addison in her correspondence. ✓

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### Financial Implications

11. Nil.

### Consultation

#### Internal

12. TCCS Boards and Committees has been consulted on Ms Addison's resignation and is preparing a brief to advertise this position along with the proposed staggering of member appointments going forward.

13. TCCS Finance has been consulted regarding the input of this brief.

### Work Health and Safety

14. Nil.

### Benefits/Sensitivities

15. Nil.

### Communications, media and engagement implications

16. Nil.

Signatory Name: Cherie Hughes, Chief Operating Officer Phone: 0466415400

### Attachments

| Attachment   | Title                               |
|--------------|-------------------------------------|
| Attachment A | Ms Linda Addison resignation letter |
| Attachment B | Ms Linda Addison thank you letter   |

**From:** [STEEL](#)  
**To:** [TCCS Ministerial](#)  
**Cc:** [TCCS DLO](#)  
**Subject:** MIN RESPONSE: ACT Cemeteries and Crematoria Authority Letter to Minister Steel - Neale Guthrie  
**Date:** Tuesday, 11 October 2022 11:28:17 AM  
**Attachments:** [Letter to Minister Steel dated 11 October 2022 final.pdf](#)

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Hi team,

For min response please, thanks!

Kind regards

Office of Chris Steel MLA

-----Original Message-----

From: Neale Guthrie [REDACTED]  
Sent: Tuesday, 11 October 2022 11:02 AM  
To: STEEL <STEEL@act.gov.au>  
Cc: Playford, Alison <Alison.Playford@act.gov.au>; McHugh, Ben <Ben.McHugh@act.gov.au>; Kerry McMurray [REDACTED]; Georgina McKenzie [REDACTED]  
Subject: ACT Cemeteries and Crematoria Authority Letter to Minister Steel

Caution: This email originated from outside of the ACT Government. Do not click links or open attachments unless you recognise the sender and know the content is safe. Learn why this is important<<http://www.act.gov.au/emailsecurity>>

Dear Minister

Please see attached.

Yours sincerely

Neale Guthrie  
Chair  
ACT Crematoria and Cemeteries Authority

E. [REDACTED]

M. [REDACTED]

**Transport Canberra and City Services**

**To:** Minister for Transport and City Services Tracking No.: MIN S2022/02021

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**Date received in MO:** 19/10/2022

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**From:** Chief Financial Officer

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**Through:** Director-General  
Deputy Director-General, Transport Canberra and Business Services  
Chief Operating Officer, Transport Canberra and City Services  
Executive Branch Manager, Governance and Ministerial Services

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**Subject:** Canberra Memorial Parks (accounting treatments)

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**Critical Date:** In the normal course of business

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**Recommendations**

That you:

1. Note the information contained in this brief; and

 **Noted / Please Discuss**

2. Sign the letter to the Chair of the Authority at Attachment A.

 **Signed / Not Signed / Please Discuss**

Chris Steel MLA .....  ..... 25/10/22


Minister's Feedback

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## Background

1. Canberra Memorial Parks (CMP) is administered by the Cemeteries and Crematoria Authority (the Authority) and manages Woden and Hall Cemeteries and the Gungahlin Cemetery and Crematorium.
2. The Authority reports to you as the Minister for Transport and City Services.
3. Transport Canberra and City Services (TCCS) supports the CMP Chief Executive Officer from a governance perspective. The TCCS finance branch provides accounting services to CMP on a fee for service basis, consistent with an agreed Memorandum of Understanding (MoU).
4. You received a letter from the Authority Board Chair on 11 October 2022 raising concerns with the accounting treatment for the Perpetual Care Trust (PCT) assets and liabilities ([Attachment A](#)).

## Issues

5. During the finalisation of the 2021-22 financial statements the Audit Office raised concerns related to the new accounting policy issued for third party monies and associated accounting treatment of the PCT assets and liabilities.
6. Upon the Audit Office raising concerns with the PCT funds and which entity has control of these funds, TCCS engaged a consultant (GAAP Consulting) to determine from an accounting policy perspective which agency had control. The Authority, TCCS and CMTEDD accounts were considered.
7. GAAP Consulting ultimately advised that CMP has control of the PCT funds and therefore the asset and liability should be recorded in their statements. The Authority did not agree with this advice and chose not to include the recommended balances in the 30 June 2022 financial statements. This has led to an adverse audit opinion being issued by the Audit Office.
8. TCCS will continue to work with CMP, the Audit Office and Treasury to address the issues raised with the PCT accounts. A resolution needs to be reached prior to the end of the 2022-23 reporting period. 
9. You will be briefed throughout this process as required.
10. A letter in response to the Board Chair of the Authority is provided at [Attachment A](#) for your consideration.

## Financial Implications

11. Nil for this brief.
- 12.

## Consultation

### Internal

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13. The Governance and Ministerial Services team was consulted, as well as the Regulator for Cemeteries and Crematoria.

Cross Directorate

14. Chief Minister, Treasury and Economic Development Directorate.

External

15. GAAP consulting.

**Work Health and Safety**

16. Nil for this brief.

**Benefits/Sensitivities**

17. Nil with this brief.

**Communications, media and engagement implications**

18. With CMP receiving an adverse audit report this may raise media attention, including through the Annual Reporting process.

Signatory Name: Andrew Pedersen Phone: 75389

Action Officer: Tassany Price Phone: 59961

**Attachments**

|              |                                     |
|--------------|-------------------------------------|
| Attachment A | Letter from Minister to Chair       |
| Attachment B | Letter from Canberra Memorial Parks |





**Chris Steel MLA**

Minister for Transport and City Services

Minister for Skills

Special Minister of State

Member for Murrumbidgee

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Mr Neale Guthrie

Chair

ACT Cemeteries and Crematoria Authority

[Neale@nealeguthrie.com](mailto:Neale@nealeguthrie.com)

Dear Chair *Neale*

I refer to your letter of 11 October 2022 regarding the proposed accounting treatments for the Perpetual Care Trust (PCT) assets and liabilities. I thank you for taking the time to provide me with a detailed review of the situation, considerations, outcomes and next steps.

Transport Canberra and City Services (TCCS) has also briefed me on the issue that arose during the production of the Authority's financial statements. I acknowledge and thank the board for their additional time commitment to work through the situation.

It is good to know that TCCS has provided an appropriate level of support to the board and I am assured that they too remain committed to future discussions and determining the best way forward. To that end, I understand planning has already commenced between TCCS officers and the CEO of Canberra Memorial Parks to address the matter of PCT assets and liabilities so that it can be resolved during the 2022-23 financial year.

I appreciate your openness and I look forward to hearing how the matter will be resolved.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Chris Steel'.

Chris Steel MLA

Minister for Transport and City Services

27 October 2022





Mr Chris Steel MLA  
Minister for City Services  
ACT Legislative Assembly  
GPO Box 1020  
Canberra ACT 2601

11 October 2022

Dear Minister

I wish to appraise you on an issue that has occupied much time for the Authority over the past few weeks. The Board has serious concerns about proposed accounting treatments for the Perpetual Care Trust (PCT) assets and unfunded liabilities that the ACT Audit Office has concluded should be included within the Authority's Financial Statements.

### **Background**

On 22 June 2022 ACT Treasury issued a policy entitled 'Third Party Monies' (policy) with an application date to apply to reporting periods beginning on or after 1 July 2021. The Authority was not consulted in the policy development or its intended implication on the Authority's financial accounts.

The Board approved the Authority's draft Financial Statements on 13 July 2022 without knowledge that the new policy would have any impact on the Authority and noting that the ACT Audit Office plan also did not include any reference to the Third Party Monies policy issue.

In late August, the ACT Audit Office was finalising the Authority's audit when it raised the implications of the policy issue. They had formed the view that the new policy was relevant to the PCT assets and liabilities, including the associated unfunded liabilities for ACT cemeteries that existed prior to establishment of the then Cemeteries Authority in 2003.

A myriad of meetings then followed with the Authority staff strongly arguing that this should not be included in its financial statements as the Authority does not have control, which is a pre-requisite for the application of this policy.

TCCS quickly engaged a consultant (GAAP Consulting) in late August to determine from an accounting policy perspective which agency had control. A preliminary GAAP report was received on 19 September with their final report being released on 30 September. The consultant formed a view that the Authority has control and therefore transactions relating to the PCT should be included in our financial statements. This opinion was provided despite the Authority providing significant evidence and legislative information to the contrary.



Following receipt of this report, significant work was undertaken by TCCS and the Authority to determine what the financial impact would be on its financial statements, despite the Authority still holding the view that the consultant and Audit Office are incorrect in their assertions and assumptions.

The impact of these changes if adopted by the Authority would be significantly negative and financially material, portraying an insolvent Authority. On 4 October the Authority Chair, Deputy Chair and CEO met with TCCS senior finance staff. At this meeting a strong view was formed by the Authority representatives that considerable ambiguity still exists in relation to:

- the ownership (control) of the PCT and the unfunded liability, and
- clarification of the entity(s) who will carry out the maintenance of a cemetery once it is closed (the current Act does not specify the Authority).

The Authority representatives agreed a more appropriate and prudent action would be to accept an adverse audit opinion of the ACT Audit Office, which would allow further time for this issue to be appropriately considered and resolved.

### Current Situation

On 5 October the Authority Board held an extra-ordinary Board meeting to consider finalising its 2021-22 Financial Statements and the ACT Audit Office advice wanting the Authority to take up the financial accounting for the PCT including a provision for the pre-2003 unfunded liability. At this meeting the Board voiced concerns regarding:

- a lack of reasonable time to consider the implications for the Authority noting the significant ambiguity still associated with the issue and the Authority's differing accounting policy position;

- [REDACTED]
- [REDACTED]

The Board agreed to not approve any action regarding the financial statements at this meeting and to seek ACT Government Solicitor (ACTGS) advice [REDACTED]

[REDACTED] The Authority was very aware that this stalled process was having significant implications for TCCS on the Annual Report tabling process [REDACTED]

[REDACTED] The Authority sought ACTGS advice on the morning of 6 October.

ACTGS was able to respond with some quick but limited advice later on 6 October [REDACTED]



[REDACTED]

The Authority and its members have, and will continue to, act “honestly” and without “recklessness” as demonstrated by the careful consideration, debate, actions and decisions in relation to this issue acting in the best interest of the organisation and its stakeholders.

[REDACTED]

The ACT Audit Office was also informed of the impasse on 6 October and following some further discussions at a senior level the ACT Audit Office were able to provide in writing some clarifying opinions [REDACTED]

Following the receipt of these two pieces of information it was agreed the Board would again convene an extra-ordinary Board meeting on 10 October to consider finalising its 2021-22 Financial Statements. The papers for this meeting were forwarded to board members on the afternoon of 7 October highlighting the new information available from the ACTGS and the ACT Audit Office that helped address the Board’s concerns of 5 October. The paper now recommended that the Board could proceed with signing off the 2021-22 Financial Statements as initially prepared and agreed in July (i.e. without inclusion of the PCT assets and liabilities) and that the implication in accepting these statements would result in an adverse audit opinion from the ACT Audit Office. More importantly, this will provide the Authority and TCCS the time to clarify the issue and identify the correct accounting treatment for the PCT and its unfunded liability.

Information is out of scope [REDACTED]

The Board met on 10 October. The remaining members of the Board were comfortable with the clarifying advice provided and agreed with the recommended way ahead.

### **Conclusions and Next Steps**

The Board agreed on 10 October that we would inform you of our concerns relating to this late and untidy process.

The issue of accounting for the PCT and its unfunded liability has been a known issue for many years. For this issue to be raised very late in an audit process and without reasonable time for it to be properly considered is extremely disappointing. It certainly provided no time for the



Authority to conduct a proper due-diligence process which this issue respectfully requires. It has also caused significant disruption and cost in terms of Board and staff time, salary and attrition.

The Authority is not across the process that formulated the Treasury policy that started this unfortunate series of events, but if we had been consulted we certainly would have voiced our concerns.

We would like you to note that the Authority at no time felt pressured from TCCS to adopt the ACT Audit Office position. The Authority was supported by TCCS and relationships at all levels continued to function effectively throughout the discussion of the issue and its implications. However, the process certainly could not address the Board's concerns (mainly due to the limited time available) leading us to the conclusion that we needed to just say no and force the issue to be resolved following the annual report process, noting the implications this will have.

We have already commenced planning with TCCS at the staff level to conduct follow-up discussions about how best to proceed from here. The Authority will work with TCCS and other relevant parties to make every effort on finding the best way forward.

I and other members of the Board are available to discuss this issue further with you if you wish.

Yours sincerely

A handwritten signature in black ink, appearing to read "Neale Guthrie".

Neale Guthrie  
Chair  
ACT Cemeteries and Crematoria Authority

---

**From:** Blake, Callum on behalf of TCCS\_DLO  
**Sent:** Wednesday, 11 January 2023 2:53 PM  
**To:** TCCS\_AssemblyLiaison  
**Cc:** TCCS\_DLO; Urban, Samantha  
**Subject:** MEETING BRIEF: Cemeteries and Crematoria Authority Board - 1400 3 Feb - to MO 31 Jan  
**Attachments:** MEETING: Cemeteries and Crematoria Authority Board

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Hi team

TCCS has been asked for a meeting brief and directorate rep for a meeting with Neal Guthrie on 3 Feb.

The MO has requested a meeting brief by 31 Jan please.

Kerry McMurray is currently listed as TCCS rep.

Kind regards

**Callum Blake | Directorate Liaison Officer**

Office of Minister Steel MLA

Office of Minister Berry MLA (Sportsgrounds)

Phone: 02 6205 9763 | [REDACTED] | Email: [tccs.dlo@act.gov.au](mailto:tccs.dlo@act.gov.au)

Transport Canberra and City Services Directorate | ACT Government | [act.gov.au](http://act.gov.au)



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**Transport Canberra and City Services**

|                             |   |                                |
|-----------------------------|---|--------------------------------|
| <b>To:</b>                  | Minister for Transport and City Services  | <b>Tracking No. 2023/00083</b> |
| <b>Date received in MO:</b> | 02/02/2023  |                                |
| <b>From:</b>                | Chief Executive Officer, Canberra Memorial Parks  |                                |
| <b>Through:</b>             | Director General, Transport Canberra and City Services<br>Deputy Director General, Transport Canberra and Business Services<br>A/g Executive Group Manager, Territory and Business Services |                                |
| <b>Date of Meeting:</b>     | 3 February 2023   |                                |
| <b>Time of Meeting:</b>     | 2:00pm  |                                |
| <b>Location of Meeting:</b> | Legislative Assembly, Minister Steel's Office   |                                |
| <b>Subject:</b>             | Minister to Meet with Neale Guthrie - Cemeteries and Crematoria Authority Board   |                                |

**Purpose of the meeting**

Mr Neale Guthrie, Chair of the ACT Crematoria and Cemeteries Authority has requested a meeting with you to discuss various matters.

Minister's Feedback

|   |   |
|---|---|
| <b>Purpose of the meeting:</b>              | An Agenda and background information on each discussion item is provided below.   |
| <b>Attendees:</b>                           | Mr Neale Guthrie, Chair, ACT Crematoria and Cemeteries  |
| <b>Directorate representative required:</b> | Mr Daniel Childs, A/g Executive Group Manager, Territory and Business Services<br>Mr Kerry McMurray, CEO, Canberra Memorial Parks<br>Ms Georgina McKenzie, Deputy Chair, ACT Crematoria and Cemeteries              |
| <b>Day / date:</b>                          | Friday, 3 February 2023   |
| <b>Time:</b>                                | 2:00 – 2:30pm   |
| <b>Venue:</b>                               | Minister’s Office   |
| <b>Background:</b>                          | The Chair last met with you in September 2021 when the new Board was sworn in. The Chair provided you with a letter at <u>Attachment A</u> as a result of the Board’s request to update you on several key matters. |
| <b>Discussion:</b>                          | The topics to be discussed involve the issues around the Perpetual Care Trust (PCT) Information is out of scope [REDACTED]  |
| <b>Consultation internal:</b>               | N/A   |
| <b>Cross directorate:</b>                   | N/A   |
| <b>External:</b>                            | N/A   |
| <b>Media implications:</b>                  | N/A   |
| <b>Speech:</b>                              | Not Required.   |



**Attachment A**
**Items to be discussed**
**1.1 Topic**

- **Perpetual Care Trust (PCT) Issues**

**1.2 Policy position**


- Impact and timing of Third Parties Monies Policy – issued 30 June 2022 with application from 1 July 2022.
- Raised with Authority in late August 2022 by Audit Office, more than one month after lodgement of Authority's draft 2021-22 Financial Statements.
- TCCS sought accounting advice from GAAP Consulting – final advice received 28 September 2022.
- GAAP Consulting advice determined that the Authority has control of the PCT, is responsible for the maintenance of the cemeteries in perpetuity after closure. The advice identified that the Assets and Liabilities relating to the trust should be included in the Authority's Financial Statements.
- The resulting impact of implementing the GAAP advice would have been;

|                  | Authority Financial Result prior to GAAP advice (\$'000) | Authority Financial Result with implementation of GAAP advice (\$'000) | Variance (\$'000) |
|------------------|--|--|-------------------|
| Operating Result | \$189  | (\$1,046)  | (\$1,235)         |
| Net Assets       | \$7,237  | (\$13,687)   | (\$20,924)        |
| Total Equity     | \$7,237  | (\$13,687)   | (\$20,924)        |

- Due to the lateness of the matter being raised and receipt of the GAAP advice and the magnitude of the impacts, the Board held two extraordinary meetings to consider the matter. The Board resolved not to incorporate the GAAP advice in the

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Authority's 2021-22 Financial Statements and accept an adverse audit finding from the ACT Audit Office.

- Information is out of scope  

- The Board agrees that this matter needs to be addressed and is working with TCCS to find a way forward prior to 30 June 2023 and have sought advice from the Office of the Government Solicitor (GSO).
- Once GSO advice is received TCCS and CMP will progress the matter.

**2.1 Topic**

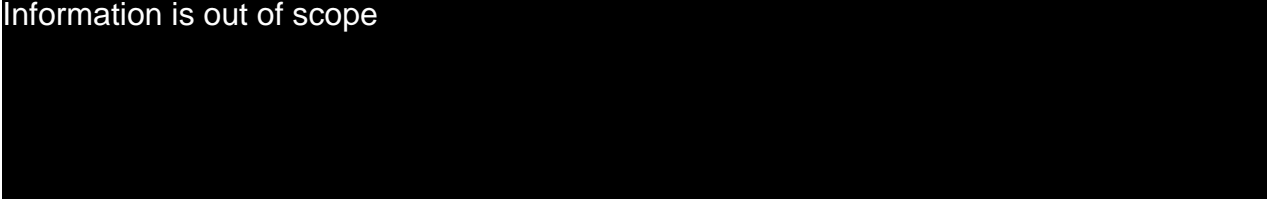
Information is out of scope  


**3.1 Topic**

Information is out of scope  


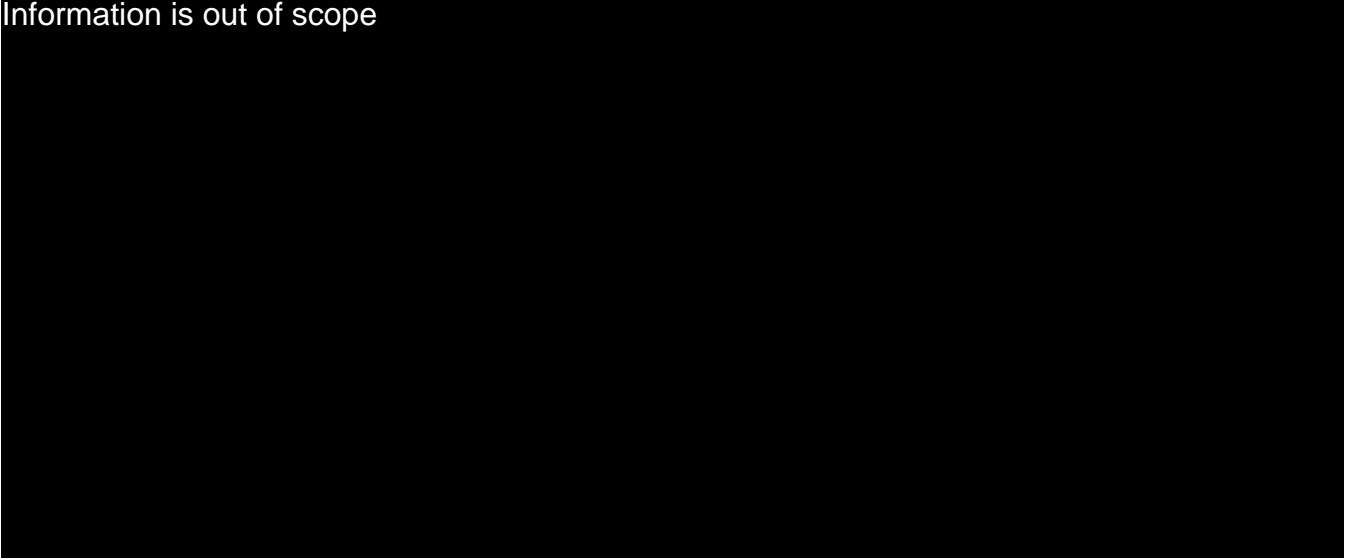
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Information is out of scope

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**4.1 Topic**

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MINISTERIAL BRIEF

Transport Canberra and City Services

**To:** Minister for Transport and City Services Tracking No.: 2023-00741

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**Date received in MO:** 06/04/2023

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**From:** Executive Branch Manager, Governance and Ministerial Services and Cemeteries and Crematoria Regulator

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**Through:** Director-General  
Deputy Director-General, Transport Canberra and Business Services  
Executive Group Manager, Territory and Business Services  
Chief Operating Officer, Transport Canberra and City Services  
Chief Finance Officer  
CEO, Cemeteries Authority

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**Subject:** Cemeteries PCT arrangements

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**Critical Date:** 12/04/2023

---

**Critical Reason:** To address accounting issues with the ACT Audit Office before the end of financial year

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**Recommendations**

That you:

1. Note the information contained in this brief; and

**Noted / Please Discuss**

2. Agree to the Regulator creating the application of PCT Policy at Attachment A.

**Agreed / Not Agreed / Please Discuss**

Chris Steel MLA ..... 13/4/23

|                     |
|---------------------|
| Minister's Feedback |
|---------------------|

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**Background**

1. The *Cemeteries and Crematoria Act 2020* (the Act) establishes a Perpetual Care Trust (PCT) for all cemeteries and crematoria in the ACT to ensure that there are appropriate funds set aside for long-term maintenance of those facilities.
2. There is a PCT for privately operated facilities, such as Norwood Park (licensee PCT) and a PCT for those facilities operated by the Cemeteries and Crematoria Authority (Authority PCT).
3. The Cemeteries and Crematoria Authority (the Authority) financial statements are incorporated into the TCCS Annual Report.
4. GAAP Consulting, as part of auditing and finalising the 2021-22 financial statements for the Cemeteries Authority, advised that future maintenance obligations currently sit with the licensee of the facility and therefore the provision should be recognised in the books of the Authority. This advice had not previously been received, nor a liability recognised in the Authority (or TCCS) Statements.
5. The ACT Audit Office have relied on the GAAP advice for the 2021-22 financial statements process. This resulted in an adverse auditing finding for the Authority financial reports. Both TCCS and the Authority expressed to GAAP consulting at the time that it did not agree with this interpretation of the Act, as future long-term maintenance is a matter for Government, once a facility is closed.
6. You have previously been briefed on the cemeteries PCT accounting issue (refer Attachment B).

[REDACTED]

8. TCCS sought legal advice [REDACTED]

**Issues**

9. TCCS received GSO advice (Attachment C) [REDACTED]
10. The Cemeteries and Crematoria Regulator has the function of administering the Act.
11. [REDACTED] the Cemeteries and Crematoria Regulator has prepared an 'Application of PCT Policy' (Policy) to clarify arrangements, [REDACTED]
12. As the Regulator is responsible for administering the Act, it is intended that the Regulator will create and approve this Policy. As the Minister responsible for the Act, your agreement is also sought to this new Policy.

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13. The purpose of this Policy is to set out how Perpetual Care Trust (PCT) and long-term maintenance arrangements are provided for under the Act.
14. This Policy is intended to provide clarity to the ACT Audit Office and GAAP Accounting to rectify the accounting issue in the 2021-22 Financial Statements.
15. The Policy is clear that the obligation of future long-term maintenance does not sit with the Authority or a Licensee once a facility is closed.
16. The Authority and Licensee must pay into the PCT in accordance with the PCT percentage set by you as the responsible Minister. This is the only current obligation on the Authority or a Licensee with respect to future long-term maintenance.
17. It is a matter for the ACT Government as to how long-term maintenance is provided for, for each facility once closed. The obligation for long-term maintenance, and therefore the liability of long-term maintenance, rests with the ACT Government.
18. Once a facility is closed, access can be given to the long-term maintenance funds in the PCT as that facility would no longer be 'operating' (i.e. selling more burial rights).
19. The Government will decide who and how the PCT and long-term maintenance funds are to be used to provide for maintenance of a facility in-perpetuity, once a facility has been closed. The Government may choose for the Authority to undertake this long-term maintenance, or it could also be rolled into the existing public-land maintenance program or through a third-party provider.
20. The result of this is that the long-term maintenance liability should be reflected in TCCS' financial statements as a Territory liability.
21. It is noted that you revised the Authority PCT in 2022 and set the PCT at an amount that would adequately provide for future-long term maintenance of Authority facilities, so that there should be no financial shortfall in funding maintenance of a facility, once it is closed, into perpetuity.

Information is out of scope



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**Consultation**

Internal

26. The Cemeteries Authority, TCCS Legal and Contracts, the Strategic Policy and Programs Branch and Chief Financial Officer have been consulted in finalising the Policy and preparing this brief.

Cross Directorate

27. There is ongoing consultation with Treasury and the ACT Audit Office.

28. [REDACTED]

External

29. If the Policy is agreed, TCCS Finance may engage with GAAP Consulting to revise their 2021-22 accounting advice.

**Work Health and Safety**

30. Nil associated with this brief.

**Benefits/Sensitivities**

31. If the ACT Audit Office and/or GAAP Consulting do not agree with the revised accounting treatment, it could impact on the Cemeteries Financial Statements for 2022-23.

32. If the ACT Audit Office and GAAP Consulting accept the revised accounting treatment, the effect will be that the PCT funds and associated long term maintenance liability will be reflected in TCCS' Territorial financial statements (rather than that of the Authority).

**Communications, media and engagement implications**

33. There is unlikely to be media attention. This issue was not raised in the media as a result of the 2021-22 Annual Report.

Signatory Name: Lisa Johnson, EBM, GAMS and Cemeteries and Crematoria Regulator  
Phone: X55187

**Attachments**

| Attachment   | Title                     |
|--------------|---------------------------|
| Attachment A | Application of PCT Policy |
| Attachment B | Min Brief 2022-10986      |

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|              |            |
|--------------|------------|
| Attachment C | GSO advice |
|--------------|------------|



# Application of PCT (Perpetual Care Trust) Policy

| Document ID     | Title                               |                      |
|-----------------|-------------------------------------|----------------------|
| <b>REVISION</b> | <b>DOCUMENT OWNER</b>               | <b>DATE PREPARED</b> |
| 0.1             | Cemeteries and Crematoria Regulator | March 2023           |
| <b>TYPE</b>     | <b>APPROVED BY</b>                  | <b>REVIEW DATE</b>   |
| Policy          | Cemeteries and Crematoria Regulator | April 2024           |

**13 April 2023**



---

Lisa Johnson  
Regulator, Cemeteries and Crematoria Authority

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## 1.0 Perpetual Care Trust

### 1.1 Purpose

The purpose of this policy is to set out how Perpetual Care Trust (PCT) and long-term maintenance arrangements are provided for under the *Cemeteries and Crematoria Act 2020* (the Act).

### 1.2 Background

#### 1.2.1 Roles and responsibilities

Under section 121 of the Act the Regulator for Cemeteries and Crematoria (the Regulator) has the function of administering the Act, while having regard to the objects of the Act.

The Executive Branch Manager, Governance and Ministerial Services, within the Transport Canberra and City Services Directorate (TCCS) is appointed as the Regulator under the Act.

The Minister is responsible for setting the PCT percentage. The Regulator, as the responsible administering body, provides advice to the Minister on the PCT for both the Cemeteries and Crematoria Authority (Authority) and Licensee trusts, based on an actuarial analysis. This must be reviewed at least every 5 years.

The trustee for both the Authority and Licensee perpetual care trusts has been determined to be the Public Trustee and Guardian (PTG) by the Minister under the Act. The PTG manages the trust in accordance with its policies and procedures, and reports on the trust in its Annual Report.

The ACT Government is responsible for the long-term maintenance of facilities in the ACT, noting the funds held in trust are for the purposes of long-term maintenance of both Authority and Licensee facilities, once a facility is closed.

The Authority and other Licensees are responsible for being licensed appropriately and operating facilities in accordance with the Act (including maintenance of the facilities in operation whilst they are Licensees).

#### 1.2.2 Perpetual Care Trust percentage

In 2022, an actuarial analysis was undertaken in respect to setting the PCT percentage for the Authority. The Minister must ensure the PCT percentage is the amount the Minister considers necessary to ensure there are sufficient funds in the PCT to adequately maintain a facility in perpetuity, once a facility is closed by the Minister. The standard of maintenance, after a facility is closed, may well be different (e.g. lower) than maintenance required by an operator during the operational life of a facility, where burials and interments are still being sold and occurring.

The PCT percentage for the Authority PCT was set to an amount considered appropriate, based on the actuarial analysis, to fund the future long-term maintenance of facilities currently operated by the Authority, accounting for existing and future liabilities (i.e. there should be no shortfall in funds at the closure of a facility with long-term maintenance provided for indefinitely through the trust).

Subject to Ministerial agreement a similar review will be undertaken for the Licensee PCT percentage to ensure that the Minister's existing determination is still appropriate, or to update the Licensee PCT percentage.

### 1.3 Legislative framework

#### 1.3.1 Developing, operating and maintaining facilities

The Cemeteries and Crematoria Authority is established by the Act (s 113), with clear functions to develop, build or operate a facility, whilst licensee/operator, approved by the Minister under the Act. The Authority must maintain a facility it is operating to an acceptable standard. The intention of this is

to ensure currently operating facilities, where burials/interments are occurring, are being properly maintained.

Other operators can also be licensed, for example Norwood Park is a privately run crematorium in the ACT.

Maintenance of a facility during operation is considered separate to long-term maintenance once a facility is closed.

### 1.3.2 PCT

Under the Act, a PCT is established for the long-term maintenance of facilities operated by both the Authority (s 103) and any other Licensee (s 104). This is so that there are appropriate funds set aside for the long-term maintenance of a facility once it is closed. This is through a charitable PCT arrangement, administered by the PTG.

The funds paid by the Authority or a Licensee are not an asset of the Authority or Licensee; they are held in trust for the purpose of long-term maintenance of facilities (to occur once a facility is closed).

While the PTG as trustee is the entity which controls access to and use of the funds, this is subject to Government direction through regulation (ss 103(3) and 104(3)), as well as advice from the Regulator.

### 1.3.3 Long-term maintenance

The obligation of future long-term maintenance will not sit with the Authority or a Licensee once a facility is closed.

The Authority and Licensee must pay into the PCT in accordance with the PCT percentage set by the Minister. This is the only current obligation on the Authority or a Licensee with respect to future long-term maintenance.

It is a matter for the ACT Government as to how long-term maintenance is provided for, for each facility once closed. The obligation for long-term maintenance, and therefore the liability of long-term maintenance, rests with the ACT Government.

Once a facility is closed, access can be given to the long-term maintenance funds in the PCT as that facility would no longer be 'operating' (i.e. selling more burial rights).

Once a facility has closed to new burials and interments, and following appropriate procedures to handle outstanding rights to the same, it is expected that the licence in respect of that facility will cease, with the PCT taking over funding of maintenance in line with arrangements that will be put in place at the appropriate time.

The Government will decide, who and how the PCT and long-term maintenance funds are to be used to provide for maintenance of a facility in-perpetuity, once a facility has been closed. The Government may choose for long-term maintenance to be rolled into the existing public-land maintenance program or through a third-party provider or for the Authority to undertake part or some of this maintenance, but this will be implemented such that the relationship between the PCT and the provider of the maintenance services is clearly delineated.

## 1.4 Review of PCT

The PCT percentage is reviewed at least every five years as required by the Act. More frequent reviews may occur as new circumstances arise, e.g. the development of Southern Memorial Park.

**Transport Canberra and City Services**

**To:** Minister for Transport and City Services

Tracking No.: S2023/01866

**Date received  
in MO:** 04/08/2023

**From:** Chief Financial Officer  
Executive Branch Manager, Strategic Policy and Programs  
Executive Branch Manager, Governance and Ministerial Services and  
Cemeteries and Crematoria Regulator

**Through:** Director-General  
Chief Operating Officer  
Deputy Director-General, Transport Canberra and Business Services  
Executive Group Manager, Territory and Business Services  
Chief Executive Officer, Canberra Memorial Parks

**Subject:** Update on Cemeteries PCT arrangements

**Critical Date:** 18/08/2023

**Critical Reason:** For your information prior to production of the Annual Report

**Recommendations**

That you:

1. Note the information contained in this brief.

Chris Steel MLA .....



**Noted / Please Discuss**

16/8/23

Minister's Feedback

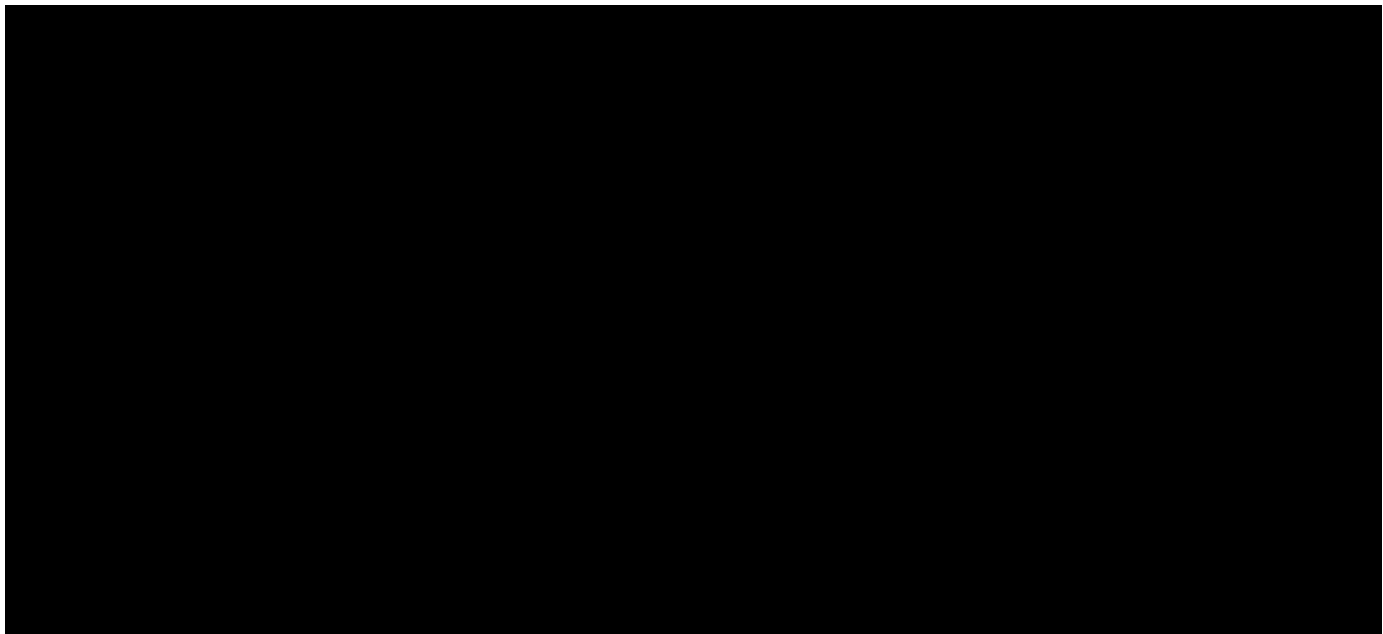
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## Background

1. You have previously been briefed on accounting issues associated with Cemeteries PCT arrangements (2023-00741 – [Attachment A](#)).
2. GAAP consulting, as part of auditing and finalising the 2021-22 financial statements for the Cemeteries Authority (the Authority), advised that future maintenance obligations should sit with the Authority.
3. The Authority made the decision to not recognise these obligations as a liability resulting in an adverse audit opinion.
4. Subsequently, TCCS sought legal advice on the interpretation of the *Cemeteries and Crematoria Act 2020* (the Act) and an Application of PCT Policy was finalised to provide guidance on how the PCT funds are to be applied and administered to ensure long-term maintenance of cemeteries and crematoria ([Attachment B](#)). This policy was outlined that long-term maintenance obligations sat with the Government.

## Issues

5. Following a discussion with the ACT Audit Office, the Cemeteries and Crematoria Authority sought independent accounting advice on its long term maintenance liability from KPMG ([Attachment C](#)).
6. Whilst the reasons differ from the GAAP advice, the view of KPMG [REDACTED]  
[REDACTED]
7. [REDACTED]  
[REDACTED]
8. It is likely that the Authority will receive an adverse audit opinion again for the 2022-23 Financial Statements, [REDACTED]
9. The Authority Board has written to you on this matter ([Attachment D](#)).



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**Financial Implications**

- 15. The accounting advice and decision of the Authority to not reflect a liability will affect the Authorities 2022-23 financial statements which are contained within the TCCS Annual Report.

**Consultation**

Internal

- 16. The Authority, TCCS Finance, Strategic Policy and Programs, and the Cemeteries and Crematoria Regulator have collaborated in preparing this brief.

Cross Directorate

- 17. The Audit Office has been consulted [redacted] Treasury have also been consulted.
- 18. [redacted]

External

- 19. GAAP Consulting and KPMG have been engaged to provide accounting advice. [redacted]

**Work Health and Safety**

- 20. Nil associated with this brief.

**Benefits/Sensitivities**

- 21. The Authority accepted an adverse audit opinion in 2021-22.
- 22. [redacted]

**Communications, media and engagement implications**

- 23. Nil associated with this brief.
- 24. There were no media implications as a result of the adverse audit finding in 2021-22. None are expected for 2022-23.

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25. Talking points can be prepared on request.

Signatory Name: Andrew Pedersen, Chief Financial Officer      Phone: Teams

Kirra Cox, EBM, Strategic Policy and Programs

Lisa Johnson, Cemeteries and Crematoria Regulator

**Attachments**

| <b>Attachment</b> | <b>Title</b>              |
|-------------------|---------------------------|
| Attachment A      | Min brief 2023-00741      |
| Attachment B      | Application of PCT Policy |
| Attachment C      | KPMG accounting advice    |
| Attachment D      | Letter from Board         |





Mr Chris Steel MLA  
Minister for City Services  
ACT Legislative Assembly  
GPO Box 1020  
Canberra ACT 2601

31 July 2023

Dear Minister

I wrote to you on 16 December 2022 informing you of several issues that the Cemeteries and Crematoria Board had been dealing with, including the position the Board had taken in relation to the accounting and control of the Perpetual Care Trust (PCT) in its 2021-22 Financial Statements. As you are aware the Act Audit Office issued an adverse audit opinion based on accounting advice provided by GAAP Consulting, which was commissioned by Transport Canberra and City Services (TCCS).

We were afforded the opportunity to meet with you on 3 February 2023, to expand on the points contained in my letter and detail the challenges the Board was facing in relation to the GAAP advice and subsequent adverse audit finding from the ACT Audit Office. At this meeting you expressed the view that you understood the issues and was looking for the Authority and TCCS to resolve them as soon as practicable.

The Authority since this time has worked collaboratively with TCCS to resolve the matter. Further legal advice was sought from the Government Solicitors Office (GSO); and the Regulator during this time has developed an Application of PCT (Perpetual Care Trust) Policy to clarify the intent of legislation and operation of the PCT. This was provided to you in Ministerial Brief S2023/00741.

The Authority and TCCS met with the Auditor General on 16 May 2023 to discuss the matter and identify the key issues that needed to be addressed. The Auditor General expressed the view that he would like to see the matter addressed prior to 30 June 2023 or at the very least a clear plan to address the issue moving forward.

As a result of this meeting the Authority commissioned and received its own independent accounting advice from KPMG. Unfortunately, the three pieces of professional advice now received (GAAP Consulting, GSO, and KPMG) do not align from an accounting or legal perspective.

[REDACTED]

Both the GSO advice and the KPMG advice commissioned by the Authority,

[REDACTED]

GAAP advised that it did not change their view

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] the Board held an extraordinary meeting on 12 July 2023. At this meeting the Board unanimously resolved to the following decisions:

- 1) Maintain the position it took in the 2021-22 Financial Statements and not take on the assets and long-term maintenance liabilities connected with the Perpetual Care Trust into its Financial Statements for 2022-23.
- 2) Arrange an urgent meeting with the ACT Audit Office with TCCS representatives, to detail the reasons for this decision, outline the plan to progress this matter to resolution in 2023-24 and seek to have the ACT Audit Office NOT issue an adverse audit opinion for the 2022-23 Authority Financial Statements.
- 3) Arrange an urgent meeting with the Minister, to brief him on the reasons the Board has reached this decision [REDACTED]

[REDACTED]

[REDACTED]

The Authority has been working with TCCS staff, including the CFO and Regulator, to identify the issues that need to be addressed to provide the required clarity. [REDACTED]

[REDACTED]

[REDACTED]

In accordance with the Board resolution of 12 July 2023, I would appreciate the opportunity to meet with you to discuss in more detail the above matter [REDACTED]

[REDACTED]

Yours sincerely



Neale Guthrie  
Chair  
ACT Cemeteries and Crematoria Authority