

Assurance statement



Beca Independent Assurance Report to Australia Post

Beca Pty Ltd (Beca) was engaged by Australia Post to provide independent limited assurance of the Australia Post 2014 Annual Report to the scope of work outlined below.

Scope of Work

This assurance report is prepared for Australia Post and its stakeholders. The Australia Post 2014 Annual Report (the Report) covers Australia Post's operations from 1 July 2013 to 30 June 2014, unless stated otherwise in the text. This work was performed using Beca's assurance methodology to ISAE 3000, the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. To do this, Beca interviewed a number of personnel and reviewed relevant documentation at Australia Post's head office in Melbourne. Data collation processes were reviewed, including sighting a sample of original records, interrogating spreadsheets and re-performing some calculations. The following subject matter for the assurance covered the full Report, except for financial statements and community service obligations (audited by the Australian National Audit Office) and community investment data (verified by the London Benchmarking Group (LBG)):

- Provision of a balanced representation of material issues in the Report.
- Accuracy of the performance information in the Report.

Beca's Independence

Australia Post was responsible for preparing the Report. Beca is one of the largest employee-owned engineering and related consultancy groups in Asia Pacific. Beca assurance auditors, experienced in the determination of materiality and the assurance of performance information, were responsible for expressing an assurance conclusion in line with the scope of work agreed with Australia Post. During 2013–14, Beca undertook no other work with Australia Post.

Our Conclusion

Beca concludes that, based on the scope of work and related limitations, for the specified subject matter, the Australia Post 2014 Annual Report:

- Provides a balanced representation of the material issues concerning Australia Post
- Reports accurate performance information

for 1 July 2013 to 30 June 2014. In addition, Beca has provided a management report to Australia Post.

Key Observations

Based on the scope of work, and without affecting our assurance conclusion, Beca makes the following observations:

Good Practice

- *Materiality determination*: robust, well-documented process with enhanced material issues presentation using the wheel format, also aligned to internal board risk reporting.
- *Report development*: constructive process, adopting assurance recommendations for improved transparency, such as safety metric definitions alongside relevant data.
- *Data consistency*: provision of data to one decimal place consistently throughout the Report.
- *Scope 3 carbon emissions*: inclusion of this dataset for the first time, demonstrating continuous improvement.

Areas for Improvement

- *Materiality determination*: greater detail on the issues ranking process and a more regular full materiality review would further improve the materiality process.
- *People data*: updated statistical representations of the workforce profile would improve transparency and clarity.
- *Workplace complaints*: streamlining data collection would improve quality, which the new online system will address.
- *Internal data verification*: a more formal internal data verification process would improve data accuracy during Report development and help to safeguard the retention of knowledge in an environment of organisational change.
- *Scope 3 carbon emissions*: improve the completeness and precision of this new dataset year-on-year.

Beca congratulates Australia Post on its commitment to integrated reporting.

Beca Pty Ltd, 4 September 2014, Melbourne, Australia

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