

**Richmond
Sinnott &
Delahunty**Chartered AccountantsLevel 2, 10-16 Forest Street
Bendigo, VICTORIA
PO Box 30, Bendigo VICTORIA 3552Ph: (03) 5445 4200
Fax: (03) 5444 4344
rsd@rsdadvisors.com.au
www.rsdadvisors.com.au

6th October 2016

Mayor and Councillors
Berrigan Shire Council
PO Box 137
Berrigan NSW 2712

Dear Mayor and Councillors,

Salary Packages

In accordance with our audit services contract with Council we confirm that we have reviewed the current salary packages for the year ended 30 June 2016 of the:

- General Manager (Rowan Perkins);
- Director of Technical Services (Frederick Exton), and
- Director of Corporate Services (Matthew Hansen).

The contracts have been reviewed for the correct treatment of their total salary packages via the payroll system, inclusive of fringe benefits tax adjustments.

Arising from our work we noted the following:

- All employment contracts were signed and on file;
- A performance bonus was paid to Fred Exton. Documentary evidence was available to support the approval of this bonus.
- Council may be over paying its Superannuation Guarantee Contributions obligation by paying SGC on the car element of the salary package. SGC is payable on Ordinary Time Earnings (OTE), benefits fall outside of this definition. It is noted however that SGC is paid in accordance with terms of the respective employee contracts and is consistent with the practice applied in the prior year.
- The reportable fringe benefits for motor vehicles for all employees appear to be correctly stated on the PAYG payment summaries for each employee. We understand that their vehicles are considered 'pool cars'.

Subject to the above and, based on our review we are satisfied that the salary packaging has been appropriately calculated to 30 June 2016.

Should you have any queries, please do not hesitate to contact this office.

Yours sincerely,

P. P. Delahunty
Richmond, Sinnott and Delahunty
Partner