



Crown Melbourne Limited Audit Committee

Thursday, 30 January 2020 – 10.00am

Chairman's Office, Level 3, Crown Towers

Attendees: Toni Korsanos (Chair), Professor John Horvath, Ken Barton

Also Invited: John Alexander, Barry Felstead, Mary Manos, Alan McGregor, Joshua Preston, Anne Siegers, Michael Collins (Ernst & Young), Justin Law (Ernst & Young)

Apologies:

AGENDA

1. **Minutes of Previous Meetings**
 - 1.1. [Confirmation of Minutes of the meeting on 20 November 2019](#)
2. **Matters Arising**
3. **Internal Audit**
 - 3.1. [Internal Audit Activity Report: November 2019 – January 2020](#)
 - 3.2. [Status of Internal Audit Recommendations](#)
4. **[Material Risk Update: November 2019 – January 2020](#)**
5. **[Financial Results: Half Year Results – 31 December 2019](#)**
6. **[Ernst & Young Closing Report: Half Year ended 31 December 2019](#)** *(to be tabled at the meeting)*
7. **Emerging Risks and Other Business**



AGENDA ITEM 1:
Minutes of Meeting



MINUTES
CROWN MELBOURNE LIMITED AUDIT COMMITTEE
HELD AT THE CHAIRMAN'S OFFICE, LEVEL 3, CROWN TOWERS
WEDNESDAY 20 NOVEMBER 2019
02:30PM

IN ATTENDANCE

Committee:	Mrs Toni Korsanos (Chair) Prof. John Horvath Mr Ken Barton (by phone) Mr Joshua Preston (Secretary)
By Invitation:	Mr John Alexander (Executive Chairman Crown Resorts) Mr Barry Felstead (CEO Australian Resorts) Mr Alan McGregor (CFO Australian Resorts) Ms Mary Manos (General Counsel Crown Resorts) Ms Anne Siegers (GGM Risk & Audit Crown Resorts)
Apologies	- The meeting opened at 02:30pm
Minutes of Meeting	The Minutes of the Meeting held on 6 August were approved.
Matters Arising:	No matters arising.
Internal Audit Report	Ms Siegers spoke to the Internal Audit Report: August – October 2019 which was taken as read. Mrs Korsanos noted that the Report indicated that the F20 Strategic Audit Plan was on track, and no material findings had been reported. Ms Siegers articulated the rationale for the cancelled audit (the Betfair AML audit will be performed externally rather than by the internal audit team), as well as the consolidation of 2 Melbourne audits and 2 Group audits. Prof. Horvath enquired into the appropriateness of reporting Crown Resorts Foundation and Betfair audit outcomes into the Crown Melbourne Audit Committee. Ms Manos confirmed that the Crown Resorts Foundation audit would be presented at the Crown Resorts Foundation Board. Mr Preston also noted that with the introduction of group audits, the issue of relevant reporting for the respective businesses was being reviewed. Ms Siegers undertook to review this issue and report back at the next Committee meeting. Prof. Horvath also enquired into Crown's Modern Slavery position, and if the Procurement Audit would take that into account. Ms Manos and Ms Siegers provided an update on the work currently underway with regards to Modern Slavery, and noted that the project would be reporting into the CSR Committee. It was also noted that a risk assessment had been completed which identified that the main area of risk for Crown is in its supply chain, where the current project is

focusing its efforts.

Material Risk Update

Mrs Siegers spoke to the Material Risk Update which was taken as read. The following specific points were discussed.

Mr Preston noted that the Southbank Investments and Riverbank Investments CBA accounts would be closed as of 6 December 2019. Mrs Korsanos enquired as to the next steps, and consideration for other overseas banks like HSBC. Mr Felstead noted that we use to have accounts with HSBC that are now closed. Mr Barton gave an update on the status of discussions with the big four local banks, noting that we maintained customer deposit accounts with ANZ however moving forward, the banks (as evidenced recently) will be carrying out an extended form of due diligence on Crown, particularly with respect to its AML framework.

Mr Felstead confirmed that the vote on the new Enterprise Agreement was expected to take place prior to the Christmas break.

Mr Barton provided an update on the Black Economy position, noting that the *Currency (Restrictions on the Use of Cash) Bill 2019* passed the House of Representatives in October, and was now subject to an inquiry being held by the Senate Economics Legislation Committee.

Mr Preston provided an update on the status of the VCGLR s25 recommendations, noting that all recommendations had and would continue to be addressed within the deadlines. The VCGLR has come back with questions on some of our responses which Crown was responding to. Mr Preston also noted that unlike previous years, the VCGLR was not writing to Crown and advising that recommendations were formally "closed". Mrs Korsanos noted that management should continue to engage with the VCGLR on this with a view to pursuing confirmation from the VCGLR that recommendations have been closed out, this was not an acceptable position, and once all matters had been completed and no follow up questions were being asked by the VCGLR, we should request closure of the matters. Mr Preston ~~further noted~~ did note that the questions being raised by VCGLR officers were at times well outside beyond the scope of recommendations that Crown had accepted however the Crown team continued to engage with the VCGLR in a positive manner to close out all outstanding matters.

Mr Preston noted that with respect to the issue of Crown Metropool combustible cladding Show Cause Notice, a paper would be provided to the Crown Resorts Risk Management Committee. He commented on the work to date, and the preemptive assessments being undertaken on the Promenade and Towers buildings.

Prof. Horvath enquired into the Dinner by Heston (DBH) matter. Mr Preston and Mr Felstead advised that they had recently met with senior representatives of DBH's team, and were unsatisfied with the information and plans provided by DBH. Crown's main priority was that DBH pay the outstanding amounts owed to DBH's staff, noting that this issue was still being assessed by the Fair Work Ombudsman. Mr Alexander enquired as to DBH's financial position. Mr Felstead noted that this specific question had been put to DBH and DBH would be writing to Crown ASAP regarding its financial position and its plan moving forward. Mr Preston and Mr Felstead noted that this matter is a priority with a decision to be made promptly once DBH sends its information through.

Ms Siegers noted that the Risk Appetite Dashboard on page 4 highlights the trigger of a number of reporting thresholds against the Board's Risk Appetite. All relevant

matters, being the forecast downgrade on the VIP business, the continued media activity and the imminent industrial action had been reported and escalated to the Board.

Corporate Risk Profile Review

Ms Siegers spoke to the Corporate Risk Profile Review which was taken as read.

Mrs Korsanos noted the value of using external input in to the Review, to help challenge our perspective.

Ms Siegers noted that the Corporate Risk Profile was under constant review throughout the year, and the Risk Map was presented in each Material Risk Update report and all events reported triggered an inherent review of the risk ratings. In any event, it is extremely valuable to at least on an annual basis carry out a review and provide extended focus to the Profile.

Prof. Horvath requested an update on the cyber security program. Mr Preston and Mr Barton noted that the Sapien trial was underway in Perth, with preliminary results expected pre-Christmas.

Prof. Horvath also enquired into the UK business and the implementation of the *General Data Protection Regulation (EU)*. Mr Barton noted that Aspinalls Management had performed a review which had given them assurance over their compliance.

The Committee noted the proposed changes and endorsed the updated version of the Corporate Risk Profile.

Delegation Policy – Proposed Update

Ms Siegers spoke to the Delegation Policy – Proposed Update paper and noted that as the Policy, which was approved by the Board mid-year, was being implemented, a number of small challenges were encountered, particularly around the requirement for Board approval of all contracts with 5 years or greater terms.

In this respect, in Victoria retail leases must have a term of at least 5 years, and in some IT contracts, perpetual licences were included as part of equipment purchases. Under the current Policy, this would require such contracts to go to the Board for approval. Amendments to the Policy have been made to address this for the Committee's consideration.

The Committee considered the proposed changes and agreed to recommend them to the Board for approval.

Mr Alexander noted that with the expected work being foreshadowed on the One Queensbridge site over the next few years, it was appropriate for the Project Team and specifically the One Queensland project, would fall within the Policy framework.

Other Business:

UNDER LEGAL PROFESSIONAL PRIVILEGE – Mr McGregor and Mr Preston provided a briefing on the external review of our payroll processes that began in May 2019 with the appointment of Deloitte. At that time, a number of matters were reported in the media with regards to underpayment of staff, and Crown decided to focus its review on ensuring its practices were effective.

The review is in three stages:

- Mapping approximately 1300 salaried position descriptions to relevant

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instruments or awards. MAPIEN has been appointed to conduct this mapping activity, which is approximately 50% completed.

- Once that mapping is completed, analytics will be performed between the awards or instrument requirements and the data collected over the past 6 months.
- As a final step, an in depth analysis will be conducted into any employee which reaches certain thresholds.

REDACTED - PRIVILEGE

Mr Felstead also noted that when issues were identified with Rockpool and DBH, Crown undertook a review of its own processes to ensure our practices were appropriate, did not match those reported.

The Committee discussed this approach and agreed with these processes and steps being undertaken.

Close:

The meeting closed at 15:24pm


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Mrs Korsanos - Chair



AGENDA ITEM 2:
Matters Arising



AGENDA ITEM 3:
Internal Audit

	Crown Melbourne Limited Audit Committee Agenda Item 3.1: Internal Audit Activity Report – FY20 January 2020
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1. Audits Completed In Reporting Period

1.1 Overview

In relation to the FY19 Strategic Audit Plan, the VIP Operations audit remains outstanding in draft report stage, finalising management comments.

In relation to the FY20 Strategic Audit Plan, three Crown Melbourne audits and one Group audit were completed during the current reporting period, being the second period of the Plan. Four Melbourne and three Group audits are currently in progress.

Internal Audit Report Ratings were as follows:

Type of Activity	Number of Audit Reports Issued	REPORT RATING ¹				
		Excellent	Good	Satisfactory	Improvement Required	Seriously Adverse
Melbourne Internal Audits	3	-	1	2	-	-
Group Internal Audits	1	-	-	1	-	-

3.1

Detail of internal audits completed during the period are as follows:

Audit	Audit Priority	Scope Overview	Report Rating	No. of Issues Raised ²
Melbourne Internal Audits				
ICS – Table Games Operations	High	Test compliance with VCGLR approved Internal Control Statement, ensuring adherence to approved minimum standards and controls.	Satisfactory	1 Mod 8 Low
ICS – Gaming Equipment	High	Test compliance with VCGLR approved Internal Control Statement, ensuring adherence to approved minimum standards and controls.	Good	5 Low
Employee Health Monitoring (Mahogany, Teak, Private Salon)	High	Consider the effectiveness of key controls in relation to the Employee Health Monitoring conducted within the Mahogany Room, Teak Room and Private Salons, and the level of compliance with internal procedure documents.	Satisfactory	2 Mod 3 Low 2 PIO*
Group Internal Audits				
Credit Card and Expense Reimbursement	High	Assess the adequacy and effectiveness of controls and processes in place to ensure purchasing cards are used appropriately and in accordance with Company Policy. Assess the adequacy and effectiveness of controls to ensure expense claims paid are valid, in accordance with Company Policy, and are supported by sufficient documentation.	Satisfactory	3 Mod 6 Low 1 PIO*

*PIO = Process Improvement Opportunity

¹ Refer to Appendix 1 for overall report rating definitions

² Refer to Appendix 2 for classification of Internal Audit Findings



1.1 Key Internal Audit Findings

There were no key Internal Audit findings (Critical and High) identified during the reporting period.

2. Strategic Internal Audit Plan

2.1 Summary of Progress against Plan

Strategically, the Internal Audit team has focused its efforts in the first half of the year on the large and more complex audits. This is resulting in the total numbers of audits completed and in progress appearing to be less than half of the total annual plan, but many of the audits that are yet to begin require small or moderate audit effort. At this stage, the internal audit function is planning on completing the plan.

A summary of FY20 Internal Audit Plan progress is as follows:

Type of Activity	F20 Audits Planned	Audits Completed	Audits in Progress	Audits Scheduled	Audits Cancelled	Audits Consolidated
Melbourne Internal Audits	16	3	3	9	0	1
Group Internal Audits	14	2	4	6	1	1

No audits have been consolidated or cancelled since the last report.

As previously reported:

- The Responsible Service of Alcohol audit has been consolidated with the Liquor Licensing audit.
- The Group audit that was cancelled is the Betfair audit which in FY20 was going to focus on AML practices. Betfair advised Internal Audit that this audit is now going to be undertaken by an external party at the request of the Crown Board. Betfair subsequently confirmed that no further assurance activities were required from Internal Audit during FY20.
- The Group audit that has been consolidated is the Crown Sydney – Accounts Payable / Project Payments audit. The accounts payable component is covered during the Accounts Payable audit and the project payments/capitalisation of costs was tested by Ernst & Young as part of the external audit. There may also be some coverage of projects as part of the expanded Procurement audit.
- The days allocated to the above cancelled and consolidated Group audits have been moved to the Group Procurement audit with a significant increase in scope and coverage from 30 days to 75 days.

3.1



2.2 Detailed Status of the FY20 Plan

The table below details the FY20 Internal Audit Plan and each audit's updated status.

FY20 Internal Audit Plan	Audit Priority	Audit Status	Overall Report Rating	Prior Report Rating	Change	No. Of Issues Raised
Melbourne Internal Audits						
ICS – Gaming Equipment	High	Complete	Good	FY15 Satisfactory	↑	5 Low
ICS – Table Games Operations	High	Complete	Satisfactory	FY17 Satisfactory	↔	1 Mod 8 Low
Mahogany Room, Teak Room and Private Salons Employee Health Monitoring	High	Complete	Satisfactory	N/A	N/A	2 Mod 3 Low 2 PIO
ICS – Cage Operations	High	In Progress (Draft Report)				
Liquor Licensing / Responsible Service of Alcohol	High	In Progress (Draft Report)				
Responsible Service of Alcohol	Critical	Consolidated into Liquor Licensing	-	-	-	-
VIP Gaming Area (Mahogany Room) Access and Membership	High	In Progress (Fieldwork)				
Transport – Aircraft Operations	Critical	In Progress (Fieldwork)				
Infectious Disease	High	Scheduled February 2020				
Cage and Count Operations	High	Scheduled March 2020				
ICS – Security Operations	High	Scheduled March 2020				
Food Safety	Moderate	Scheduled March 2020				
Accounts Payable	High	Scheduled April 2020				
Payroll	High	Scheduled April 2020				
Responsible Service of Gaming	Critical	Scheduled May 2020				
ICS – Surveillance and Security	High	Scheduled June 2020				

3.1



FY20 Internal Audit Plan	Audit Priority	Audit Status	Overall Report Rating	Prior Report Rating	Change	No. Of Issues Raised
Communications						
Group Internal Audits						
Counter-Terrorism	Critical	Complete	Excellent	N/A	N/A	3 PIO
Credit Card / Expense Claims	High	Complete	Satisfactory	N/A	N/A	3 Mod 6 Low 1 PIO
Compliance Framework	High	In Progress (Draft Report)				
Hotel Operations (Front Desk)	High	In Progress (Fieldwork)				
Procurement	High	In Progress (Fieldwork)				
Crown Sydney – Accounts Payable / Project Payments	High	Consolidated into Accounts Payable and Procurement				
Emergency Management / Disaster Recovery Management	High	Scheduled February 2020				
Credit Control (Group)	High	Scheduled May 2020				
Group Employee Licensing	Critical	Scheduled May 2020				
Anti-Money Laundering	Critical	Scheduled May 2020				
International Commission Business Sales	Critical	Scheduled June 2020				
Health & Safety	High	Scheduled June 2020				
Environmental Reporting	High	Scheduled May 2020				
Betfair	High	Cancelled	-	-	-	-

3.1

2.3 Additional Audit Activities

No additional audit activities were undertaken during the reporting period.



3. Status of Outstanding Internal Audit Findings

3.1 Crown Melbourne

The table below represents the number of outstanding Crown Melbourne audit findings as at 15 January 2020 and the time lag since the original due date. The total number of these outstanding audit findings has increased from 9 to 22, with 19 new findings added and 6 implemented. Further detail is provided in agenda item 2.2.

	Not Yet Due	< 1 Month	1 – 3 Months	4 – 6 Months	7 - 12 Months	13 – 24 Months	> 24 Months	Total
Critical	-	-	-	-	-	-	-	-
High	-	-	-	-	-	-	-	-
Moderate	3	2	-	-	-	-	1	6
Low	4	9	-	3	-	-	-	16
Total	7	11	-	3	-	-	1	22

The long overdue Moderate finding relates to the transition from Dropbox to ShareFile. IT and the Executive team have reviewed the matter and a path has been approved to address the residual risk.

The table below represents the number of outstanding Crown Melbourne Process Improvement Opportunity (PIO) recommendations as at 15 January 2020 and the time lag since the original due date. The total number of these outstanding PIOs has increased from 4 to 5, with 2 new PIOs added and 1 implemented.

	Not Yet Due	< 1 Month	1 – 3 Months	4 – 6 Months	7 - 12 Months	13 – 24 Months	> 24 Months	Total
PIO	2	-	-	1	-	2	-	5

3.2 Group

The table below represents the number of outstanding Group audit findings as at 15 January 2020 and the time lag since the original due date. The total number of these outstanding audit findings has decreased from 48 to 40, with 9 new findings added and 17 implemented.

Please note that some of the recommendations listed below may related to Crown Perth only, but are reported as part of the group audits under which they were identified.

3.1



	Not Yet Due	< 1 Month	1 – 3 Months	4 – 6 Months	7 - 12 Months	13 – 24 Months	> 24 Months	Total
Critical	-	-	-	-	-	-	-	-
High	-	3	-	-	-	-	-	3
Moderate	4	7	-	7	-	-	-	18
Low	4	6	1	8	-	-	-	19
Total	8	16	1	15	-	-	-	40

The table below represents the number of outstanding Group PIOs as at 15 January 2020 and the time lag since the original due date. The total number of these outstanding PIOs has decreased from 10 to 9, with 1 new PIO added and 2 implemented.

	Not Yet Due	< 1 Month	1 – 3 Months	4 – 6 Months	7 - 12 Months	13 – 24 Months	> 24 Months	Total
PIO	1	6	-	1	1	-	-	9

3.1

4. Additional Matters

The following items are to be completed / considered by Internal Audit Management during FY20:

- Data Analytics training and increased utilisation by the entire audit team;
- Internal and external quality assessment review of the Internal Audit function;
- Creation of an Assurance Map;
- Investigation into ongoing monitoring of Low risk areas; and
- Development of Crown Sydney Internal Audit structure and Plan.



Appendix 1 – Overall Report Rating Definitions

Excellent	Processes and controls are adequate and operating effectively to mitigate key risks. There are no opportunities for improvement.
Good	Processes and controls are adequate and operating effectively to mitigate key risks. There are minor opportunities for improvement in some areas.
Satisfactory	An adequate control framework exists to effectively mitigate key risks. There are opportunities for improvement in some areas.
Improvement Required	Although a control framework exists, a number of issues have been identified which require management attention.
Seriously Adverse	Key control issues have been identified which require immediate senior management attention.



Appendix 2 – Classification of Internal Audit Findings

The following framework for rating Internal Audit findings has been developed according to their likelihood of occurrence and impact on the business. For further detail refer to the Risk Management framework.

Almost Certain No controls in place or controls in place not operating	Moderate (8)	High (15)	High (18)	Critical (22)	Critical (25)
Likely Significant systemic control issues impacting risk mitigation	Low (4)	Moderate (10)	High (17)	High (20)	Critical (24)
Possible Minor systemic control issues	Low (3)	Moderate (9)	High (16)	High (19)	Critical (23)
Unlikely Non-systemic control efficiency and effectiveness issues	Low (2)	Low (6)	Moderate (11)	Moderate (13)	High (21)
Rare One-off and minor control issues	Low (1)	Low (5)	Low (7)	Moderate (12)	Moderate (14)
Likelihood Consequence	<p>Insignificant</p> <ul style="list-style-type: none"> Financial loss <\$1m. Issue of individual/Departmental significance. No adverse external reputational damage. Non-compliance requiring internal reporting only. Minor injury. No impact on culture and staff performance. No loss of staff. No or minimal impact to patrons, <1% segment, <1,000 or <\$4m revenue. No FOH damage. BOH issue managed within existing resources. Loss of key system <2 hours. Event managed through normal activity. Delay to short term strategic objectives. 	<p>Minor</p> <ul style="list-style-type: none"> Financial loss \$1m-5m. Isolated impact on investor confidence. Issue of company/property significance, reported on local radio or localised social media. Perceived or actual non-compliance that may require external reporting. No regulator action. Significant injury requiring medical assistance. Minimal impact of culture and loss of staff. Negative event impacting 1% to 5% or 1,000 to 5,000 patrons of a segment or \$20m revenue. FOH damage isolated, not impacting services. Loss of key system <8 hours Minimal management effort required in single business area. Short term strategy delivery impacted. 	<p>Moderate</p> <ul style="list-style-type: none"> Financial loss \$5m-10m. Some impact on investor confidence. Reported on local media or isolated national media. Temporary impact on integrity of Crown. Breach triggering external reporting or individual civil action. Potential regulatory monitoring. Serious injury requiring hospitalisation. Isolated impact on productivity, turnover and culture. Negative event impacting 5% to 20% or 5,000 to 20,000 patrons of a segment or \$40m revenue. Loss of <3 F&B outlets, <50% one hotel, <10% gaming floor for <24 hours. Loss of critical infrastructure, multiple systems, core infrastructure or key system for <24 hours. Significant management effort required, impacting multiple areas of the business. Short to medium term strategy delivery impacted. 	<p>Major</p> <ul style="list-style-type: none"> Financial loss \$10m-20m. General impact on investor confidence. Sustained reporting by national media. Reduced public perception on Crown integrity. Breach triggering regulator monitoring or intervention or corporate civil action. Relationship with regulator damaged. ASX disclosure made. Permanent disability. Sustained staff turnover. Cultural and performance impact at property. Negative event impacting 20% to 50% or 20,000 to 50,000 patrons of a segment or \$100m revenue. Loss of up to 1 hotel or 50% F&B; or up to 25% of the gaming floor for <48 hours. Loss of critical infrastructure, multiple systems, core infrastructure or key system for <48 hours. CMT/EMT activated. Significant management intervention required, impacting widespread areas of the business. Inability to deliver medium to long term strategy. Ownership change. 	<p>Severe</p> <ul style="list-style-type: none"> Financial loss >\$20m Widespread impact on investor confidence. Sustained reporting by international media. Loss of public confidence in Crown. Breach triggering restriction or loss of gaming/liquor licenses, class action or criminal sanctions. Permanent damage to relationship with regulator. ASX disclosure made. Fatality. Sustained high level of turnover. Cultural and performance impact across properties. Negative event impacting over 50% or 50,000 of a segment type or \$100m revenue Loss of >25% of the gaming floor; or >50% F&B or 1 hotel for >48 hours. Irrecoverable data loss. Loss of key/multiple systems or core infrastructure for >48 hours. Event with potential to lead to the collapse of the business. Threatens long term viability of the business. Change in ownership.

3.1

Agenda Item 2.2 - Crown Melbourne Recommendations

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
Contracts (ICS)	11-Sep-19	Incomplete Controlled Contracts Register and Deeds Register Contracts (ICS) FY20	Incomplete Controlled Contracts Register and Deeds Register	Moderate	<p>Compliance and Legal should work with Security, Surveillance and Gaming to ensure Crown have a complete list of all controlled contracts in both the Contracts Register and Deeds Register. The updated Registers must include a contract details including execution dates. The Contracts Register should also detail if an entity is a potential supplier.</p> <p>a) Compliance will include as much information pertaining to Controlled Contracts in its Contracts Register as possible, including where a formal contract has not yet been executed (or only via purchase orders). Compliance will work closer with Legal and the relevant business units to ensure the information in the Contracts Register and Deeds Register is accurate and analogous. It is noted that some contracts may be out of date and therefore only limited information is able to be ascertained from either Compliance's Contract Register or Legal's Deeds Register.</p> <p>a) Legal notes the findings and will, in conjunction with Compliance, work with Security, Surveillance and Gaming to ensure there is a complete list of all controlled contracts in the Compliance Contracts Register and in Legal's Deeds Register.</p> <p>b) Legal notes it is not always involved in the drafting of, or has not necessarily in the past, been provided with copies of finalised contracts, whether controlled or otherwise.</p>	Jan W Ilamson (LEGAL), Peter Pagounis (Compliance), Elizabeth Mackintosh (Compliance)	<p>November 2019</p> <p>1. Meeting held with Security, Surveillance and Gaming. Compliance has since worked closely with Legal, ensuring that new or varied controlled contracts have the required paperwork (entity form, organisational structure and F2Work) completed in advance of execution. The Standard Operating Procedures (due to be completed by 31/12/19) will include this process.</p> <p>2. Compliance is currently working with Security, Surveillance and Gaming to update the controlled contracts register which will be provided to Legal.</p> <p>3. Compliance will then work with Legal to cross-check the Deeds Register against the Controlled Contracts register.</p> <p>January 2020</p> <p>No feedback on status received from Compliance at the time of quarterly follow-up. Contact in Legal was on leave at the time quarterly follow-up procedures were performed.</p>	Overdue	30-Sep-19	31-Dec-19
		Incomplete re-assessment of controlled entities Contracts (ICS) FY20	Incomplete re-assessment of controlled entities	Low	<p>Compliance should continue to liaise with the controlled entity to ensure the re-assessment is completed in a timely manner. As stated in the SOPs, if the entity fails the requirements, the contract will be treated as having been objected to and will be rescinded as soon as is practicable. The VCGLR will also need to be advised of any such instances.</p> <p>a) Compliance will make clear in the Contracts SOPs that staff who already hold either a casino licence or a valid Crown ID will not be required to complete additional/probity checks (i.e. only contractors/employees of the entity required to work on-site at Crown who do not hold either a casino licence/Crown ID).</p> <p>b) Compliance will create a form that covers the above five points to send to relevant entities to update their details and report material changes (including variation to contract terms) to Compliance every five years so that there is no need to complete an entire re-assessment for those entities. This will also be made clear in the Contracts SOPs.</p> <p>c) Compliance will initiate a Compliance Alert for to review entities every five years as they fall due.</p>	Peter Pagounis (Compliance), Elizabeth Mackintosh (Compliance)	<p>January 2020</p> <p>No feedback on status received at the time of quarterly follow-up.</p>	Overdue	31-Dec-19	
		Out of date Standard Operating Procedures for contracts Contracts (ICS) FY20	Out of date Standard Operating Procedures for contracts	Moderate	<p>The current SOPs should be reviewed and updated to ensure compliance with the VCGLR approved ICS and in line with current practices. Assessment and re-assessment procedures that are operationally more efficient should be included in the updated document. The relevant business groups should be consulted to ensure all related parties are in agreement with the SOPs and the VCGLR will need to be notified of the changes to the SOPs.</p> <p>a) Compliance will update the Contracts SOPs extensively to cover the findings noted above. Compliance will work with the business units to ensure that early scoping is completed and in advance of contract execution. Execution should not occur until the Controlled Contract process is completed and the entity understands their requirements around Crown's Controlled Contract obligations – including the consequences of failing to comply with Crown's instructions, which may result in the repudiation of the contract and termination of the arrangement by Crown.</p> <p>b) The business units should work with Compliance to ensure a paperwork is returned by the stipulated deadline. Additionally, a CURA question will be added for the relevant business units to the effect: Have you altered any material terms or conditions of any contracts you manage?</p>	Peter Pagounis (Compliance), Elizabeth Mackintosh (Compliance)	<p>January 2020</p> <p>No feedback on status received at the time of quarterly follow-up.</p>	Overdue	31-Dec-19	
Gaming Equipment ICS Audit	17-Dec-19	Incomplete Standard Operating Procedures (SOPs) FY20 Gaming Equipment ICS	Incomplete Standard Operating Procedures (SOPs)	Low	<p>We recommend that Management update the SOPs to resolve the issue identified by Internal Audit. Management should also perform their own review to ensure all procedures are captured accurately and completely.</p> <p>Michael Sugrue – Gaming Integrity Manager – Table Games (December 2019)</p> <p>A proposed SOP amendment has been sent to Compliance to update the SOP to identify that only those cards that are supplied with bar codes (i.e. Baccarat & Blackjack cards, are verified against PCMS. All other cards are at the manual logs but not against PCMS as there are no bar codes supplied with these by the manufacturer to reconcile against in PCMS.</p>	Michael Sugrue (TG ADMIN)	<p>Not yet due, no follow-up performed.</p>	In Progress	31-Mar-20	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		Restriction of Access to Storage Areas FY20 Gaming Equipment ICS	Restriction of Access to Storage Areas	Low	We recommend that access is removed for the above two contractors. Additionally, swipe access should be reviewed regularly to ensure access is appropriately restricted. Simon Keane – Surveillance Technical Officer (December 2019) The Access Cards for the above two contractors have been deactivated since the day they were terminated. We are making an assumption that a Staff Entry Security Officer has incorrectly reactivated dormant accounts for the two persons named. However, the access has now been removed from the above two contractors. To mitigate this occurring in the future a) we will explore with Honeywell whether they can disable the function of reactivating dormant accounts at Staff Entry. This will force the card holder to re-instate their account through Compliance, which in turn will mean an active card is associated with an active account; and b) The Maintenance Department have provided A lance with a list of their staff currently holding a permanent Crown ID and have restated the probity requirements for any additional staff to be enrolled through iTrak as visitors.	Simon Keane (Surveillance)	January 2020 The task owner was on Annual Leave. Therefore, no feedback on status received at the time of quarterly follow-up	Overdue	31-Dec-19	
Indoor Air Quality Management Plan - Property Services	11-Sep-19	Re-testing of IAQ parameters not performed Indoor Air Quality FY20	Re-testing of IAQ parameters not performed	Low	We recommend the following a) Going forward, Property Services should have Crown locations re-tested as soon as is practicable if issues arise during AMS sampling. In the event of future voided testing, Crown will reschedule as soon as practicable rather than waiting for the next scheduled test period.	Jeremy Sampson (Capital Works Manager)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
Mahogany Room, Teak Room and Private Salon Rostering	18-Nov-19	Non-availability of a centralised database Mahogany Room, Teak Room and Private Salons Employee Health Monitoring FY20	Non-availability of a centralised database a)	Moderate	a) The H&S Department to maintain an accurate and complete listing of employees who can work in a DSA Tony Graham – Group General Manager – Health, Safety & Well being After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (H&W)	Not yet due, no follow-up performed.	Not Started	30-Jun-20	
			Non-availability of a centralised database b)	Moderate	The employee list should be regularly reviewed and approved by the relevant business units. Tony Graham – Group General Manager – Health, Safety & Well being After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (H&W)	Not yet due, no follow-up performed.	In Progress	30-Jun-20	
			Non-availability of a centralised database c)	Moderate	Introduce a process to inform the Health & Safety Department on resigned/terminated employees, transferred to other department and new employees; Tony Graham – Group General Manager – Health, Safety & Well being; After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (H&W)	Not yet due, no follow-up performed.	Not Started	30-Jun-20	
			Non-availability of a centralised database d)	Moderate	Reinforce the existing process of identifying employees who can work in a DSA. Tony Graham – Group General Manager – Health, Safety & Well being; After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (H&W)	Not yet due, no follow-up performed.	Not Started	30-Jun-20	
			Withdrawal from Exempt Area (DSA) Mahogany Room, Teak Room and Private Salons Employee Health Monitoring FY20	Withdrawal from Exempt Area (DSA)	Moderate	Internal Audit recommends the following a) Remove the identified employees from the H&S spreadsheet; and b) A formal process should be implemented to inform the H&S Department when an employee withdraws from working in a DSA. Tony Graham – Group General Manager – Health, Safety & Well being After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (H&W)	Not yet due, no follow-up performed.	Not Started	30-Jun-20

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		Employees undertaking the Occupational Physician Review and the Specialist Review after the due date Mahogany Room, Teak Room and Private Salons Employee Health Monitoring FY20	Employees undertaking the Occupational Physician Review and the Specialist Review after the due date	Low	We recommend that management ensure the employees Annual Health Assessments including Occupational Physician Reviews and Specialist Reviews are arranged on or before the due date. Tony Graham – Group General Manager – Health, Safety & Well being - After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track; and - Ongoing discussions with Provider to ensure contractual requirements around specialist availability are met.	Tony Graham (HS&W/C)	Not yet due, no follow-up performed.	In Progress	30-Jun-20	
		Coding used in Virtual Roster Mahogany Room, Teak Room and Private Salons Employee Health Monitoring FY20	Coding used in Virtual Roster	Low	Internal Audit recommends the following a) Introduce a suitable coding for those employees whose health assessments are pending due to escalation to the stage 2 and/or 3; and b) Consider introducing a separate code for those employees who are issued with a Grade 6 Conditional Certificates. Tony Graham – Group General Manager – Health, Safety & Well being - After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track; and - Ongoing discussions with Provider to ensure contractual requirements around specialist availability are met.	Tony Graham (HS&W/C)	Not yet due, no follow-up performed.	Not Started	30-Jun-20	
		Inconsistent databases Mahogany Room, Teak Room and Private Salons Employee Health Monitoring FY20	Inconsistent databases	Low	Internal Audit recommends a) The issues identified by the audit are rectified; b) All relevant department to reinforce the current process of updating their databases to improve data quality, consistency and accuracy; and c) Perform periodic audit of databases to ensure complete and accurate information is captured. Tony Graham – Group General Manager – Health, Safety & Well being After discussions with the Group Mgr - HR Performance & Systems at the commencement of the program, a decision was made that any system enhancements would occur by 30 June 2020. This was to ensure that any learning from the initial program period, were included. This plan remains on track.	Tony Graham (HS&W/C)	Not yet due, no follow-up performed.	Not Started	30-Jun-20	
Privacy Legislation	11-Sep-19	Dropbox Privacy FY19	Dropbox	Moderate	With the launch and roll out of ShareFile, current Drop Box access (a personal cloud storage service (sometimes referred to as an on the backup service) that is frequently used for file sharing and collaboration. Dropbox allows users with access to 'drop' documents into the account and access them remotely, or permits access to an individual with the Dropbox credentials, essentially bypassing Crown Melbourne's remote access protocols) users be migrated to ShareFile (and remote access requested, as required) and Dropbox access from Crown Melbourne disabled.	Craig Preston (Corporate IT Governance)	November 2018 Crown Melbourne employees are being transitioned from Drop Box to ShareFile. Employees are advised to transition to ShareFile as they appear on the DropBox user list which is generated on a monthly basis; 231 employees used DropBox during October 2018. Crown IT have stated this process requires business executive decision to block Dropbox access for employees. Crown IT will continue to highlight the risk to the business and transition employees to ShareFile with a long term view of disabling DropBox. May 2019 Crown Melbourne employees have been transitioned from Drop Box to ShareFile. DropBox will remain active as some information is maintained on dropbox. Crown IT have stated business executive decision is required to block DropBox access for all employees, until this decision is made DropBox will remain active. Crown IT will continue to highlight the risk to the business and transition employees to ShareFile with a long term view of disabling DropBox.	Overdue	31-Dec-17	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
				Low			<p>July 2019 Drop box is still open. IT will take direction from Internal Audit on next steps for this risk. Share file is available for staff to securely transmitt/receive files to and from external parties. IT Audit will conduct a review in August to compare Sharefile/Dropbox users.</p> <p>October 2019 A list of Dropbox users was provided to Internal Audit to review and to make recommendations. Post review IT will work with Internal Audit to facilitate.</p> <p>January 2020 Discussions with IT have revealed that Drop Box will remain open until Executive Management give approval to close it. Sharefile is available as an alternative preferred option to use.</p>			
Revenue Audit ICS	11-Sep-19	Incomplete Standard Operating Procedures Revenue Audit ICS FY19	Incomplete Standard Operating Procedures	Low	We recommend that management update the SOP's to resolve all issues identified by Internal Audit. Management should also perform their own review to ensure all procedures are captured accurately and completely. Edwin Aquino - Revenue Audit Manager: Agreed to update the SOP to resolve the issues identified above.	Edwin Aquino (Revenue Audit)	<p>October 2019 There are changes currently done in the ICS. Will address this recommendation after ICS is finalised.</p> <p>January 2020 Final Draft of the SOP was reviewed and returned to Compliance on 9 Jan 2020 for minor changes. Waiting for Karen (Compliance Department) to give back the final SOP.</p>	Overdue	30-Sep-19	
		Out of date Gaming System Audit - Daily Checklist Revenue Audit ICS FY19	Out of date Gaming System Audit - Daily Checklist	Low	Internal Audit recommends the checklist is reviewed and updated to accurately record the daily Gaming System Audit process. Edwin Aquino - Revenue Audit Manager: Agreed to align the ICS references of the Daily Checklist after the amendments in the SOP and ICS are done.	Edwin Aquino (Revenue Audit)	<p>October 2019 Pending finalisation of the ICS by Compliance.</p> <p>January 2020 SOP is still not finalised yet.</p>	Overdue	30-Sep-19	
		Restiction of Access to the Voucher Room Revenue Audit ICS FY19	Restiction of Access to the Voucher Room	Low	We recommend that access is removed for the above employees. Additionally, swipe access should be reviewed regularly to ensure access is appropriately restricted. Edwin Aquino - Revenue Audit Manager: Request to remove access of the above employees have been forwarded to Surveillance.	Edwin Aquino (Revenue Audit)	<p>October 2019 Request to remove swipe access submitted to Surveillance. Access control in July 2019. Will follow up.</p> <p>January 2020 [redacted] no longer have access to the Voucher Room. Following up on [redacted] access.</p>	Overdue	30-Sep-19	
Table Games Operations ICS Audit FY20	18-Nov-19	Independent verification and approval processes for Poker Charges Table Games Operations FY20	Independent verification and approval processes for Poker Charges	Material	Internal Audit recommends the following: a) Review the current Time Charge Collection Sheet and introduce a new format with additional provisions for the approver's signature, employment number and to record the verified amount of time charge collected, and b) Current verification and approval procedures for Poker Charges should be reinforced to all relevant employees. Matthew Christie - General Manager - Table Games Operations Poker Casino Manager will review current process for validity and where required, either reinforce or streamline to ensure risk is mitigated.	Matthew Christie (Table Games), David Devine (Table Games)	<p>Not yet due, no follow up performed.</p>	In Progress	31-Mar-20	
		One Way Chip Transfer Process Table Games Operations ICS FY20	One Way Chip Transfer Process	Low	Internal Audit recommends that One Way transfer steps should be complete and should not exceed the maximum limit when transferring chips from one table to another. Processes should be reinforced to all employees. Matthew Christie - General Manager - Table Games Operations. Noted.	Matthew Christie (Table Games)	<p>January 2020 No feedback on status received at the time of quarterly follow up.</p>	Overdue	31-Dec-19	
		Not updating the Electronic Assets Tracking System - Maximo Table Games Operations ICS FY20	Not updating the Electronic Assets Tracking System - Maximo	Low	Internal Audit recommends the following: a) Employees should be reminded of the correct procedures for asset transfers as per the SOP; and b) The Asset tracking system - Maximo to be updated to accurately record the movement of table games assets. Matthew Christie - General Manager - Table Games Operations. Noted.	Michael Sugrue (IG ADMIN), Matthew Christie (Table Games)	<p>January 2020 The task owner was on Annual Leave. Therefore, no feedback on status received at the time of quarterly follow up.</p>	Overdue	31-Dec-19	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		Table Activation and Deactivation Process Table Games Operations ICS FY20	Table Activation and Deactivation Process	Low	Internal Audit recommends the following a) Casino Managers should arrange for deactivated plaques to be secured to the identified tables; b) Casino Managers should remind staff that all tables physically present on the gaming floor must always have either a TLN or a deactivated plaque secured to the table; c) The correct status of all tables including table movement should be correctly recorded in Syco; and d) It is required to check and ensure that all TLN reports show correct status in Syco. Matthew Christie – General Manager – Table Games Operations Noted. Continued reinforcement of required processes to occur.	Ma thew Christie (Table Games)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
		Incomplete Standard Operating Procedures (SOPs) Table Games Operations ICS FY20	Incomplete Standard Operating Procedures (SOPs)	Low	We recommend that management update the SOPs to resolve all issues identified by Internal Audit. Management should also perform their own review to ensure all procedures are captured accurately and completely. Matthew Christie – General Manager – Table Games Operations Noted. SOP review underway with compliance.	Ma thew Christie (Table Games)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
		Key signatures missing from Chip Purchase Vouchers (CPVs) Table Games Operations ICS	Key signatures missing from Chip Purchase Vouchers (CPVs)	Low	We recommend that current approval process should be reinforced to all relevant employees. Matthew Christie – General Manager – Table Games Operations Noted.	Ma thew Christie (Table Games)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
		Replacement of Damaged Playing Cards Table Games Operations ICS FY20	Replacement of Damaged Playing Cards	Low	Internal Audit recommends following a) Introduce a uniform process when denaturing of damaged cards removed from tables. Matthew Christie – General Manager – Table Games Operations Denature process has been revisited and deemed appropriate. Reinforcement of procedure has occurred with operations team.	Ma thew Christie (Table Games)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	

Agenda Item 2.2 - Group Recommendations

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
Complimentaries #10/19	11-Sep-19	AS - Authorisation and Application of Comp Privileges	AS - Authorisation and Application of Comp Privileges a)	Low	Internal Audit recommends the following a) A consistent process should be adopted between Crown Melbourne and Crown Perth to obtain comp privileges in SyCo and the comp priv leges assigned should be based on a pre-approved template for employee roles. This should eliminate the need for separate comp priv lege authorisations as any additional privileges should trigger an update to the employee role template subsequent to obtaining Management approval. Alan McGregor, Chief Financial Officer – Australian Resorts a) Management beieves the current process for obtaining comp priv leges is adequate in both properties. A project is already underway in Crown Perth to move towards a role based approach in alignment with the aud t recommendation.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	31-Oct-19	31-Oct-19
		AS - Comp Privilege Design and Restriction	AS - Comp Priv lege Design and Restriction b)	Low	Internal Audit recommends the following b) Consideration should be given to restricting comp priv leges at Crown Perth based on spend lim ts per comp type (patron / non-patron) rather than by authorised outlets. Alan McGregor, Chief Financial Officer – Australian Resorts b) This w ll be considered by management.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Jun-19	30-Sep-19
			AS - Comp Priv lege Design and Restriction c)	Low	Internal Audit recommends the following c) Management should adopt a consistent approach across Crown Melbourne and Crown Perth with respect to the use of Comp Cards at in-house outlets. Consideration should be given to the associated risks highlighted by the audit to determine whether the use of Employee ID Cards or separate Comp Cards are the optimal approach. Alan McGregor, Chief Financial Officer – Australian Resorts c) This will be considered by management.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Jun-19	30-Sep-19
		AS - Design of Group Comps and SyCo Comp Voucher Functions	AS - Design of Group Comps and SyCo Comp Voucher Functions a)	Moderate	Internal Audit recommends the following a) Management should implement a requirement for Group Comps above a prescribed threshold value to be approved before processing in the system (i.e. before the transactions are split between patron accounts), including the names of patrons to whom the transaction/s will be allocated. Alan McGregor, Chief Financial Officer – Australian Resorts a) Noted and agreed.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Jun-19	30-Sep-19
			AS - Design of Group Comps and SyCo Comp Voucher Functions b)	Moderate	Internal Audit recommends the following b) Management should investigate the feasibility of enhancing the transparency of current Group Comp functionality to allow for relevant comps reflected in individual patron accounts to be traced to the original Group Comp where applicable. Alan McGregor, Chief Financial Officer – Australian Resorts b) Noted and agreed.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Jun-19	30-Sep-19
		AS - Impaired Review Capability Over Comp Appropriateness	AS - Impaired Review Capab lity Over Comp Appropriateness a)	Moderate	Internal Audit recommends the following a) Management should identify all sources of comp imentary transactions and ensure that an adequate audit trail and reporting exists to isolate these transactions for a complete periodic, independent review for appropriateness. Alan McGregor, Chief Financial Officer – Australian Resorts a) Management and use of PM / PZ accounts will be reviewed with a view to improving controls and reporting with respect to these accounts.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Jun-19	30-Sep-19
			AS - Impaired Review Capab lity Over Comp Appropriateness b)	Moderate	Internal Audit recommends the following b) Management should consider designating an independent resource to monitor and analyse for appropriateness and potential misuse the comp spend across Australian Resorts on a continual basis. Alan McGregor, Chief Financial Officer – Australian Resorts b) Management beieves reporting and analysis can be enhanced using existing resources. The extent and nature of add tional work required w ll be considered and subsequently implemented.	Alan McGregor (Executive - CRO)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up.	Overdue	30-Sep-19	30-Sep-19
		CM - Lack of Enforcement of Comp Limits	CM - Lack of Enforcement of Comp Limits a)	Low	Internal Audit recommends the following a) Management should periodically review the adequacy of comp limits assigned to staff. Matthew Luttick, Financial Control ler – Crown Melbourne a) Limits are periodically reviewed by management. A review will be conducted this financial year.	Matthew Luttick (FIN ADMIN)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to sti l be in progress at the time of quarterly follow-up. Confirmed should be completed by 30/11/2019.	Overdue	30-Jun-19	30-Sep-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
Credit Card and Expense Claims (Group) FY20	20-Dec-19	Timeliness of Processing and Approval of Card Transactions - Credit Card and Expense Claims FY20	Timeliness of Processing and Approval of Card Transactions a)	Moderate	a) Internal Audit recommends that Crown Perth adopt the use of "Concur" to manage expenses. Vasula Kessell, Financial Controller – Crown Perth a) The implementation of Concur or other expense management system will be discussed further with Senior Manager with consideration to suitability and effort to implement.	Vasula Kessell (Finance)	Not yet due, no to low-up performed.	Not Started	30-Jun-20	
			Timeliness of Processing and Approval of Card Transactions b)	Moderate	b) Finance Management should reiterate the Company Policy requirements in relation to cardholders coding tax invoices and management approving transactions in a timely manner. Vasula Kessell, Financial Controller – Crown Perth b) Agree. An email will be distributed to all Cardholders and Approvers reiterating the Company Policy requirements. Matthew Luttick, Financial Controller – Crown Melbourne b) Agree. An email will be distributed to all Cardholders and Approvers reiterating the Company Policy requirements.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Timeliness of Processing and Approval of Card Transactions c)	Moderate	c) Finance Management should introduce an escalation process where information remains outstanding after a pre-determined timeframe. Vasula Kessell, Financial Controller – Crown Perth c) Agree. An escalation process will be implemented where appropriate. Matthew Luttick, Financial Controller – Crown Melbourne c) Agree. An escalation process will be implemented where appropriate.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Timeliness of Processing and Approval of Card Transactions d)	Moderate	d) Where an ongoing noncompliance is identified, appropriate disciplinary action should be taken (including the removal of a Card), as outlined in the Company Policy. Vasula Kessell, Financial Controller – Crown Perth d) The removal of a Card may not be practical. Accordingly, disciplinary action will be taken at the discretion and in consultation with the Executive General Manager. Matthew Luttick, Financial Controller – Crown Melbourne d) This will depend on the individual circumstances and decisions made in accordance with discussions with the relevant GM / EGM.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
Credit Card Expenditure - Credit Card and Expense Claims FY20		Credit Card Expenditure	Credit Card Expenditure a)	Moderate	a) Finance Management should reiterate the Card Company Policy requirements in relation to prohibited credit card transactions and submitting supporting tax invoices. Vasula Kessell, Financial Controller – Crown Perth a) Agree. An email will be distributed to all Cardholders and Approvers reiterating the Company Policy requirements. Matthew Luttick, Financial Controller – Crown Melbourne a) Agree. An email will be distributed to all Cardholders and Approvers reiterating the Company Policy requirements.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Credit Card Expenditure b)	Moderate	b) An education piece on the nature and classification of CAPEX items should be developed and distributed to all existing cardholders and new cardholders moving forward. Vasula Kessell, Financial Controller – Crown Perth b) Agree. The nature and classification of CAPEX items will be reiterated. Matthew Luttick, Financial Controller – Crown Melbourne b) I do not believe this issue requires an education piece given prevailing compliance with policy.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Credit Card Expenditure c)	Moderate	c) A process to provide adequate audit trail for complimentary expenses incurred on cards should be developed and communicated to cardholders. The process could require the cardholder to record a company number in the expense management system. Vasula Kessell, Financial Controller – Crown Perth c) Agree. The complimentary expenses process will be reiterated in conjunction with the email correspondence on Purchasing Card Company Policy requirements. Matthew Luttick, Financial Controller – Crown Melbourne c) I do not believe this is necessary as long as the required information is recorded in Syco.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			Credit Card Expenditure e)	Moderate	e) Finance Management should reiterate the requirements of all related Company Policies including the Casino Employee Licence Payment Policy, Travel Policy and Group Procurement Policy. Vasula Kessell, Financial Controller – Crown Perth e) Agree. All related Company Policies will be reiterated in conjunction with the email correspondence on Purchasing Card Company Policy requirements.	Vasula Kessell (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
		High Value Purchases - Credit Card and Expense Claims FY20	High Value Purchases a)	Moderate	a) Finance Management should reiterate the Card Company Policy requirements in relation to obtaining pre-approval for purchases of any single item costing more than \$2,500 (\$10,000 VIP) excluding GST and retaining evidence of approval. Vasula Kessell, Financial Controller – Crown Perth a) Agree. An email will be distributed to all Cardholders and Approvers reiterating the Company Policy requirements. Matthew Luttick, Financial Controller – Crown Melbourne a) Policy will be amended as the requirement to provide evidence of approval is not considered necessary given other controls in place.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			High Value Purchases b)	Moderate	b) Finance Management should implement a process of following up with any cardholders who have incurred single purchases of more than \$2,500 (\$10,000 VIP) without prior approval to advise them of the breach to Company Policy. Vasula Kessell, Financial Controller – Crown Perth b) Agree. Matthew Luttick, Financial Controller – Crown Melbourne b) Policy will be amended as the requirement to provide evidence of approval is not considered necessary given other controls in place.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			High Value Purchases c)	Moderate	c) Finance personnel implement a process to identify and follow-up potential split transactions to bypass the purchase / credit card limits. Vasula Kessell, Financial Controller – Crown Perth c) The effort required would yield minimal benefit. Instead, the requirements will be reiterated to Cardholders and Approvers. Matthew Luttick, Financial Controller – Crown Melbourne c) The effort required would yield minimal benefit. Instead, the requirements will be reiterated to Cardholders and Approvers.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			High Value Purchases d)	Moderate	d) Finance Management should consider applying transactional or daily limits to cardholders up to the purchase limit of \$2,500. The limit can be amended upon approval as per the Company Policy requirements. Vasula Kessell, Financial Controller – Crown Perth d) This may not be practical whilst a Cardholder is away. Instead, the transactions are reviewed retrospectively to not hinder operations. Matthew Luttick, Financial Controller – Crown Melbourne d) All cards have a monthly limit which we believe is sufficient.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	January 2020 No response received during periodic to low-up.	Overdue	20-Dec-19	
			High Value Purchases e)	Moderate	e) The Policies should be updated to include commentary on the loan of cards to other employees, with a restriction on this practice to employees who already hold a card. Vasula Kessell, Financial Controller – Crown Perth e) Agree. Matthew Luttick, Financial Controller – Crown Melbourne e) Agree.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
		Cancellation of Redundant Credit Cards and System Access - Credit Card and Expense Claims FY20	Cancellation of Redundant Credit Cards and System Access a)	Low	a) Internal Audit recommends that Crown Perth Finance Management implement a process to proactively monitor and identify cardholders that have terminated employment or have taken an extended period of leave to terminate or suspend card access in NAB Connect and update the expense management system and registers accordingly. Vasula Kessell, Financial Controller – Crown Perth a) Agree. On a quarterly basis the Assistant Accountant will send a list of current cardholders to Payroll to validate if any have been terminated or are on a Leave of Absence.	Vasula Kessell (Finance), Rishi Gunasee (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Cancellation of Redundant Credit Cards and System Access b)	Low	b) Internal Audit recommends that Crown Melbourne rectify the specific issues noted in the finding. Matthew Luttick, Financial Controller – Crown Melbourne b) Agree. Will be actioned.	Matthew Luttick (FIN ADMIN), Rishi Gunasee (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		Company Policies - Credit Card and Expense Claims FY20	Company Policies	Low	Internal Audit recommends that the Credit Card Policy, Purchasing Card Policy and Petty Cash and Employee Reimbursement Company Policy is reviewed and updated accordingly, including any updates identified as a result of the audit findings. Vasula Kessell, Financial Controller – Crown Perth Agree. The Purchasing Card Policy and Petty Cash & Employee Reimbursement Company Policy will be reviewed and updated. Matthew Luttick, Financial Control ler – Crown Melbourne Policies will be reviewed and updated as required.	Vasula Kessell (Finance), Matthew Luttick (FIN ADMIN)	Not yet due, no to low-up performed.	Not Started	30-Jun-20	
		G Drive Access - Credit Card and Expense Claims FY20	G Drive Access a)	Low	a) Internal Audit recommends that Finance Management consult with IT Service Centre to revoke or amend access to the G Drive as per the audit findings. Colin Lam, Senior Financial Accountant – Crown Perth a) Action will be taken to remove employees who do not require access to the NAB card folder. Matthew Luttick, Financial Control ler – Crown Melbourne a) Action will be taken to remove employees who do not require access to the NAB card folder. (Rishi Gunasee identified as the responsible person)	Colin Lam (Finance), Matthew Luttick (FIN ADMIN), Rishi Gunasee (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			G Drive Access b)	Low	b) Internal Audit recommends that Finance Management direct IT Operations to redefine the security groups and permissions currently configured for each of the Finance sub folders on the G Drive to effectively manage access. Matthew Luttick, Financial Control ler – Crown Melbourne b) Agreed, will action by due date. (Rishi Gunasee identified as the responsible person).	Matthew Luttick (FIN ADMIN), Rishi Gunasee (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
		Card Administration - Credit Card and Expense Claims FY20	Card Administration a)	Low	a) Finance Management should implement a process of scanning hardcopy documentation and maintaining all other documentation in relevant folders on the G Drive. It is noted that at Crown Perth all application forms are also maintained in hardcopy, and although a I were located for testing purposes, Management should also consider whether documents should be scanned and stored electronically. Colin Lam, Senior Financial Accountant – Crown Perth a) New application forms will be scanned and saved in a secured folder. Matthew Luttick, Financial Control ler – Crown Melbourne a) Agreed.	Colin Lam (Finance), Imogen Cakebread (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Card Administration b)	Low	b) The Credit Card Administrator should rectify a I exceptions noted relating to the Credit Card Register. Matthew Luttick, Financial Control ler – Crown Melbourne b) Agreed.	Imogen Cakebread (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
			Card Administration d)	Low	d) Finance Management should liaise with the Legal department to determine the privacy processes required at Crown Melbourne when collecting employee identification. Matthew Luttick, Financial Control ler – Crown Melbourne d) Agreed.	Imogen Cakebread (Finance)	Not yet due, no to low-up performed.	Not Started	31-Mar-20	
Crown Rewards (Lifestyle Spend) #07/19	11-Sep-19	AS - Hotel Point Accruals	AS - Hotel Point Accruals (1)	Moderate	1) The transaction code spreadsheet to be reviewed by Hotel Finance Management and in consultation with Crown Rewards Management determine whether the codes have been correctly flagged in Opera. Mark Kelly, Group General Manager – Loyalty & Rewards 1) Eligible transaction codes are necessary but it's overly complex for staff to understand for manual points allocation. Such rates that would be eligible for points/frequent flyer points (FFPs) should be (Opera) system generated. Eligible rates means rooms that have not been booked through third party online retailers, such as Expedia.com, wotif, Agoda, Hotels.com, HotelsCombined, Booking.com, Priceline, etc. or bookings that are not wholesale packages or series tours regardless of booking source. Points or FFPs are also not awarded for fractions of a dollar spent, or for spend on tax, GST, service charge, food and beverage charged to room, telephone charges, laundry, in-room movies, gratuities or other hotel incidentals. A patron may not collect both Crown Rewards points and FFPs for the same stay, except during special promotions or offers. A 50% hit rate on the audit test transactions indicates a potential high rate of 'double dipping'. If the hit rate is any indicator, Crown would be incurring a not insignificant financial impost. Recommend additional training to mitigate double-dipping and for employees to better understand eligible charges (Hotels to update Rewards Memberships Rules – Group Loyalty & Rewards team to validate).	Mark Kelly (Crown Rewards)	November 2019 While I have raised this issue with Hotels, I have neglected to circle back with them about this issue. I recommend for Audit consideration to extend the target action date until the end of the calendar year. January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	30-Sep-19	30-Sep-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			AS - Hotel Point Accruals (2)	Moderate	<p>2) Once the review has been done, changes need to be documented and forwarded to Group Business Systems to correct Opera (if need be).</p> <p>Mark Kelly, Group General Manager – Loyalty & Rewards</p> <p>2) Eligible transaction codes are necessary but it's overly complex for staff to understand for manual points allocation. Such rates that would be eligible for points/frequent flyer points (FFPs) should be (Opera) system generated. Eligible rates means rooms that have not been booked through third party online retailers, such as Expedia.com, wotif, Agoda, Hotels.com, HotelsCombined, Booking.com, Priceline, etc. or bookings that are not wholesale packages or series tours regardless of booking source. Points or FFPs are also not awarded for fractions of a dollar spent, or for spend on tax, GST, service charge, food and beverage charged to room, telephone charges, laundry, in-room movies, gratuities or other hotel incidentals. A patron may not collect both Crown Rewards points and FFPs for the same stay, except during special promotions or offers. A 50% hit rate on the audit test transactions indicates a potential high rate of 'double dipping.' If the hit rate is any indicator, Crown would be incurring a not insignificant financial impost. Recommend additional training to mitigate double-dipping and for employees to better understand eligible charges (Hotels to update Rewards Memberships Rules – Group Loyalty & Rewards team to validate).</p>	Mark Kelly (Crown Rewards)	<p>November 2019 While I have raised this issue with Hotels, I have neglected to circle back with them about this issue. I recommend for Audit consideration to extend the target action date until the end of the calendar year.</p> <p>January 2020 No feedback on status received at the time of quarterly follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
			AS - Hotel Point Accruals (3)	Moderate	<p>3) The approved spreadsheet should be retained and attached as part of the SOPs for Hotels. This will ensure that the Business Unit and other relevant departments are aware of the transactions that do and do not qualify for points.</p> <p>Mark Kelly, Group General Manager – Loyalty & Rewards</p> <p>3) Eligible transaction codes are necessary but it's overly complex for staff to understand for manual points allocation. Such rates that would be eligible for points/frequent flyer points (FFPs) should be (Opera) system generated. Eligible rates means rooms that have not been booked through third party online retailers, such as Expedia.com, wotif, Agoda, Hotels.com, Hotels Combined, Booking.com, Priceline, etc. or bookings that are not wholesale packages or series tours regardless of booking source. Points or FFPs are also not awarded for fractions of a dollar spent, or for spend on tax, GST, service charge, food and beverage charged to room, telephone charges, laundry, in-room movies, gratuities or other hotel incidentals. A patron may not collect both Crown Rewards points and FFPs for the same stay, except during special promotions or offers. A 50% hit rate on the audit test transactions indicates a potential high rate of 'double dipping.' If the hit rate is any indicator, Crown would be incurring a not insignificant financial impost. Recommend additional training to mitigate double-dipping and for employees to better understand eligible charges (Hotels to update Rewards Memberships Rules – Group Loyalty & Rewards team to validate).</p>	Mark Kelly (Crown Rewards)	<p>November 2019 While I have raised this issue with Hotels, I have neglected to circle back with them about this issue. I recommend for Audit consideration to extend the target action date until the end of the calendar year.</p> <p>January 2020 No feedback on status received at the time of quarterly follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
AS - Manual Adjustments to Points (SYCO)		AS - Manual Adjustments to Points (SYCO) (1)	AS - Manual Adjustments to Points (SYCO) (1)	Low	<p>1) In consultation with the relevant Business Units, Crown Rewards Management to formulate a hierarchy of delegated authority that authorises employees with access to issue points up to a certain value before requiring Management approval. This should be workflowed through SYCO.</p> <p>Mark Kelly, Group General Manager Loyalty & Rewards</p> <p>1) Concur with above findings and recommendations</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth)</p> <p>1) Perth already has a delegated hierarchy which is reflected in the access provided to employees. The access that already exists cannot be removed as this will disable their ability to void promotional entries and redemptions. We do have a SOP which supports the process that employees need to follow. Gaming Machines does monthly audits on points adjustments.</p>	Melissa Smith (Gaming Machines)	<p>January 2020 No response received during periodic follow-up.</p>	Overdue	31-Dec-19	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			AS - Manual Adjustments to Points (SYCO) (2)	Low	<p>2) Reports to be developed to track authorisations of point issuance including reasons codes after setting authority levels in SYCO for manual point adjustments.</p> <p>Mark Kelly, Group General Manager Loyalty & Rewards 2) The limit in Melbourne for a single manual points adjustment before the need for a second authoriser is too high (@ \$5,000). Perth has no second authoriser. This is especially critical given the inadequate processes for creating and vetting gifted points. There is also no way for consumers of gifted points reporting to detect whether any low value manual points allocations over a long term have been undertaken – the sort of transactions that might go under the radar. Recommend adjustments to delegations as follows: any manual points adjustments over 50,000 points be authorised by the Head of Loyalty & Rewards, and any over 250,000 be authorised by the Group General Manager Loyalty & Rewards.</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth) 2) To determine feasibility and will work towards incorporating non-gaming adjustments into the existing G0007 report.</p>	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up.	Overdue	31-Dec-19	
			AS - Manual Adjustments to Points (SYCO) (3)	Low	<p>3) The reports should be reviewed for anomalies and potential fraudulent activity, with evidence of review over these exception reports maintained where possible.</p> <p>Mark Kelly, Group General Manager Loyalty & Rewards 3) The Group General Manager Loyalty & Rewards has no oversight over which employees have been provided access and why. Given the very large number of employees that access and ability to issue manual points adjustments, it appears controls are ineffective as there should only be a relatively small group of appropriately senior managers should make final decisions. In addition, a workflow authorisation control should be considered if changes to systems to disable access to certain employee roles or groups would compromise their ability to perform other tasks.</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth) 3) Reports will be audited in line with current monthly audits conducted by Compliance & Performance Manager – Gaming Machines.</p>	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up.	Overdue	31-Dec-19	
			AS - Manual Adjustments to Points (SYCO) (4)	Low	<p>4) Until implementation of the above, the current list of employees having access to manually adjust points should be reviewed for both properties.</p> <p>Mark Kelly, Group General Manager Loyalty & Rewards 4) Concur with above findings and recommendations</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth) 4) The employees having access is appropriate and has been assessed.</p>	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up.	Overdue	30-Sep-19	31-Dec-19
			AS - Manual Adjustments to Points (SYCO) (5)	Low	<p>5) The current list of approvers set in SYCO for Crown Melbourne to be assessed for appropriateness and IT should be advised to remove users identified by the audit for Crown Perth who should not have access in SYCO to manually adjust points.</p> <p>Mark Kelly, Group General Manager Loyalty & Rewards 5) The Group General Manager Loyalty & Rewards has no oversight over which employees have been provided access and why. Given the very large number of employees that access and ability to issue manual points adjustments, it appears controls are ineffective as there should only be a relatively small group of appropriately senior managers should make final decisions. In addition, a workflow authorisation control should be considered if changes to systems to disable access to certain employee roles or groups would compromise their ability to perform other tasks.</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth) 5) The employees having access is appropriate and has been assessed.</p>	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	30-Sep-19	30-Sep-19
			AS - Manual Adjustments to Points (SYCO) (6)	Low	<p>6) The G0007 report needs to be checked for correctness to ensure every manual point adjustment is captured. Separate reports on Gaming and Non-Gaming manual point adjustments should be developed, circulated to relevant Management and evidence of review over these reports maintained (Crown Perth).</p> <p>Meissa Smith, Operations Manager – Gaming Machines (Crown Perth) 6) To determine feasibility and will work towards incorporating non-gaming adjustments into the existing G0007 report.</p>	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	30-Sep-19	30-Sep-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		AS - Manual Adjustments to Status Credits in LUI	AS - Manual Adjustments to Status Credits in LUI (1)	Low	1) The appropriateness of employees having access to issue SCs manually needs to be reviewed and amendments made accordingly. Mark Kelly, Group General Manager Loyalty & Rewards 1) Concur with above findings and recommendations.	Mark Kelly (Crown Rewards)	November 2019 Loyalty Operations has commenced this review. I will revert with a status update by 18/11/19. I recommend for Audit consideration to extend target date until the end of the calendar year. January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	30-Sep-19	31-Dec-19
		AS - Manual Adjustments to Status Credits in LUI (2)	AS - Manual Adjustments to Status Credits in LUI (2)	Low	2) The possibility of having reports generated from LUI should be investigated. Reports on SCs issued with person issuing, number of SCs and reason codes should be circulated to Management for review. Mark Kelly, Group General Manager Loyalty & Rewards 2) Manual adjusting SCs such that a member upgrades tiers brings with it a cost to Crown. While there is no ability to generate reports out of CC2 / LUI, we have an ineffective control in the oversight of the manual issuance of Status Credits.	Mark Kelly (Crown Rewards)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
		AS - Manual Adjustments to Status Credits in LUI (3)	AS - Manual Adjustments to Status Credits in LUI (3)	Low	3) The option of having approvals set up in LUI should be investigated and implemented across Properties. Mark Kelly, Group General Manager – Loyalty & Rewards 3) The number and profile of employees that have the ability to manually adjust SC is too broad to be without oversight.	Mark Kelly (Crown Rewards)	January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-19	
	AS - New Member Sign Ups	AS - New Member Sign Ups	AS - New Member Sign Ups	Low	Internal Audit recommends that the ID requirements for signing up new members should be re-emphasised to all relevant employees. Mark Kelly, Group General Manager – Loyalty & Rewards 1) Failing to obtain Appropriate ID (Crown Rewards Program Rules, 6.19 Definitions) could result in Crown Resorts failing to meet its KYC obligations under AML/CTF regulations. 2) Loyalty & Rewards has initiated three initiatives designed to both improve customer experience and mitigate the opportunity for non-compliant collection of ID by Crown employees. The initiatives will be development and deployed in phases over the next 12 months a. Registration via LUI b. New sign-up process via App incorporating eKYC processes provided by third-party vendor. The opportunity to employ inline ID validation services at time of scan could improve regulatory compliance and a low Crown to accept non-translated foreign ID (where they can be validated/verified) c. The phasing out of Engage App in favour of LUI on mobile (to be developed) 3) Training of Crown frontline employees is an integral part of mitigating the opportunity for non-compliant collection of ID. 4) Note re Perth finding – not obtaining a Primary ID is acceptable so long as two forms of acceptable secondary ID are obtained.	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	30-Sep-19	30-Sep-19
	AS - Non-Gaming Manual Point Adjustments	AS - Non-Gaming Manual Point Adjustments (1)	Moderate	1) The option of entering SYCO comments in cases where points have been added manually should be considered. This may prevent points being added twice on the same transaction and provide an easy point of reference in cases where queries may arise from the patrons. Mark Kelly, Group General Manager – Loyalty & Rewards 1) Concur with the above findings and recommendations.	Mark Kelly (Crown Rewards)	November 2019 This initiative has not yet been prioritised with IT. With the launch of Crown Sydney and reboot of the existing program now scheduled for October 2020, there is a current agreed and prioritised list of Loyalty Initiatives with IT that extends to December 2020 without contingency. Given the low risk of this issue and the manual controls that exist (reports reviewed by two team), I recommend for Audit consideration to change the target action date of this finding to end calendar year 2020.	Not Started	30-Sep-19	31-Dec-20	
	AS - Non-Gaming Manual Point Adjustments (2)	AS - Non-Gaming Manual Point Adjustments (2)	Moderate	2) A communication piece be circulated to the outlets to ensure that the Manual Point Adjustment Forms are forwarded to Crown Rewards team on a timely basis so that points are added in a timely manner. Mark Kelly, Group General Manager – Loyalty & Rewards 2) Revised SOPs for processing manual points adjustments for Hotels should be drafted without delay and those employees with authority to process should be trained (Loyalty Operations backoffice).	Mark Kelly (Crown Rewards)	November 2019 This finding has not been actioned. IT raise with Loyalty Operations and revert with a plan by 18/11/19. I recommend for Audit consideration to extend target date until the end of the calendar year. January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	30-Sep-19	30-Sep-19	
	AS - Non-Gaming Manual Point Adjustments (3)	AS - Non-Gaming Manual Point Adjustments (3)	Moderate	3) The Manual Points Adjustment Form to be introduced in Crown Perth. Outlets should be made to fill this form, attach the receipt and direct the patron to the Crown Rewards Desk for adding points. The Manual Points Adjustment Form should be retained for a period of time before archiving consistent with Crown Melbourne practice. Melissa Smith, Operations Manager – Gaming Machines 3) The implementation of the Form will be locked into.	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	30-Sep-19	30-Sep-19	

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			AS - Non-Gaming Manual Point Adjustments (5)	Moderate	5) The SOP or rate information which contains the details of the transactions that are eligible for points in Opera should be made available to the Crown Rewards team (please refer to finding #4 "Hotel Point Accruals" below). Meissa Smith, Operations Manager – Gaming Machines 5) We will liaise with Hotels team once the SOP has been finalised.	Melissa Smith (Gaming Machines)	January 2020 No response received during periodic to low-up. 07/11/2019 No response received during periodic to low-up.	Overdue	30-Sep-19	30-Sep-19
		AS - Point Balances held in Crown Connect (CC2) and SYCO	AS - Point Balances held in Crown Connect (CC2) and SYCO	Low	Internal Audit recommends that continuous efforts should be made to resolve the differences noted above. Vivien Pine, Senior Group Manager EDA The Enterprise Reporting team are working with Group Gaming to re-sync the historical mismatches above. When patrons earn/redeem points the message will automatically be resent from Syco to CC2 and therefore correct themselves. Efforts are being rationalised to re-sync enrolled patrons first, and then move on to non-enrolled patrons if need be.	Mark Kelly (Crown Rewards)	Vivien Pine - Group Head of Data Governance has updated Internal Audit with % of completion of the task for both properties - Melbourne and Perth. Accordingly, the task has not yet been completed. January 2020 No feedback on status received at the time of quarterly follow-up.	Overdue	30-Sep-19	
		CP - Crown Spa	CP - Crown Spa (1)	Low	1) A communication piece be sent out to Crown Rewards team on the process to be followed where another department is requesting patron points history in order to carry out their duties. If necessary relevant SOP / Policy needs to be implemented. Meissa Smith, Operations Manager Gaming Machines 1) Consultation was held with Legal and opinion sought on the discounts. We are of the view that discounts should be applicable to those accompanied by Crown Rewards members as applicable in F&B and Hotels. A Policy needs to be developed on this. Crown Spa & Leisure Manager will draft the Policy. Gaming Machine employees follow procedures when releasing patron information to other departments.	Pummy Sherpa (Crown Spa)	November 2019 Discussions with Pummy Sherpa (Spa Manager) confirmed that the policies had been drafted but were awaiting review. Agreed a revised implementation date of 31 December 2019. 09/01/2020 Internal Audit did not receive a response from Management during the to low-up period.	Overdue	30-Sep-19	31-Dec-19
Employee Licensing #02/19	11-Sep-19	AS - Access to Gaming Related Data Without Holding a Crown Perth Casino Employee Licence	AS - Access to Gaming Related Data Without Holding a Crown Perth Casino Employee Licence b)	High	A cross-functional working group with representatives from HR, Finance, IT and Legal and Compliance should be established to implement a suitable solution. The working group should consider the following i) whether the access rights should be revoked in LUI, Salesforce and Corporate Data Warehouse until such time as the user holds a Casino Employee Licence; ii) system solutions to automate the access and maintenance of access of non-Crown Perth employees; iii) interim measures to maintain access, including consideration of a consistent naming convention to ensure that user access can be traced to a unique employee identification number; and iv) review of processes to grant access to ensure that all relevant systems that require a Casino Employee Licence request the user complete a System Access Form and record their Casino Employee Licence number. Consideration should also be given as to whether this should be validated as correct by a delegated Payroll Officer prior to authorising access. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource.	Overdue	31-Mar-19	31-Dec-19
		AS - Dual Licensing Framework for Group Licensed Functions and Departments	AS - Employees in a Group Licensed Department that do not hold a Crown Perth Casino Employee Licence a)	High	The Working Group develop and implement a process to ensure that licensing requirements are considered for all Group departments and functions that would be considered to be related to or in support of Casino gaming operations. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	January 2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. October 2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. July 2019 Human Resources Manager (Tarita Neal) advised that the requirements would be covered off as part of the Employee Licensing Policy which should be done by 30/09/2019.	Overdue	31-Mar-19	31-Dec-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		AS - Duplicate User Accounts with Access to Gaming Related Data	AS - Duplicate User Accounts with Access to Gaming Related Data	Low	We recommend that the Working Group consider the feasibility of implementing a global identification procedure, to eliminate the multiple active employee identification accounts across properties. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up.	Overdue	30-Jun-19	31-Dec-19
		AS - Generic User Accounts with Access to Gaming Related Data	AS - Generic User Accounts with Access to Gaming Related Data	Moderate	We recommend that the Working Group consider whether the Salesforce generic user account should be removed and Salesforce support users be granted an individual login after obtaining a Casino Employee License. The Working Group should also consider any generic accounts used in other key gaming related systems. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Dec-18	31-Dec-19
		AS - Licensing Framework for Employees in Group Licensed Roles	AS - Employees in Group Licensed Roles that do not hold a Crown Perth Casino Licence b)	High	The Working Group develop and implement a process to ensure that licensing requirements are considered for a I group roles. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Mar-19	31-Dec-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		AS - Configuration of Salesforce Security Profiles to Limit Access to Gaming Related Data that is not Required in Job Role	CP - Configuration of Salesforce Security Profiles to Limit Access to Gaming Related Data that is not Required in Job Role a)	Moderate	The working group investigate the security in which permissions are granted and limit access to Crown Perth patron data where feasible. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the owner of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Mar-19	31-Dec-19
			CP - Configuration of Salesforce Security Profiles to Limit Access to Gaming Related Data that is not Required in Job Role b)	Moderate	Once security has been reviewed (recommendation a), Management enforce that all users with access to Crown Perth patron data, either directly or indirectly, obtain a Casino Employee Licence. Tarita Neal, Human Resources Manager Agree.	Tarita Neal (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Salesforce security (recommendation a) has not yet been addressed. July 2019 Discussion with Human Resources Manager revealed that a Policy on Employee Licensing will be implemented to cover off all areas identified in this audit.	Overdue	30-Jun-19	31-Dec-19
		AS - Terminated Employees with Access to Gaming Related Data	AS - Terminated Employees with Access to Gaming Related Data b)	Moderate	The working group should consider (i) the feasibility of automating termination of system access rights, including Contractors; (ii) interim measures to maintain access, including consideration of a consistent naming convention to ensure that user access can be traced to a unique employee identification number; and (iii) covering access rights of Crown Melbourne employees and Contractors in the current access reviews carried out by Corporate IT Governance. The systems currently covered by the reviews, namely Syce, Ttrak and IGT Advantage, should also be reviewed for adequacy. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the owner of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up.	Overdue	31-Mar-19	31-Dec-19
		CP - Access to Gaming Related Data that was no longer Required in Current Job Role	CP - Access to Gaming Related Data that was no longer Required in Current Job Role a)	Moderate	Once developed, the report should be distributed by Payroll to relevant parties, including IT Service Centre, on an agreed frequency. Hilary Van Tonder, Payroll Manager Agree. Once the report is developed, we will liaise with IT Service Centre to confirm an agreed frequency to distribute the report.	Hilary Van Tonder (Finance)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Report has not yet been developed (recommendation b). July 2019 No response received from Payroll Manager. Date pushed back to 30/09/2019. 29/04/2019 At the request of the Payroll Manager, this task has been pushed back to 30/06/2019.	Overdue	01-Dec-18	31-Dec-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			CP - Access to Gaming Related Data that was no longer Required in Current Job Role b)	Moderate	A report should be developed to identify where a Casino Employee Licence or Casino Key Employee Licence is cancelled as a result of the employee no longer working in support of Casino operations. Hilary Van Tonder, Payroll Manager Agree. We will liaise with the PeopleSoft HR team to develop a report to identify where a Casino Employee Licence is cancelled.	Hilary Van Tonder (Finance)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Internal Audit discussed with the Payroll Manager (Hilary Van Tonder) and the Senior ERP Specialist (Praveen Kumar Vankatesan) who advised that the item was still in progress. July 2019 No response received from the Payroll Manager. Pushed back to 30/09/2019. 29/04/2019 At the request of the Payroll Manager, this task has been pushed back to 30/06/2019.	Overdue	01-Dec-18	31-Dec-19
			CP - Access to Gaming Related Data that was no longer Required in Current Job Role c)	Moderate	When Cancelled Licence Report is developed, the report should be actioned by IT Service Centre to ensure that access is removed in the event the user no longer holds a valid Casino Employee Licence or Casino Key Employee Licence. Pri Dias, Group Senior Manager Delivery Once developed, IT Service Centre will action the report in Syco, Scantek, LUI and / or IGT Advantage. Any other system that is defined as a gaming system with licensing requirements will need to be discussed in the working group to identify and agree which teams will be removing access to each system.	Pri Dias (Corporate IT Services)	09/01/2020 This task is dependent on completion of recommendation a) which is currently outstanding. 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up. This is dependent on completion of another task sitting with Payro I. 01/05/2019 This item is pending completion of another task and has been pushed back accordingly. July 2019. As per the Group Senior Manager Delivery (Pri Dias), once developed, IT Service Centre will action the report in SYCO, Scantek, LUI / or IGT Advantage. Any other system that is defined as a gaming system with licensing requirements will need to be discussed in the working group to identify and agree which teams will be removing access to each system.	Overdue	01-Jan-19	31-Mar-20
			AS - Access to Gaming Related Data that was no Longer Required in Current Job Role d)	Moderate	The working group should consider whether a notification process is required where an employee is transferring departments or roles that require a change to system access. Damir Kucan, Executive General Manager Human Resources Agree.	Damir Kucan (HR Operations)	7/01/2020 Discussion with Damir Kucan (EGM HR) revealed that further analysis by the Legal Department has recommended that a dedicated resource be the 'owner' of employee licensing in Perth. A presentation will be made to the Perth Executive to determine implementation of the recommendation. The implementation of the audit recommendation will then be the responsibility of the dedicated resource. 25/10/2019 Discussions with Damir Kucan (EGM HR) and representatives from HR, Finance, IT, Legal and Compliance confirmed that interim procedures have been implemented to ensure the objective of licensing employees is being met. More complete measures, in line with the recommendations, is in progress and a project lead will be nominated to manage the implementation of a I recommendations. 22/07/2019 No feedback on status received at the time of quarterly follow-up	Overdue	31-Dec-18	31-Dec-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		CP - Business Operations Team Members that do not hold a Casino Key Employee Licence	CP - Business Operations Team Members that do not hold a Casino Key Employee Licence	Moderate	We recommend that the licensing process be initiated for the members of the Crown Perth Business Operations Team that do not hold a Casino Key Employee Licence. Taria Neal, Human Resources Manager Agree.	Taria Neal (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Discussions with the HR Manager (Taria Neal) and Senior Payroll Officer - Compliance (Amanda Cunningham) revealed that 2 of the audit exceptions (Stanley Yeap and Michael Altier) had not yet been licensed. July 2019 The Human Resources Manager (Taria Neal) advised that a Group Policy will cover off these requirements. Most of the BOT members have been licensed. The Policy is expected to be completed by 30/09/2019. January 2019 Discussions with the HR Manager (Taria Neal) revealed that further discussions were in progress with an expected completion date of 31/03/2019 and Senior Payroll Officer - Compliance (Amanda Cunningham) confirmed that the licensing was in progress with an expected completion date of 31/03/2019.	Overdue	31-Oct-18	30-Sep-19
		CP - Use of the Project Coordinator Role to Circumvent the Requirement to hold a Crown Perth Casino Employee Licence upon Commencement	CP - Use of the Project Coordinator Role to Circumvent the Requirement to hold a Crown Perth Casino Employee Licence upon Commencement c)	Moderate	Employees should be terminated or put on a mandatory Leave of Absence if they continue to be employed with Crown Perth in a licensed role but have not made reasonable or timely effort to obtain a Casino Employee Licence which is a requirement to work. Jacqui Williams, Senior Human Resources Manager Further discussions will be held with relevant stakeholders to consider how best to monitor and enforce licensing requirements as per the audit recommendations.	Jacqui Williams (Human Resources), Taria Neal (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Discussions were held with the HR Manager (Taria Neal) and Senior Payroll Officer (Waima Prinsloo) and it was agreed that Payroll would create a monthly report tracking the time staff are employed under the role of Project Coordinator to be monitored by the HRMs. Implementation to be verified at next follow up. 19/07/2019 No feedback received in response to quarterly follow-up. 01/05/2019 No response was received at the time of follow-up. The target date has been pushed back for reporting purposes. 11/01/2019 Confirmed with HR Management that this task is still in progress.	Overdue	31-Oct-18	30-Sep-19
Marketing Promotions FY19	13-Sep-19	Audit Trail and Document Retention - Marketing Promotions FY19	Audit Trail and Document Retention a)	Low	a) Marketing Management in Crown Melbourne and Crown Perth should formalise the process / control requiring circulation of a summary email to all attendees at the conclusion of quarterly plan meetings. These emails should have the plan attached as agreed and summarise any key action plans arising from the meetings. Management should also ensure that once implemented, this control forms part of documented procedures / process maps and are retained for audit trail purposes. Jones Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kalaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne a) Gaming Marketing (and Events) has been utilising this process for all quarterly plans since FY19 and will continue as recommended. Sean Goh, Head of Gaming Marketing – Crown Perth and Carter McVines, Head of Non-Gaming Marketing – Crown Perth a) We agree with the proposed recommendation.	Sean Goh (Marketing), Carter McVines (Marketing), Jones Teo (Marketing), Astrid Kalaher (Marketing), Greta Smith (Marketing)	January 2020 No response received during periodic to low-up. 07/11/2019 Crown Perth - The business has informed that this item is complete. The planning cycle is now every 4 months (11/12/19). From 12, we will be saving the email along with our quarterly plan in the file server for easy access in the future. Crown Melbourne - No response received during periodic follow-up.	Overdue	30-Sep-19	30-Sep-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			Audit Trail and Document Retention b)	Low	<p>b) Marketing Management in Crown Melbourne and Crown Perth should assess the approval requirements for artwork and collateral, ensuring that those necessary (from both Marketing personnel and other stakeholders) are highlighted in documented procedures / process maps, and an adequate, consistent audit trail is maintained to evidence each of these approvals for every promotion / campaign. Specific consideration should be given to evidencing those approvals that cannot be captured in Workfront.</p> <p>Jose Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kelaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne</p> <p>b) We will work with the Systems team to ensure that approvals are captured in Workfront. For approvals from non-Workfront stakeholders, a filing system in central project folders will be adhered to.</p> <p>Sean Goh, Head of Gaming Marketing – Crown Perth and Carter McVines, Head of Non-Gaming Marketing – Crown Perth</p> <p>b) We will review the approval matrix and ensure all approvals are captured in Work front.</p>	<p>Sean Goh (Marketing), Carter McVines (Marketing), Jose Teo (Marketing), Astrid Kelaher (Marketing), Greta Smith (Marketing)</p>	<p>January 2020 No response received during periodic to low-up.</p> <p>07/11/2019 Crown Perth - The business has informed that this item is complete. A generic approval matrix is incorporated in our tactical updated process map for collateral. Workfront is up and running and used by tactical teams. We will review the approval process from time to time to adjust for any circumstances not currently capture in Workfront. Crown Melbourne - No response received during periodic follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
			Audit Trail and Document Retention c)	Low	<p>c) Marketing Management in Crown Melbourne should enforce that all evidence of review and approval of T&Cs and "Proposition Copies" by the Compliance and Legal departments respectively must be obtained in writing and retained for audit purposes.</p> <p>Jose Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kelaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne</p> <p>c) We will work with Compliance and Legal to ensure this is provided.</p>	<p>Jose Teo (Marketing), Astrid Kelaher (Marketing), Greta Smith (Marketing)</p>	<p>January 2020 No response received during periodic to low-up.</p> <p>07/11/2019 No response received during periodic to low-up.</p>	Overdue	30-Sep-19	30-Sep-19
			Audit Trail and Document Retention d)	Low	<p>d) Marketing Management in Crown Melbourne and Crown Perth should assess current document retention practices to ensure all key documentation that demonstrates compliance with internal policies and processes, as well as regulatory requirements is centrally retained, where practicable. Where not practicable, the other departments involved must be aware of documentation retention requirements so that the information in question may be easily located and accessed upon request.</p> <p>Jose Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kelaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne</p> <p>d) Key documentation will be retained electronically via a central project filing system where within our scope. Other departments will be informed formally to ensure this is adhered to as well.</p> <p>Sean Goh, Head of Gaming Marketing – Crown Perth and Carter McVines, Head of Non-Gaming Marketing – Crown Perth</p> <p>d) We agree with the recommendation. We will decide on documentation to retain for 12 months and inform all departments involved formally to ensure the information is retained for a period of 12 months.</p>	<p>Sean Goh (Marketing), Carter McVines (Marketing), Jose Teo (Marketing), Astrid Kelaher (Marketing), Greta Smith (Marketing)</p>	<p>January 2020 CP - A list of documents to be retained for 12 months for legal review will be prepared. This should be completed by 31 Jan 2020. CM - No response received during periodic follow-up.</p> <p>07/11/2019 Crown Perth - 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up. We have an initial discussion with Claude Marais from Legal. Marketing will document a set of documents, where practicable to be retained, for compliance and audit trail purposes. We will then revert to Legal for feedback. Crown Melbourne - No response received during periodic follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
		Trade Promotion Lottery Requirements - Marketing Promotions FY19	Trade Promotion Lottery Requirements	Low	<p>Internal Audit recommends that Marketing Management in Crown Melbourne and Crown Perth, in consultation with the Legal and Compliance departments, perform a detailed review of the TPL conditions corresponding to their domain. The purpose of this review will be to identify conditions where requirements are open to interpretation (including those identified by the audit) and to determine an effective approach for demonstrating compliance, including maintenance of a consistent audit trail for all future TPLs. Where applicable, consideration should be given to incorporating the agreed approach as part of the relevant Marketing process documents.</p> <p>Joe Scaringi, General Manager Marketing – Crown Melbourne A process is currently in place, where we work back with the Legal team to agree on where key TPL information is and isn't required on promotional collateral. We'll continue to refine this to ensure compliance. We will also revise procedures to ensure we show evidence of how long winners' names are displayed for and how, where and how long for winners' details are kept for.</p> <p>Kelly Townson, General Manager Marketing – Crown Perth We will consult Legal on this finding. Where practicable, related draws to Trade Promotion Lotteries will be performed in the public to ensure proper witness. Where impracticable, we will seek Legal advice and implement an agreement of process going forward.</p>	<p>Joe Scaringi (GAM MKTG), Kelly Townson (Marketing)</p>	<p>January 2020 Item 15 on TPL guidelines; documents to be kept for TPL. A list of documents to be retained for 12 months for legal review will be prepared. This should be completed by 31 Jan 2020. Item 16; draw to be witnessed by public if practicable. If not, to maintain sufficient records for RGL inspection, for impracticable draws, there will be witnessing by Ops, Marketing and a rep from Legal/compliance and audit. Records will be kept as per point one above. CM - No response received during periodic follow-up.</p> <p>07/11/2019 Crown Perth - 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up. We will continuously review and seek Legal feedback with regards to document retention as per above. We will document process where a public draw is not practice and ensure proper witness internally by objective teams. Crown Melbourne - No response received during periodic follow-up.</p>	Overdue	30-Sep-19	30-Sep-19



Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		Testing of IT Components - Marketing Promotions FY19	Testing of IT Components a)	Low	<p>a) Crown Melbourne and Crown Perth Management should consider formalising the need to consider all IT components impacted by a promotion for testing purposes. This could be included as a prompt in the departmental process documentation and / or Checklists etc. The objective is to ensure that all systems that may impact the effective operation of the promotion / campaign are identified and considered for testing as appropriate.</p> <p>Josies Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kelaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne</p> <p>a) We will include prompts in campaign checklists as recommended to ensure all relevant IT components are flagged for testing.</p> <p>Sean Goh, Head of Gaming Marketing – Crown Perth and Carter McVines, Head of Non-Gaming Marketing – Crown Perth</p> <p>a) We will review all promotions and review IT components which are required for testing with IT and the product team.</p>	<p>Sean Goh (Marketing), Carter McVines (Marketing), Josies Teo (Marketing), Astrid Kelaher (Marketing), Greta Smith (Marketing)</p>	<p>January 2020 CP - a recommendation is currently being documented to have an agreement of what can be tested vs those that cannot be tested. This document will be circulated back to Internal audit and will be filed as our on going procedure by 31 Jan 2020. CM - No response received during periodic follow-up.</p> <p>07/11/2019 Crown Perth - 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up. We will start documenting all IT processes that we are using and decide with IT which ones require testing and evidence of testing and which one does not. Crown Melbourne - No response received during periodic follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
			Testing of IT Components b)	Low	<p>b) For all IT components relevant to a promotion, evidence of testing completed and acceptance by the relevant representatives (at least Marketing and IT) should be retained. Where warranted, due to extent and / or complexity of testing required, a formal test plan for the IT component should be drafted, agreed, executed and signed off appropriately.</p> <p>Josies Teo, Head of Gaming Marketing – Crown Melbourne, Astrid Kelaher, Head of Non-Gaming Marketing – Crown Melbourne and Greta Smith, Head of Events & Entertainment – Crown Melbourne</p> <p>b) We will work with the IT teams to ensure that a robust test and sign-off plan is captured and recorded formally.</p> <p>Sean Goh, Head of Gaming Marketing – Crown Perth and Carter McVines, Head of Non-Gaming Marketing – Crown Perth</p> <p>b) We will review areas where we require a sign-off plan by all teams.</p>	<p>Sean Goh (Marketing), Carter McVines (Marketing), Josies Teo (Marketing), Astrid Kelaher (Marketing), Greta Smith (Marketing)</p>	<p>January 2020 CP - a recommendation is currently being documented to have an agreement of what can be tested vs those that cannot be tested. This document will be circulated back to Internal audit and will be filed as our on going procedure by 31 Jan 2020. CM - No response received during periodic follow-up.</p> <p>07/11/2019 Crown Perth - 07/11/2019 This item was confirmed to still be in progress at the time of quarterly follow-up. We will start documenting all IT processes that we are using and decide with IT which ones require testing and evidence of testing and which one does not. Crown Melbourne - No response received during periodic follow-up.</p>	Overdue	30-Sep-19	30-Sep-19
Social Media #32/19	11-Sep-19	AS - Decreased Transparency Through Group Logins	AS - Decreased Transparency Through Group Logins b)	Low	<p>Internal Audit recommends the following</p> <p>b) Marketing Management in Crown Melbourne and Crown Perth should coordinate with Table Games Management (Melbourne and Perth) and Security Management (Perth only) to ensure adequate oversight is maintained from a Marketing risk and control perspective.</p> <p>Michael Lusich, Manager Digital & Social Media – Crown Melbourne and Susannah Malcolm, Marketing Manager Digital & Social Media – Crown Perth</p> <p>b) We agree with the audit recommendation raised.</p>	<p>Ilena Charykova (Marketing), Sally Luplau ()</p>	<p>November 2019 This item was confirmed to still be in progress at the time of quarterly follow-up. Crown Perth - Establishing meeting with the Table Games and Security Management teams to establish oversight of accounts.</p> <p>November 2019 Crown Melbourne - Regular WIPs have been set up with Table Games Management to ensure adequate oversight.</p> <p>January 2020 Crown Perth - Still in progress, establishing a meeting with team to establish oversight of accounts.</p>	Overdue	30-Sep-19	31-Dec-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			AS - Decreased Transparency Through Group Logins d)	Low	<p>Internal Audit recommends the following</p> <p>d) Marketing Management in Crown Melbourne and Crown Perth should investigate and implement a feasible solution that will allow for the enhanced transparency and accountability of users for all Crown related Instagram, Twitter and YouTube accounts for monitoring purposes.</p> <p>Michael Lusich, Manager Digital & Social Media – Crown Melbourne and Susannah Malcolm, Marketing Manager Digital & Social Media – Crown Perth</p> <p>d) For channels where individual logins are not possible (e.g. YouTube), use of a Social Media Management tool (e.g. Salesforce / Social Studio) will be explored where access can be created at a user level.</p> <p>Alicia Sabato, Group Digital & Brand Manager– Crown Hotels</p> <p>d) Access to the Crown Hotels Instagram and YouTube accounts will be limited to two staff members who oversee social media as part of their roles.</p>	<p>Iлона Charykova (Marketing), Alicia Sobato (), Susannah Malcolm (CUSTMKTGP)</p>	<p>December 2019 - Crown Melbourne and Crown Perth (Marketing)</p> <ul style="list-style-type: none"> - This has been investigated and Salesforce's Social Studio will be used for platforms that require a master login (rather than individual user logins) - The only exception is Instagram. As though we can publish Feed content via Facebook's Creator Studio or Salesforce's Social Studio, publishing Instagram Stories is not yet possible outside of the mobile app due to restrictions in the Instagram API. For this reason, selected users will still need to be able to access the app via a shared password. Any content posted will still go through the required approvals as outlined in the current Content Posting process. - The attached Social Media Users Audit process has been updated as per the above. - Social Media teams are using this process, and training will be carried out in January for external teams. <p>January 2020 - Crown Hotels</p> <ul style="list-style-type: none"> - A new starter is joining the team next week; and - The departments portfolios will be restructured slightly to ensure the team are in line with only having 2 dedicated members with access. 	Overdue	31-Dec-19	
		AS - Policies and Procedures	AS - Policies and Procedures a)	Low	<p>Internal Audit recommends the following</p> <p>a) Human Resources (HR) Management in Crown Melbourne should review the current HR Social Media Policy and update as required. Additionally, through consultation with HR in Crown Perth and other relevant department representatives (Marketing etc.), a Group HR policy should be implemented and uploaded to the Crown Melbourne and Crown Perth intranet sites.</p> <p>Gen Arnold, Group Manager Gender Equity</p> <p>a) The Crown Melbourne HR Social Media Policy is currently under review. The review will incorporate Crown Resorts (Head Office), Crown Sydney and Capital Club into the scope. In future this policy will be streamlined across to Crown Perth to become a Group policy.</p>	Gen Arnold (HR Admin)	<p>October 2019</p> <p>Gen Arnold confirmed that the HR Social Media Policy was currently under review and the update anticipated to be completed by end of November 2019.</p>	Overdue	30-Sep-19	31-Dec-19
			AS - Policies and Procedures b)	Low	<p>Internal Audit recommends the following</p> <p>b) Group relevant guidelines detailing the protocols and controls surrounding the creation of new social media accounts should be developed and uploaded to the Crown Melbourne and Crown Perth intranet sites.</p> <p>Michael Lusich, Manager Digital & Social Media – Crown Melbourne and Susannah Malcolm, Marketing Manager Digital & Social Media – Crown Perth</p> <p>b) The Crown Melbourne and Perth Social Media teams accept these findings. Both teams will work with the relevant parties to review current internal social media policies, identify any gaps and implement these as group policies. Staff will be notified of the relevant revised documentation, including via a staff alert and the documentation made available on the respective intranet sites as appropriate.</p>	<p>Iлона Charykova (Marketing), Sally Luplau ()</p>	<p>November 2019</p> <p>This item was confirmed to still be in progress at the time of quarterly follow-up.</p> <p>Crown Perth - Formal procedures are in progress. Drafts have been written and need formal approval.</p> <p>November 2019</p> <p>Crown Melbourne - Confirmed complete and on Compass (CM intranet).</p> <p>January 2020</p> <ul style="list-style-type: none"> - Documentation is complete in line with group procedures. - Document to be added to Crown Click (CP intranet). 	Overdue	30-Sep-19	30-Sep-19
		CM - Existing Users with Inappropriate Access	CM - Existing Users with Inappropriate Access	Low	<p>Internal Audit recommends that a formal periodic review be implemented across the group to check the appropriateness of access assigned to all Crown social media accounts.</p> <p>Michael Lusich, Manager Digital & Social Media – Crown Melbourne</p> <p>We will work with the relevant teams to ensure correct user access is granted across all accounts and that processes are implemented around the removal of access for terminated employees.</p> <p>Alicia Sabato, Group Digital & Brand Manager– Crown Hotels</p> <p>Crown Hotels acknowledges and accepts the recommendations. A review will need to be conducted to ensure the appropriate users have the correct level of access and this outline is easily accessible and always up to date. A new process will also need to be put in place to ensure that any role or personnel changes trigger immediate action.</p>	<p>Iлона Charykova (Marketing), Alicia Sobato ()</p>	<p>October 2019 - Marketing, Crown Perth</p> <p>Confirmed completed as part of quarterly follow-up.</p> <p>Record implemented and documented in the Social Register.</p> <p>October 2019 - Marketing, Crown Melbourne</p> <p>This process was set up as outlined in the docs sent previously, and will be completed at the beginning of each trimester.</p> <p>October 2019 - Crown Hotels</p> <p>Meerah, our Digital & Brand Executive, has commenced discussions with the Resorts team as to how we can clean this up. She has identified names who should be removed and has requested for levels of access to be altered.</p> <p>January 2020 - Crown Hotels</p> <p>A meeting is scheduled with Melbourne Marketing next week to go through access.</p>	Overdue	30-Sep-19	30-Sep-19



Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
Visa Management #08/19	11-Sep-19	457 Sponsorship Requirements and Obligations	CM - 457 Sponsorship Requirements and Obligations b)	Moderate	Liaise and consult with the Immigration Agent to implement a record keeping process in compliance with the Privacy Company Policy and DHA obligations. Jacinta Cubillo, HR Manager – IR and HR Support Agree, discussion to be held with BDO to work out a process.	Gen Arnold (HR Admin)	January 2020 We are currently undertaking visa workshops (HR and Risk) to ensure all areas of risk are mitigated as best as possible. We have also (Dec 2019) re-appointed our immigration provider (BDO) after a tender process so will be working with them to further strengthen all areas of visa management, including record management etc. October 2019 Discussions with Gen Arnold (Group Manager Gender Equity) revealed that HR Support now have access to BDO online portal where documents can be shared between Crown and BDO only. However, record keeping is still in discussion due to ongoing immigration agent tender process. July 2019 No response received upon follow-up. May 2019 Discussions have commenced with BDO. HR Support now have access to BDO online portal where documents can be shared between Crown and BDO only. Record keeping is still in discussion.	Overdue	31-Mar-19	31-Dec-19
			CP - 457 Sponsorship Requirements and Obligations e)	Moderate	Crown Perth should develop and document a process and responsibilities to ensure that the DHA is not filed within 28 calendar days of business changes such as changes to Crown's Directors. Jacqui Williams, Senior HR Manager Senior HR Manager to include requirement to update the DHA of business changes in the Visa Company Policy.	Jacqui Williams (Human Resources), Katrina Finlen (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Discussions were held with Katrina Finlen (HR Manager) who advised item is still in progress. 19/07/2019 No feedback received in response to quarterly follow-up. 01/05/2019 No response received upon follow-up. Target date pushed back for reporting purposes.	Overdue	31-Mar-19	30-Sep-19
			CP - 457 Sponsorship Requirements and Obligations f)	Moderate	Management should liaise with the relevant Immigration Agent to develop an ongoing training program on visa management to be delivered to all relevant employees, including Betfair. Jacqui Williams, Senior HR Manager Senior HR Manager to talk to Sirva regarding implementing a periodic training regime. Senior HR Manager to also hand over this requirement to parental leave replacement to ensure ongoing compliance.	Jacqui Williams (Human Resources), Katrina Finlen (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Discussions were held with Katrina Finlen (HR Manager) who is acting as the responsible officer in Jacqui Williams absence. Progress unknown, to be followed up next quarter. 19/07/2019 No feedback received in response to quarterly follow-up. 01/05/2019 No response received upon follow-up. Target date pushed back for reporting purposes.	Overdue	29-Mar-19	29-Mar-19
			AS - Access to Employee / Visa Personal Information via the G Drive, Taleo and PeopleSoft HR	CP - Access to Employee / Visa Personal Information via the G Drive, Taleo and PeopleSoft HR a)	Moderate	Access to Employee / Visa Personal Information via PeopleSoft HR should be revoked or amended as per the audit findings. Hilary Van Tonder, Payroll Manager Agree, the Senior ERP Specialist will be directed to revoke or amend access to PeopleSoft HR. Craig Preston, Group General Manager – IT Governance IT will work in support of and in consultation with Human Resources to find and implement a workable solution. Jacqui Williams, Senior HR Manager. The inappropriate access to the Crown Perth HR G Drive has been corrected in consultation with IT Service Centre.	Craig Preston (Corporate IT Governance), Hilary Van Tonder (Finance)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Internal Audit discussed with the Payroll Manager (Hilary Van Tonder) and the Senior ERP Specialist (Praveen Kumar Vankatesan) who advised that the item was still in progress. July 2019 No response received upon follow-up. 29/04/2019 At the request of the Payroll Manager, this item has been pushed back to 30/06/2019.	Overdue	31-Mar-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
			CM - Access to Employee / Visa Personal Information via the G Drive, Taleo and PeopleSoft HR b)	Moderate	Management should direct IT Operations to reconfigure the security groups and permissions currently configured for each Human Resources sub folder on the G drive to effectively manage access. Sarah Mulligan, Talent Acquisition Lead Discussions will be held with IT Management to discuss. Talent Acquisition Lead to review the list provided by IT and make further recommendations regarding appropriate access levels for those listed. There is also a project underway to link IT access to position management which will provide a more long term sustainable solution, however, a de vey estimate is not available at present for this project. The Group Analyst – Remuneration & Performance has been invited to participate in this initiative. Craig Preston, Group General Manager – IT Governance IT will work in support of and in consultation with Human Resources to find and implement a workable solution.	Craig Preston (Corporate IT Governance), Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 At the time of follow-up Internal Audit were advised that responsibility for the implementation of the recommendation had been transferred to Gen Arnold (Group Manager Gender Equity), however, a response was not received prior to Cura update. July 2019 No response received upon follow-up. Sarah Mulligan, Talent Acquisition Lead Classification structure has been created and approved by Workforce Planning, Crown Perth Recruitment and HR Performance & Systems. Changes have been briefed into the PSHR team and Taleo HRIS Analyst and will be actioned post completion of a number of projects which are currently taking priority. ETA 30 June 2019.	Overdue	30-Jun-19	30-Sep-19
			CP - Access to Employee / Visa Personal Information via the G Drive, Taleo and PeopleSoft HR d)	Moderate	Management should investigate those with read-only access to PeopleSoft HR Job Data – Compensation for appropriateness. Hilary Van Tonder, Payroll Manager Agree, discussions will be held with the Senior Systems Analyst to investigate further.	Hilary Van Tonder (Finance)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Internal Audit discussed with the Payroll Manager (Hilary Van Tonder) and the Senior ERP Specialist (Praveen Kumar Vankatesan) who advised that the item was still in progress. July 2019 No response received from Payroll Manager upon follow-up.	Overdue	31-Mar-19	31-Mar-19
			CP - Access to Employee / Visa Personal Information via the G Drive, Taleo and PeopleSoft HR e)	Moderate	Management should consider whether it is necessary to review the audit trail changes made by the 52 users with inappropriate edit access to Job – Data Compensation, to identify any inappropriate amendments. Hilary Van Tonder, Payroll Manager Agree, I will liaise with the Senior ERP Specialist to develop / review audit trail.	Hilary Van Tonder (Finance)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 Internal Audit discussed with the Payroll Manager (Hilary Van Tonder) and the Senior ERP Specialist (Praveen Kumar Vankatesan) who advised that the item was still in progress. July 2019 No response received upon follow-up. 29/04/2019 At the request of the Payroll Manager, this item has been pushed back to 30/06/2019.	Overdue	31-Mar-19	31-Mar-19
		CM - Accuracy and Completeness of the Human Resources Information Management System	CM - Accuracy and Completeness of the Human Resources Information Management System a)	Moderate	Development and documentation of a process and responsibilities to ensure that visa information is updated and reviewed in PeopleSoft HR throughout an individual's employment, particularly where they are sponsored by Crown and additional obligations apply. Jacinta Cubillo, HR Manager – IR and HR Support HR Support to conduct audit on all current visa holders. Action outstanding items from the audit and update where relevant. HR Support to also create a monthly report on all 457/482 visa holders.	Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. 01/05/2019 At the request of the HR Manager, this task has been pushed back to 01/01/2020.	Overdue	31-Mar-19	31-Dec-19
			CM - Accuracy and Completeness of the Human Resources Information Management System c)	Moderate	Introduction of a periodic review of all employees to identify, review and update any job end dates that have passed. Dave Chandler, Group Analyst – Remuneration & Performance Agreed – quarterly review to be developed.	Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 At the time of follow-up Internal Audit were advised that responsibility for the implementation of the recommendation had been transferred to Gen Arnold (Group Manager Gender Equity), however, a response was not received prior to Cura update. July 2019 No response received upon follow-up.	Overdue	31-Mar-19	30-Sep-19

Audit	Date Added	Report Finding	Audit Recommendation Title	Audit Finding Rating	Agreed Management Action	Responsibility	Status Details	Current Status	Original Due Date	Revised Due Date
		AS - Visa Expiry Monitoring Process	CM - Visa Expiry Monitoring Process a)	Moderate	Introduction of a periodic review of all visa employees to identify, review and update any visa expiry dates that have passed. Dave Chandler, Group Analyst – Remuneration & Performance A PeopleSoft HR Query will be created for Workforce Planning to generate and review on a monthly basis.	Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. November 2019 At the time of follow-up Internal Audit were advised that responsibility for the implementation of the recommendation had been transferred to Gen Arnold (Group Manager Gender Equity), however, a response was not received prior to Cura update. July 2019 No response received upon follow-up.	Overdue	31-Mar-19	30-Sep-19
		AS - Visa Management Company Policy and Procedure Documentation	CM - Visa Management Company Policy and Procedure Documentation a)	Moderate	The Visa Management Company Policies should be reviewed and updated. Management should consider whether a Group Company Policy could be developed. Jacinta Cubillo, HR Manager – IR and HR Support Currently in the process of updating the Visa policy, this was done whilst the audit was taking place and was put on hold until the audit was completed.	Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. October 2019 Discussions with Gen Arnold (Group Manager Gender Equity) revealed that the Visa Management Company Policy was still under review with an anticipated completion date of 30 November 2019. July 2019 No response received upon follow-up. 01/05/2019 At the request of the HR Manager, this task has been pushed back to 30/06/2019.	Overdue	31-Mar-19	31-Mar-19
			CM - Visa Management Company Policy and Procedure Documentation c)	Moderate	The requirements of the Company Policy should be reiterated to all relevant personnel. Jacinta Cubillo, HR Manager – IR and HR Support Once policy has been updated and approved, policy to be circulated to relevant personnel.	Gen Arnold (HR Admin)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. 01/05/2019 At the request of the HR Manager, this task has been pushed back to 01/01/2020.	Overdue	31-Mar-19	31-Mar-19
			CP - Visa Management Company Policy and Procedural Documentation a)	Moderate	The Visa Management Company Policies should be reviewed and updated. Management should consider whether a Group Company Policy could be developed. Jacqui Williams, Senior HR Manager Senior HR Manager in conjunction with the Recruitment Team Leader to review Visa Company Policy. Further, the Senior HR Manager will liaise with the Executive General manager HR on the viability of a Group Policy.	Jacqui Williams (Human Resources), Katrina Finlen (Human Resources)	09/01/2020 Internal Audit did not receive a response from the Responsible Officer during the follow-up period. October 2019 Whilst Internal Audit verified that an update had been made to the Visa Management Company Policy, it did not encapsulate all amendments noted by the audit. Further, the Policy remained Crown Perth specific. 19/07/2019 No feedback received in response to quarterly follow-up. 01/05/2019 No response received upon follow-up. Target date pushed back for reporting purposes.	Overdue	31-Mar-19	31-Dec-19



AGENDA ITEM 4:
Material Risk Update



Crown Melbourne Limited

Material Risk Update: 24 January 2020

This Material Risk Update reports on the 'critical' and selected 'high' risks in the updated Crown Melbourne Risk Profile (depicted as "material risks" in the Crown Melbourne Risk Map set out on page 5 of this update).

Executive Summary

Since the last update in November 2019, a number of existing and new key internal and external events have evolved or materialised which have the potential to impact the overall Risk Profile of the organisation, and particularly its material risk exposures.

The key events that have taken place over the period include:

- The proposed further acquisition by Melco Resorts & Entertainment Limited (Melco) of part of CPH Crown Holdings Pty Limited's shares of Crown is on hold pending NSW regulatory review and approval. This review will form part of the ILGA inquiry, which commenced 21 January 2020.
- The CBA SouthBank Investment account has been closed. Crown continues to investigate its banking arrangements and options.
- Dinner by Heston Blumenthal appointed provisional liquidators on 20 December 2019. The expenses owing to Crown as at 31 December 2019 is \$4.6M plus a \$750k working capital loan. The appointed provisional liquidator has now notified Crown of its intention to operate the business to at least March 2020. Crown is considering its position. Crown has also reserved its rights to terminate the relationship.
- Negotiations for the proposed new Crown Melbourne Limited Enterprise Agreement 2019 ("the main EA") which nominally expired on 1 July 2019 have concluded. The employee ballot was held between 18 and 21 January 2020 and the EA was approved by 92% with 65% participation.
- Negotiations for a proposed new Property Services enterprise agreement are continuing. The key outstanding issue concerns a claim for payment of a licence allowance to electricians and plumbers. The current agreement nominally expired on 30 June 2019.
- On 19 September 2019, the *Currency (Restrictions on the Use of Cash) Bill* was introduced into Parliament and, based on the explanatory material, it is expected that exemptions will be created for certain payments that are subject to reporting obligations under the AML/CTF Act (including for designated services within the casino) within the rules made by the Treasurer and it is expected that casinos will be exempt from the scope of the cash payment limit. No further changes since the last report.
- The Australian Banking Association published a consultation paper for the use of credit cards for gambling transactions, calling for submissions on how the banking industry can assist in minimising gambling harm. Some institutions are already blocking credit cards at merchant

locations that have a primary business stating 'gambling'. Whilst credit cards are not permitted to be used for gambling in casinos, Crown will review the consultation paper and prepare discussion points for circulation within the business for comment, with the intention to make a submission, possibly with other members of the casino industry. Any outcomes or recommendations will be closely monitored for potential impacts to Crown.

- As reported previously, as a result of the allegations put by both the Nine Network (*60 Minutes* program, SMH and the Age) and Mr Wilkie, various investigations and inquiries are continuing involving AUSTRAC, ILGA and ACLEI. Investigations involving VCGLR, VCGLR Inspectorate, and the ATO into the allegations have concluded.
- During the period, Crown has continued to address, and engage with the VCGLR on, the recommendations made by the VCGLR as part of its Sixth Review of the Casino Operator and Licence. To date, 17 of the 20 Recommendations have been responded to by Crown by the required due date, with the remaining 3 not yet due.
- An issue was identified with a number of Roulette wheels on the gaming floor. 13 years ago, the manufacturer delivered a version of the product that appears to potentially be different to the version approved by the Regulator and the version ordered by Crown. The difference was not visible to the eye (additional in-rim sensor – not regulated equipment), and Crown was not aware of being supplied different wheels until recently. The effected Roulette wheels have been removed from the floor, additional verification steps are now undertaken for all equipment and the Regulator has conducted a review of all Roulette Wheels. The Regulator continues to review this matter.
- Crown Melbourne has responded to all s167 Notice requests from AUSTRAC. A request for additional information was received from AUSTRAC on 23 January, which Crown is reviewing and preparing a response to.
- No further update has been received regarding the VCGLR's investigation into an electronic gaming machine which the VCGLR alleges was operating in 'Unrestricted Mode', without 'Your Play' functionality activated. The VCGLR has referred the matter to the Commission, for consideration.
- As a result of media allegations against Crown reported on or around 27 July 2019, the VCGLR wrote to Crown Melbourne on 23 September 2019, providing notice of its intention to continue its investigation into the China Matter. The VCGLR noted its intention to obtain information from former Crown staff who were involved in the media reports and the detentions in China. Crown and Minter Ellison continue communications with the VCGLR on this matter. No further update since the last report.
- Crown Melbourne received a show cause notice from the Melbourne City Council (**MCC**) relating to combustible cladding on the Metropol Hotel (dated 11 April 2019). In response, Crown submitted a report by fire engineers, DNT Engineering Services, on 12 September 2019. As advised by the MCC, Crown submitted an application to the Building Appeals Board on 23 January 2020.










Adjustments to the risk profile:

Following the events above, a number of changes to risk ratings are proposed:

- The main EA was successfully negotiated, which has **reduced** the overall residual risk rating of the 'industrial action (#18)' risk to unlikely/moderate, or an overall 'moderate' risk.

- The first day of the public hearings for the ILGA inquiry was on 21 January 2020, and it is expected that the media will provide extensive coverage. As such, the likelihood of the 'Major reputational damage' risk (#14) is proposed to be **increased** to 'Almost certain', or an overall 'Critical' risk. The Crown Resorts Board is already managing this risk through the Brand subcommittee, and no additional escalation or action needs to be undertaken at this stage.

Below is a table summarising trends for each material risk:

MATERIAL RISKS	CURRENT TREND
1. Legislative / Regulatory Changes	Unchanged 
2. Volatility of Premium Gaming	Unchanged 
3. Act of Terrorism on Property	Unchanged 
4. Major Reputational Damage	Increased 
5. Litigation	Unchanged 
6. Poor Credit and Investment Decision	Unchanged 
7. Material Breaches of Gaming and other Relevant Legislation/ Regulations	Unchanged 
8. Data Misuse	Unchanged 
9. Breakdown in relationships with key government, legislative or regulatory bodies	Unchanged 

Risk Appetite Dashboard

Category	Quantitative Metrics – RMC Reporting Triggers		New reportable Events	Ref
Financial	Outside normal trading EBITDA losses (per event), and/or adverse to the current (normalised) forecast	>\$10M	No	
Brand / Reputation	Internal event creating a sustained share price loss	>5%	N/A	
	Sustained negative national or international media coverage	Any event	No	
Regulatory/ Legal	Significant breaches that may have a financial or reputational impact	Any event	No	
	Material legal action or class action	Any event	No	
	Significant breach or event that has the potential to damage the relationship	Any event	No	
	Material RSG issues including adverse media	Any event	No	
	Integrity of liquor licences	Any loss of licence and/or points	No	
People	Significant notifiable incidents under the Occupational Health and Safety Act	Any event	No	
	Sustained staff turnover and/or unplanned absences above average	Any event	No	
	Loss or potential loss of key management personnel	Any event	No	
	Imminent industrial action	Any event	No	
Customer/ Patrons	Negative event affecting segment of patrons (e.g. VIP, F&B, Hotel)	Over 20% or 20,000 patrons of segment type, or \$100M revenue	No	
Infrastructure	Security incident that threatens people or property	Any event	No	
	Loss of other core IT infrastructure or multiple key systems	>24hrs	No	
	External or internal security breaches resulting in unauthorised access to, or loss of, customer data likely to result in serious harm	Any event	No	
	Loss of critical physical infrastructure	>24hrs	No	
	Unplanned loss of gaming floor in one property	>10% for up to 24 hrs	No	
	Unplanned loss of non-gaming front of house facilities in one property	> 1 hotel or 50% F&B > 24hrs	No	
Strategy / Business Sustainability	Critical event requiring mobilisation of resources and CMT/EMT activation	Any event	No	
	Key strategic project delayed by 12 months or more	Any event	No	
	Change in ownership share of related or third party entity	Any Event	No	

Crown Melbourne Corporate Risk Map - January 2020

		<i>Material Risks</i>				
Likelihood	Almost certain				14 - Major reputational damage ↑	
	Likely		16- Harm to persons on property			
	Possible		9 - Loss of key management 15 - Poor people management practices	6 - External disruption to demand for our services 7 - Physical Business Disruption 8 - IT business disruption 11 - Litigation 12 - Major criminal activities 13 - Ineffective responsible service of gaming (RSG) 23 - Failure in responsible service of alcohol (RSA)	1 - Material breach of gaming and other relevant legislation /regulation 2 - Changes in key legislation or regulatory requirements 5 - Poor credit or investment decision 21 - Data misuse 22- Breakdown in relationship with key government, legislative or regulatory body	3 - Act of terrorism on Crown property 4 - Volatility of gaming revenue
	Unlikely		17 - Breakdown in strategic partnership with third party 19 - Unsustainable environmental management and ethical standards	10 - Reduction in property standards 18 - Industrial action ←		
	Rare					20 - Aviation accident
		Insignificant	Minor	Moderate	Major	Severe
		Consequence				

Legend:

Critical Risk	Oversight by the RMC/Board
High Risk	Managed by CEO and relevant EGMs
Moderate Risk	Managed by BOT members
Low Risk	Managed as part of BAU

1. LEGISLATIVE / REGULATORY CHANGES

Changes to legislation, regulation or Government policy covering the conduct of, and access to, gaming or broader operational and compliance processes in any jurisdiction in which Crown operates

Examples of changes include, but are not limited to:

- *Increases in tax or additional levies and taxes*
- *Changes to restrictions (where applicable) on the number, type, speed and location of gaming machines*
- *Changes to mandatory minimum "return to player" on gaming machines*
- *Changes to approved table games and approved rules of the games (where applicable)*
- *Changes to restrictions on advertising and marketing, including online advertising (where applicable)*
- *Changes in laws or changes in interpretation of laws dealing with promotion of gambling in foreign countries*
- *Visa restrictions (where applicable)*
- *Changes to online wagering regulations, affecting product offering (including exchange betting)*
- *Changes to pre-commitment system*
- *Changes to smoking exemptions*

CROWN MELBOURNE

Black Economy Taskforce - \$10,000 cash transaction limit

TREND: *Unchanged* 

There have been no changes since the last report.

On 19 September 2019, the Currency (Restrictions on the Use of Cash) Bill was introduced into Parliament and, based on the explanatory material, it is expected that exemptions will be created for certain payments that are subject to reporting obligations under the AML/CTF Act (including for designated services within the casino) within the rules made by the Treasurer and it is expected that casinos will be exempt from the scope of the cash payment limit.

POTENTIAL IMPACT TO CROWN:

The gaming regulations in Victoria only allow the Casino to accept cash as a form of payment for gambling by patrons. It is common for Junkets and VIP/premium players (as well as casual customers on occasion) at times to bring materially larger amounts of cash to play at Crown. Should the exemption not be provided, this will no longer be possible.

CURRENT ACTION PLAN:

Continue engagement with Government and regulators to reach an acceptable position.

Anti-Money Laundering / Counter-Terrorism Financing (AML / CTF)

TREND: *Unchanged* 

The Financial Action Task Force (FATF) is expected to visit Australia during Q1-Q2 FY20 to complete an assessment of Australia's compliance with international AML standards. Any adverse outcomes are likely to impact the legislative/regulatory framework in Australia, which could ultimately affect the obligations of reporting entities.

Crown has responded to all of AUSTRAC's requests for information regarding AUSTRAC's casino industry wide Risk Assessment of junkets.

Crown has responded to s167 Notices regarding an assessment of its AML/CTF Program, with a focus on High Risk Customers and PEPs.

Section 25 Licence and Operator Review

TREND: *Unchanged* 

Crown is working with the VCGLR to address each of the 20 recommendations. 17 recommendations have been responded to by Crown within the agreed timelines (with the remaining 3 not yet due). We are providing additional information where requested. The VCGLR has acknowledged 13 of Crown's responses, and will continue to follow-up on any remaining actions.

POTENTIAL IMPACT TO CROWN:

Reputational damage and media coverage of any new issues arising from the resolution of the matters.

CURRENT ACTION PLAN:


Crown is working through the remaining recommendations internally and engaging with the VCGLR as appropriate.

2. VOLATILITY OF PREMIUM GAMING

Sustained unfavourable variations from theoretical win rates applicable to the gaming business (local and international). Whilst short term fluctuations are expected to occur, due to 'luck', reporting of theoretical over actual has normalised results over time. Sustained deviations, particularly negative, challenges the financial reporting model and the ongoing performance of the business.

CROWN MELBOURNE

Premium Gaming Volumes

TREND: **Unchanged** 

As previously reported, Premium Gaming volumes must be maintained to mitigate the risk of prolonged negative deviations from theoretical win rates.

Turnover in other jurisdictions has also been impacted. In Macau, December Gross Gaming Revenue was down 13.7% on prior year (or 8.4% for the last quarter), and overall VIP gaming revenue was down 23.1% in the last quarter of 2019.

Year on year turnover volumes and win rates are recorded as follows:

CROWN MELBOURNE	December 2017	June 2018	December 2018	June 2019	December 2019
YTD International and Interstate Turnover (\$b)	19.5	43.8	15.4	32.7	9.3 (Budget 16.5)
Win Rate (%)	1.21	1.29	0.99	1.39	2.28 (Budget 1.40)

POTENTIAL IMPACT TO CROWN:

Increased deviation between theoretical and actual win rates has the potential to impact overall business performance. Turnover for Melbourne is 44% under budget (or \$7.2b), and \$6.1b under the same prior period, but win rate is materially over budget and more than twice that of the same prior period.

CURRENT ACTION PLAN:

Management is to continue to monitor trends, and action as appropriate.

3. ACT OF TERRORISM ON PROPERTY

The calculated use of violence (or the threat of violence) against employees and / or customers in order to attain goals of a political, religious or ideological nature.

CROWN MELBOURNE

TREND: **Unchanged** 

In Melbourne, Victoria Police Executive Command has advised that the PSO proposal for Crown Melbourne has been raised with the Police Minister by the Chief Commissioner of Police as part of a broader proposal for PSOs, for consideration.

The terrorism threat rating as set by ASIO for Australia remains at 'Probable', which is 3 out of 5 possible rating scale.

There has been no further development since the last report.

4. MAJOR REPUTATIONAL DAMAGE

Negative publicity / image of Crown and/or its affiliate businesses which may adversely impact Crown's reputation and/or performance and potentially jeopardise gaming licences, including:

- *inappropriate associations*
- *inappropriate conduct*
- *breach of confidentiality*
- *adverse media attention*

CROWN MELBOURNE

LEGALLY PRIVILEGED - Allegations by Mr Andrew Wilkie MP

TREND: *Unchanged* 

Following repeat allegations made on 24 July 2019, Mr Wilkie made additional claims referring to VCGLR inspectors and a Crown limousine driver as whistle-blowers. This is in the context of an ongoing Nine News media campaign targeted at Crown.

There has been no further activity since the last report.


POTENTIAL IMPACT TO CROWN:

Reputational impact as well as increased regulatory pressure from the VCGLR (and other regulators) to reinforce their strength as an independent regulator of Crown.

CURRENT ACTION PLAN:

Continue engagement with relevant stakeholders and ongoing enhancement of governance structures. Ongoing engagement with relevant senior management and board committees.

LEGALLY PRIVILEGED - 60 Minutes Report

TREND: *Increased* 

Following Channel 9's 60 Minutes story featuring Crown on Sunday 28 July 2019, additional media stories have been released with allegations against Crown. These media reports, compounded by Mr Wilkie's allegations, have led to a number of state and federal regulators pursuing investigations or inquiries with Crown.

To date the ATO, AUSTRAC, and the VCGLR have all completed reviews into, or related to, the allegations formulated in the media.

The ACLEI investigation is still underway, with the proposed public hearing delayed until early 2020.

The most exhaustive review will be an inquiry undertaken by ILGA, in the form of a royal-commission type review. The inquiry started on 21 January 2020 and extensive negative media coverage is expected.


POTENTIAL IMPACT TO CROWN:

Reputational impact as well as increased regulatory inquiries from regulatory and enforcement agencies.

CURRENT ACTION PLAN:

Continue engagement with relevant stakeholders and ongoing enhancement of governance structures. Ongoing engagement with relevant senior management and board committees.

LEGALLY PRIVILEGED – Dinner by Heston

TREND: *Increased* 

As previously reported, the Dinner by Heston Blumenthal outlet experienced financial difficulties and appointed a provisional liquidator on 20 December 2019, which received low media coverage. The outcomes of the process may generate further media coverage and although Crown is a separate legal entity, it is likely to be named in the articles.

POTENTIAL IMPACT TO CROWN:

Reputational impact by association and financial impact from unpaid outstanding expenses, a working capital loan and unamortised capitalised and license fee expenses.

CURRENT ACTION PLAN:

Continue engagement with relevant stakeholders, including the provisional liquidator, relevant senior management and board committees.

5. LITIGATION

Crown is exposed to potential material litigation by:

- *Employees*
- *Customers*
- *Regulators*
- *Shareholders including potential class action as a result of not properly correcting the market regarding consensus forecast performance*
- *Other third parties particularly gaming related litigation.*

To the extent that material litigation is not covered by insurance, an adverse outcome or cost of responding to potential or actual litigation may have an adverse impact on the performance of Crown.

CROWN MELBOURNE

TREND: **Unchanged** 

Significant legal matters have been reported to the Crown Melbourne Board throughout the reporting period via litigation updates in the CEO's Report.

6. POOR CREDIT AND INVESTMENT DECISION

Crown is exposed to the risk of default by customers across its affiliate businesses, resulting in financial loss.

CROWN MELBOURNE

TREND: **Unchanged** 

Both Crown Melbourne and Crown Perth have continued to suspend the extension of credit to Chinese domiciled players with credit granted to remaining players on a selected basis only.

The debt positions over the past 24 months for Crown Melbourne is tabled below:



POTENTIAL IMPACT TO CROWN

The 30 June 2019 balance was materially updated through the accounting write-off of older bad debt. Variance over the first half of F19 is consistent with activity. The main impact to Crown is financial.

CURRENT ACTION PLAN


The appetite for credit risk has materially decreased across the Australian Businesses, and measures have been taken to reduce high exposure areas. Challenges with regards to processing of overseas transactions remain an issue.

7. MATERIAL BREACHES OF GAMING AND OTHER RELEVANT LEGISLATION/REGULATIONS

Crown and its affiliate businesses operate in a highly regulated industry. Systemic and/or serious breaches of regulatory requirements (including gaming, anti-money laundering, liquor, promotion of gaming and liquor, taxation or other regulatory/mandatory reporting requirements) may adversely impact Crown's reputation and performance via the imposition of financial and non-financial penalties including the potential loss of operating licences, prosecution, litigation, and arrest/detention of employees and contractors.

CROWN MELBOURNE

EGM Continuous Play

TREND: *Unchanged* 

There have been no changes since the last report.

On 6 November 2019, the VCGLR verbally noted that this matter is now with the Commission for its consideration.


POTENTIAL IMPACT TO CROWN:

It is possible that the VCGLR may take disciplinary action against Crown under s 62AB.

CURRENT ACTION PLAN:

As a result of this issue, a range of audits and reviews of similar machines were undertaken and enhanced checking processes have been implemented.

Bad debt write-off

TREND: *Unchanged* 

The 30 June 2019 financial accounts includes approximately \$200M of accounting bad debt write-off. The bad debts have been written off from an accounting perspective, not a regulatory one, which means that they remain in the gaming system and should the patrons come back to Crown, we can ask for payments of outstanding debts.

In the Q1 GST declaration, a manual error was made and some of the entries were reversed. The VCGLR questioned the declaration and pointed out the error, which was corrected in the ATO declaration in time, prior to submissions.

The VCGLR is now seeking legal advices as to its position on this.

POTENTIAL IMPACT TO CROWN:

Human error leading to erroneous submission, which was corrected immediately.

CURRENT ACTION PLAN:

Crown has adjusted the ATO declaration prior to submission, as well as re-submitted the state declaration correcting the error. Crown has also reviewed its processes to ensure an additional layer of oversight is in place.

Mercury Wheel

TREND: *NEW* 

An issue was identified with a number of Roulette wheels on the gaming floor. 13 years ago, the manufacturer delivered a version of the product that was different to the version approved by the Regulator and ordered by Crown. The difference was not visible to the eye, and Crown was not aware of being supplied different wheels until recently. The difference between the 2 versions was the inclusion of an additional in-rim sensor, which is not classified as regulated equipment and does not require individual approval, and does not affect the integrity of the game. However, the regulatory approval differed from the actual equipment which was in use.

The Regulator was notified and conducted a review of this matter.

POTENTIAL IMPACT TO CROWN:

It is possible that the VCGLR may take disciplinary action against Crown.

CURRENT ACTION PLAN:

Crown has removed all of the wheels in question from the floor, and additional verification steps are now undertaken for all equipment. Crown will be seeking external legal advices on this matter.

8. DATA MISUSE

Sensitive information may be leaked or sold to external parties adversely impacting Crown's reputation. In the case of sensitive customer information visitation may be affected, adversely impacting Crown's performance.

Loss of confidential customer or commercially sensitive data is a growing risk as the online businesses expand and the use of 3rd parties and data volume increases.

Unauthorised and inappropriate disclosure of sensitive information can result in adverse reputational, financial and regulatory implications.

CROWN MELBOURNE


TREND: **Unchanged** 

No new matters since the last report in November 2019.

9. BREAKDOWN IN RELATIONSHIPS WITH KEY GOVERNMENT, LEGISLATIVE OR REGULATORY BODIES

Crown operates in many jurisdictions, and has to engage with a large number of government, legislative and regulatory bodies. A breakdown in these relationships could lead to targeted reviews, investigations, or actions by these bodies that could materially affect Crown's operations and reputation.

CROWN MELBOURNE

TREND: **Unchanged** 

Crown Melbourne's key government, legislative and regulatory bodies include the VCGLR, VRGF, AUSTRAC, ATO, and Law Enforcement agencies.

Crown's work stream with the VCGLR is considerable taking into account the recommendations from the s25 Review and other matters that the VCGLR is formalising. This is a shift in how such matters have historically been dealt with which is presenting some challenges internally.

Further, Crown is aware that the Auditor General has re-engaged with the VCGLR to measure its progress against the matters identified in its 2017 Report. The Auditor General's Report triggered the significant change in the VCGLR's approach when dealing with Crown.

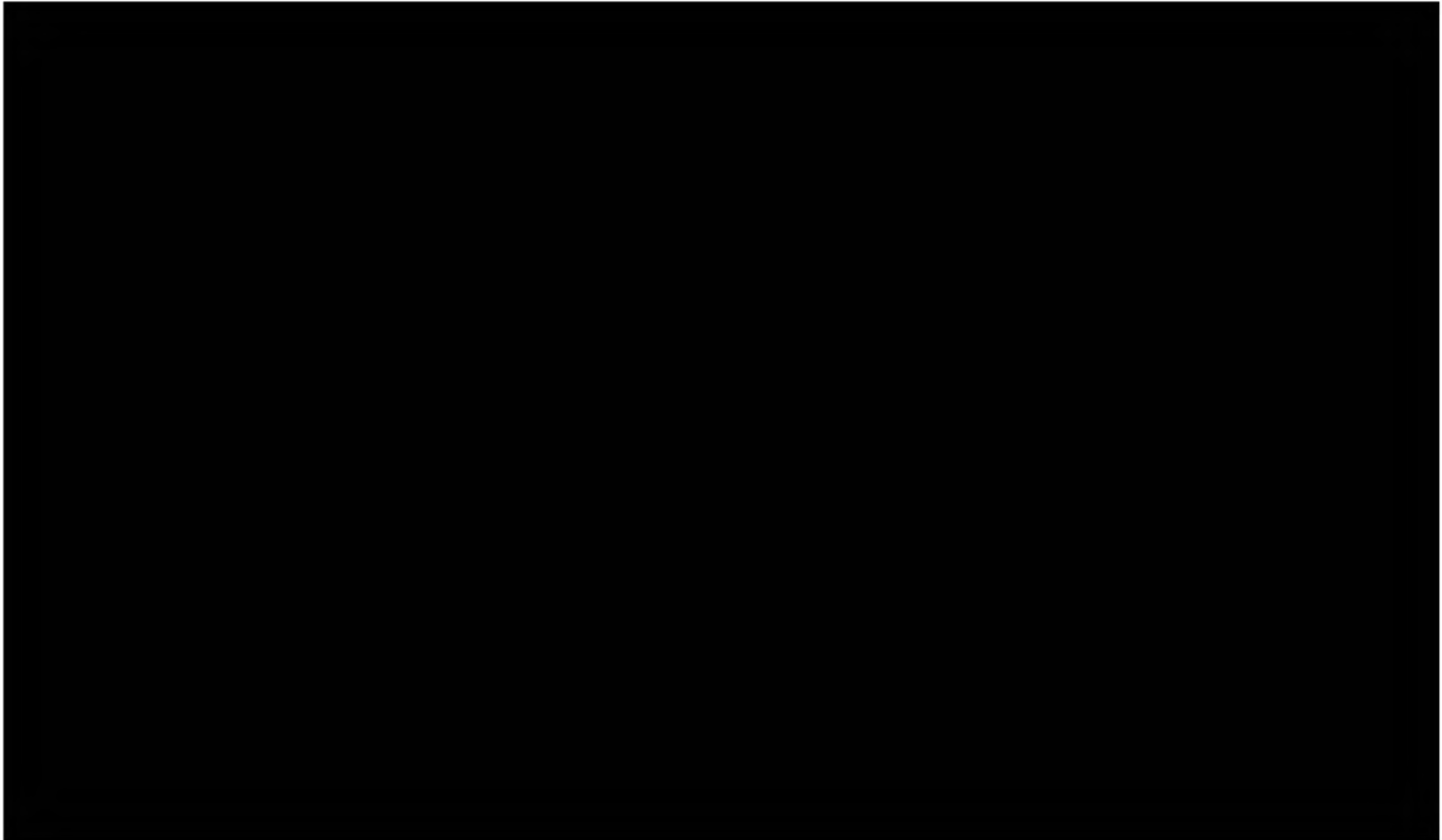
The media allegations have also resulted in significant regulatory oversight and investigation from a range of state and federal agencies.

Crown continues to focus on engagement with the VCGLR in a positive manner. Crown also remains in close contact with its other key stakeholders to continue to develop and enhance those relationships. Crown has recently engaged, on a consultancy basis, the services of Stratium Global and Nick Kaldas to support Crown's engagement strategy with law enforcement and regulatory agencies.

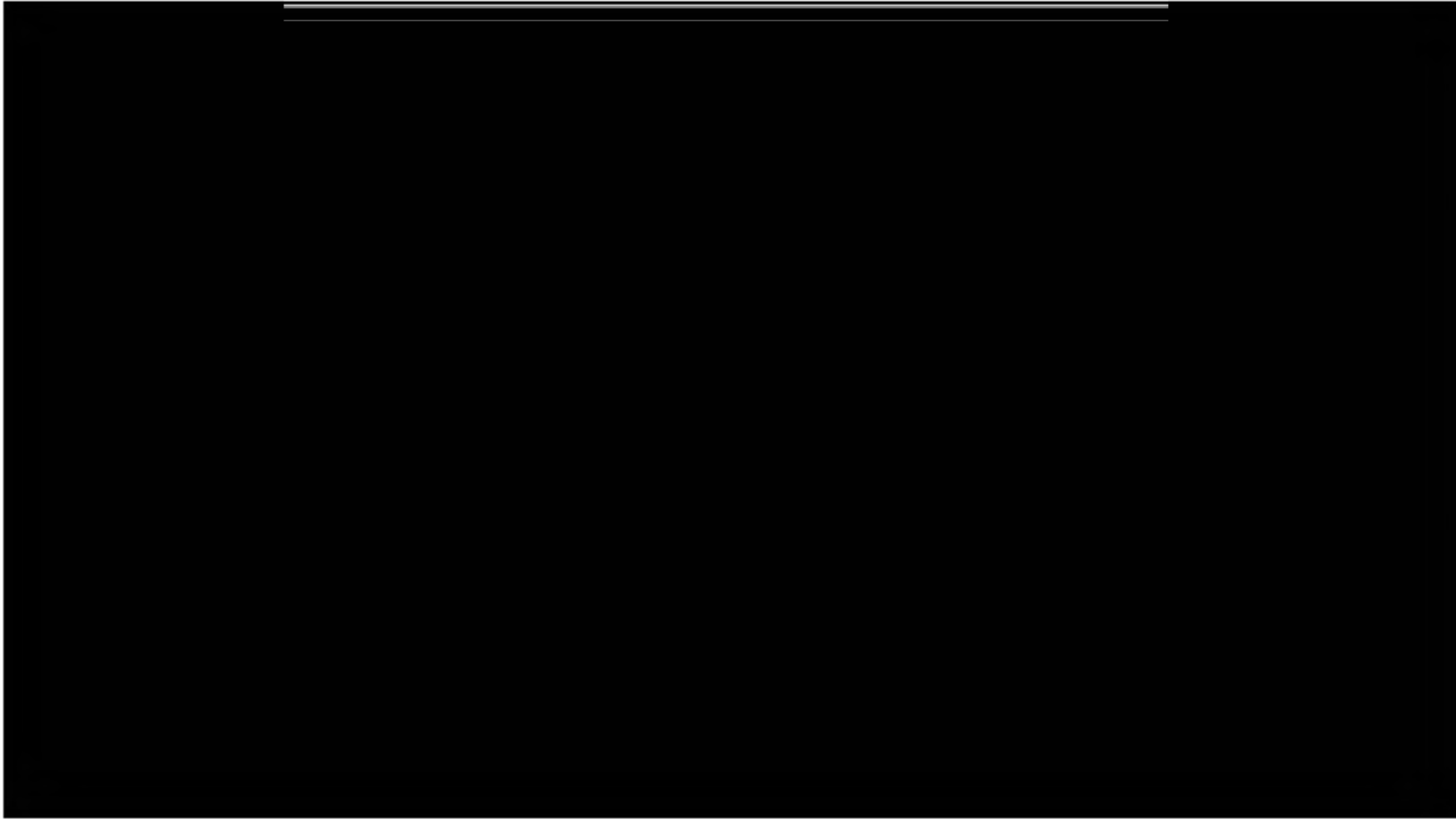


AGENDA ITEM 5:
Half Year Results: 31 December 2019

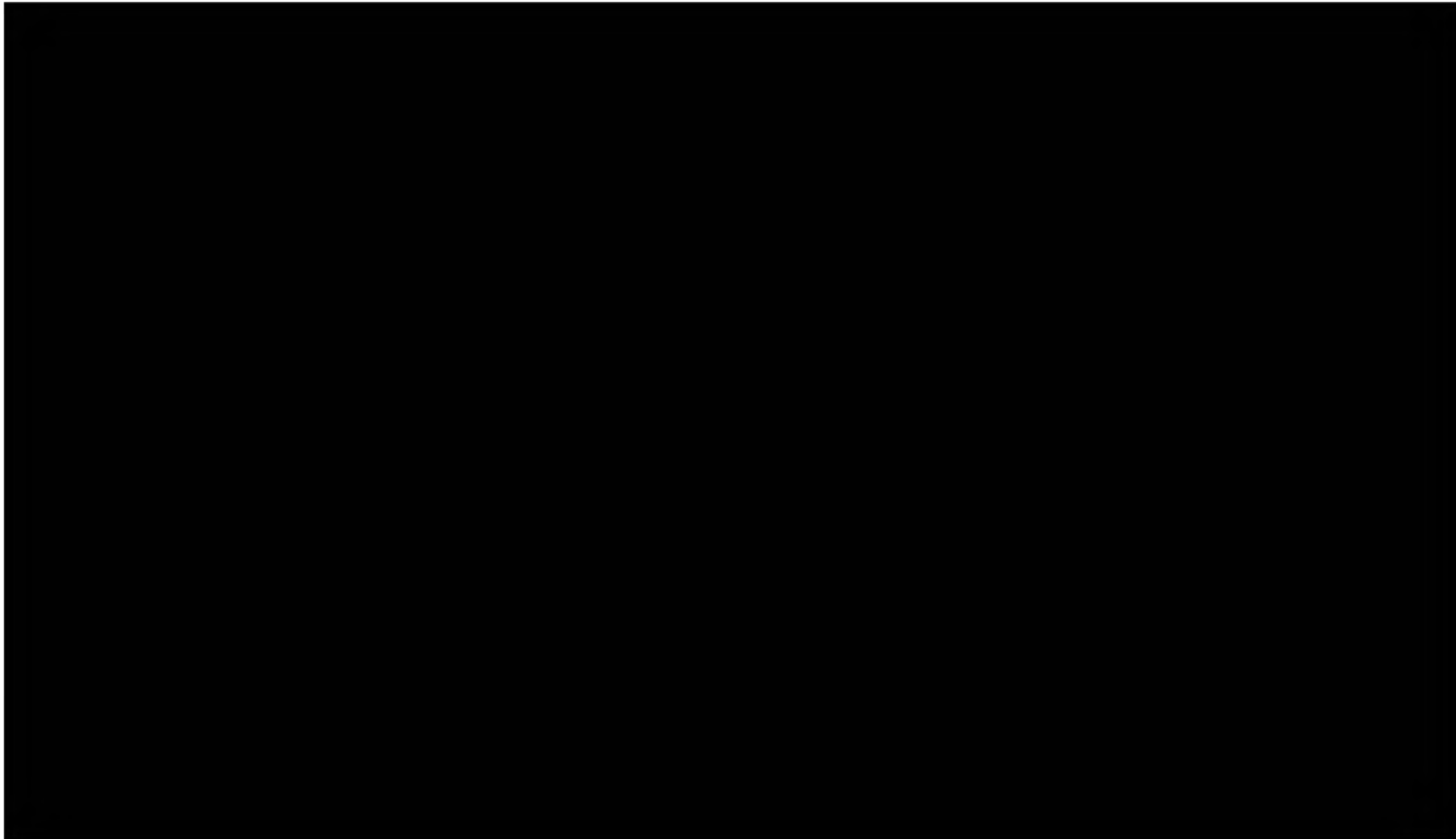




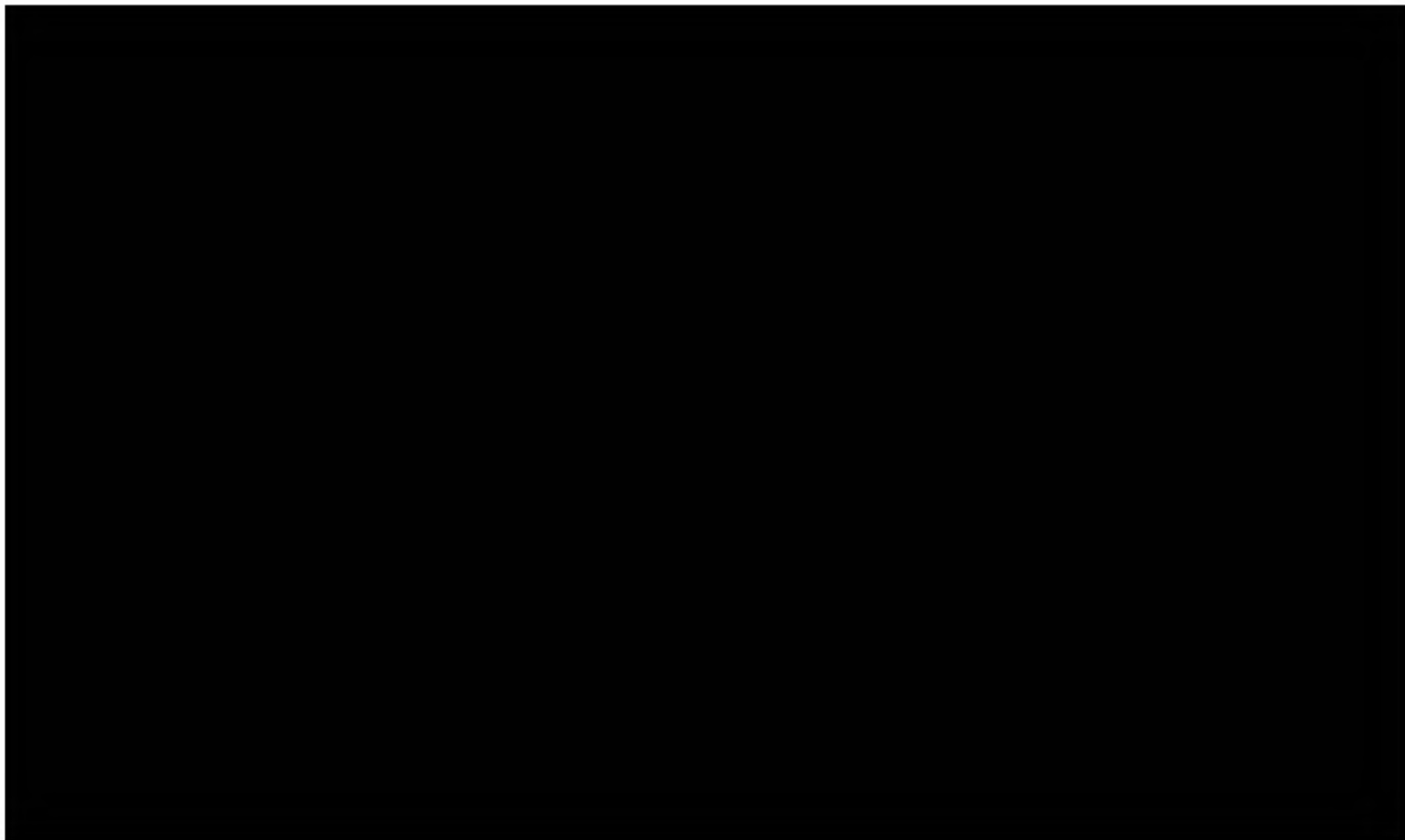
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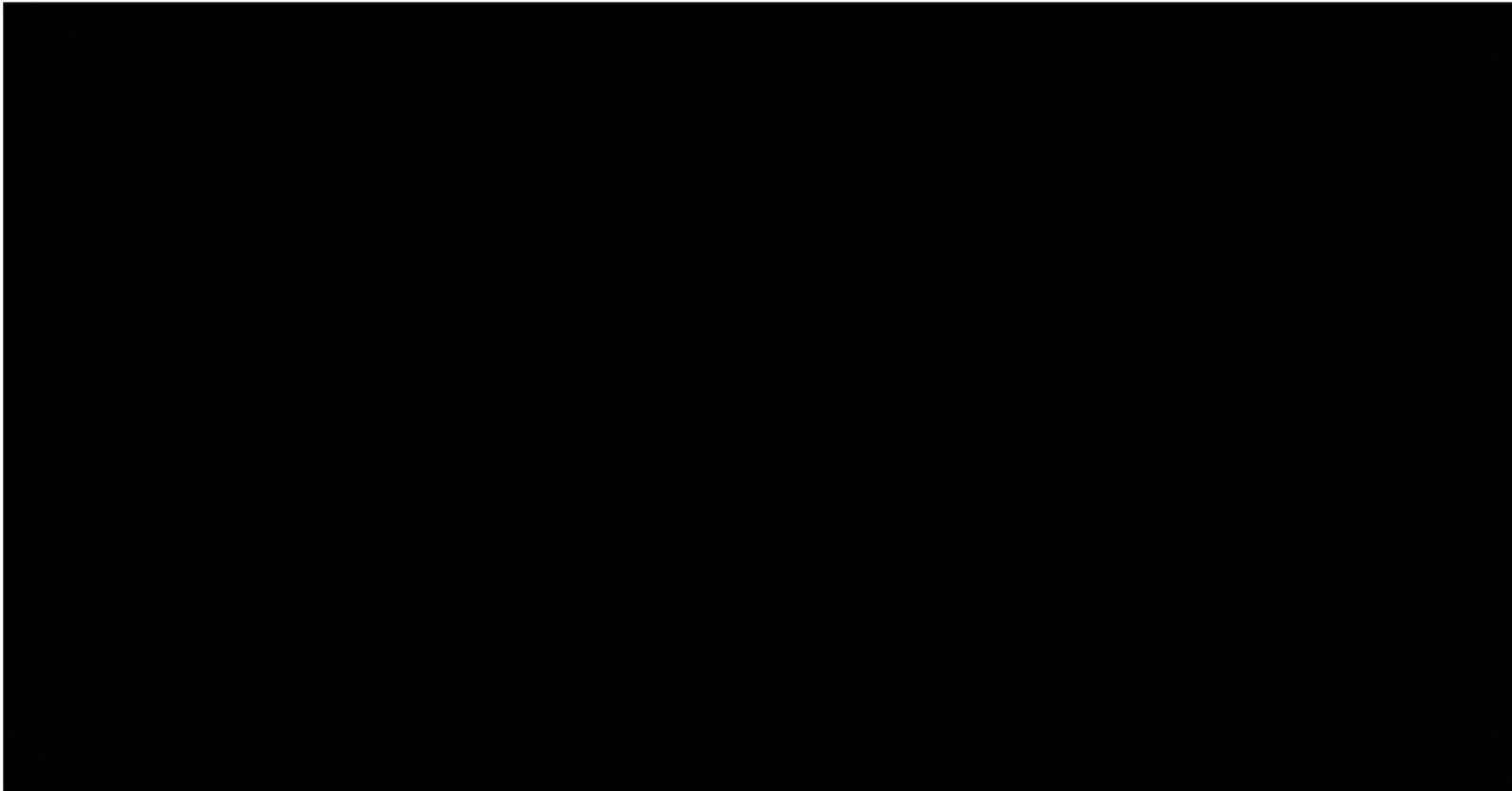
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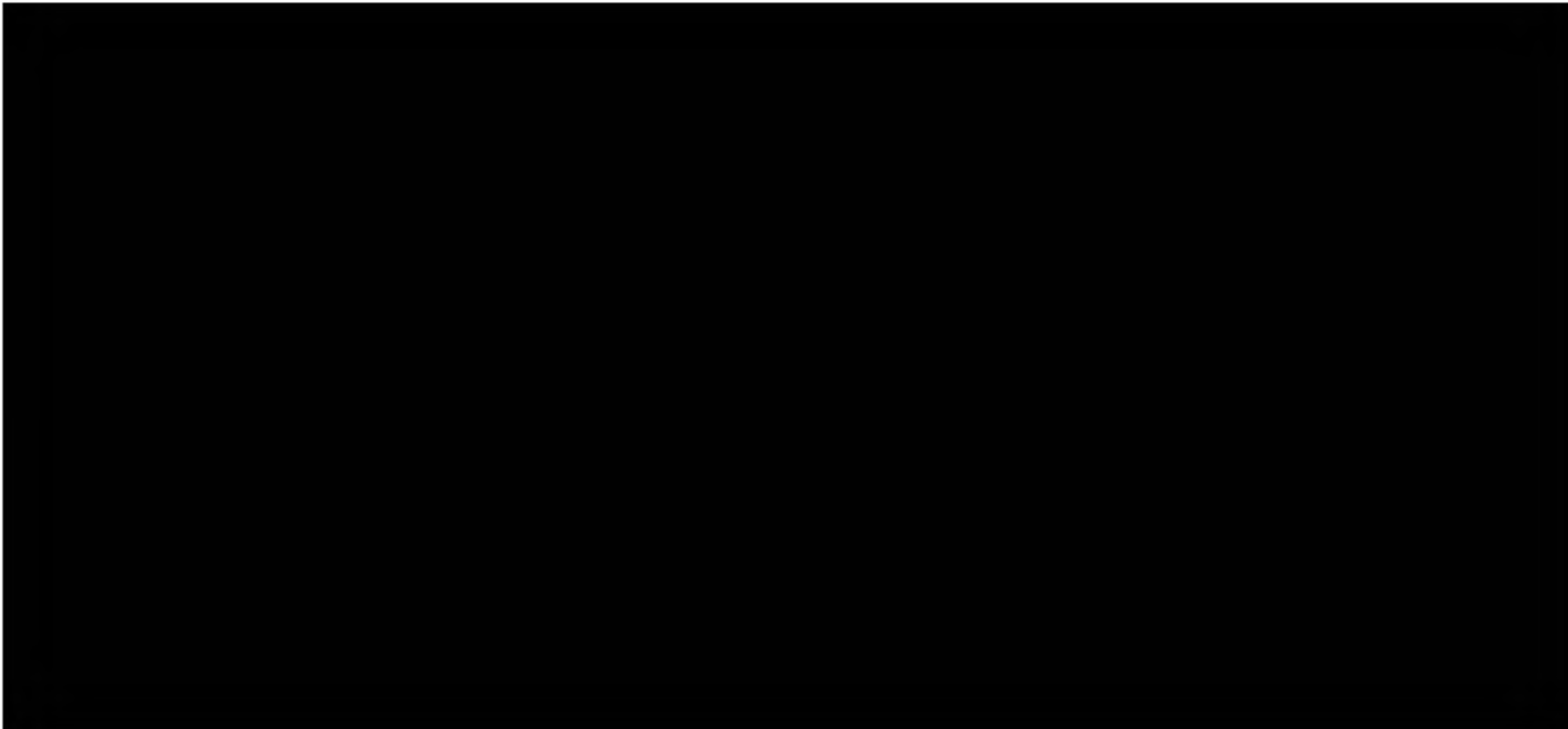
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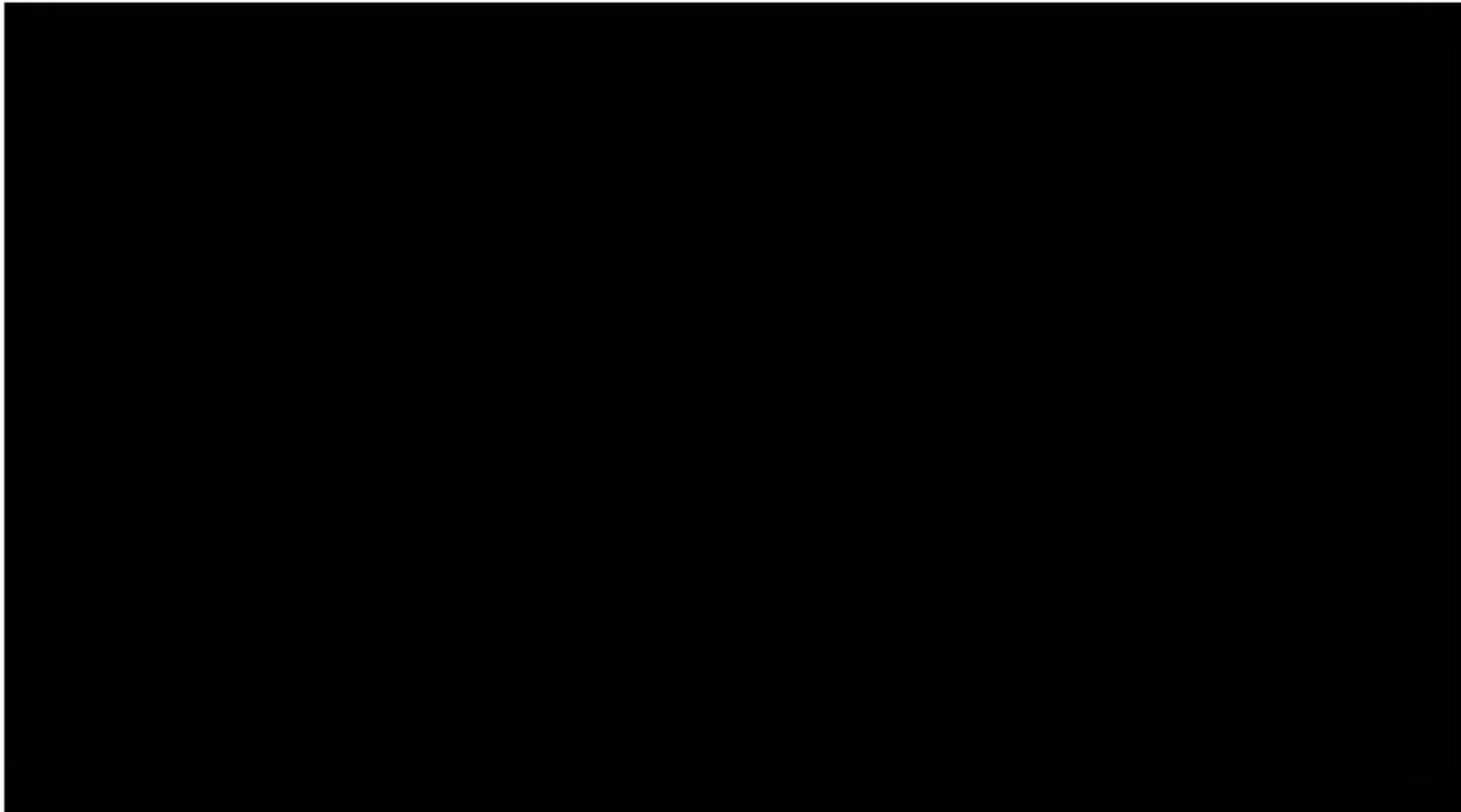
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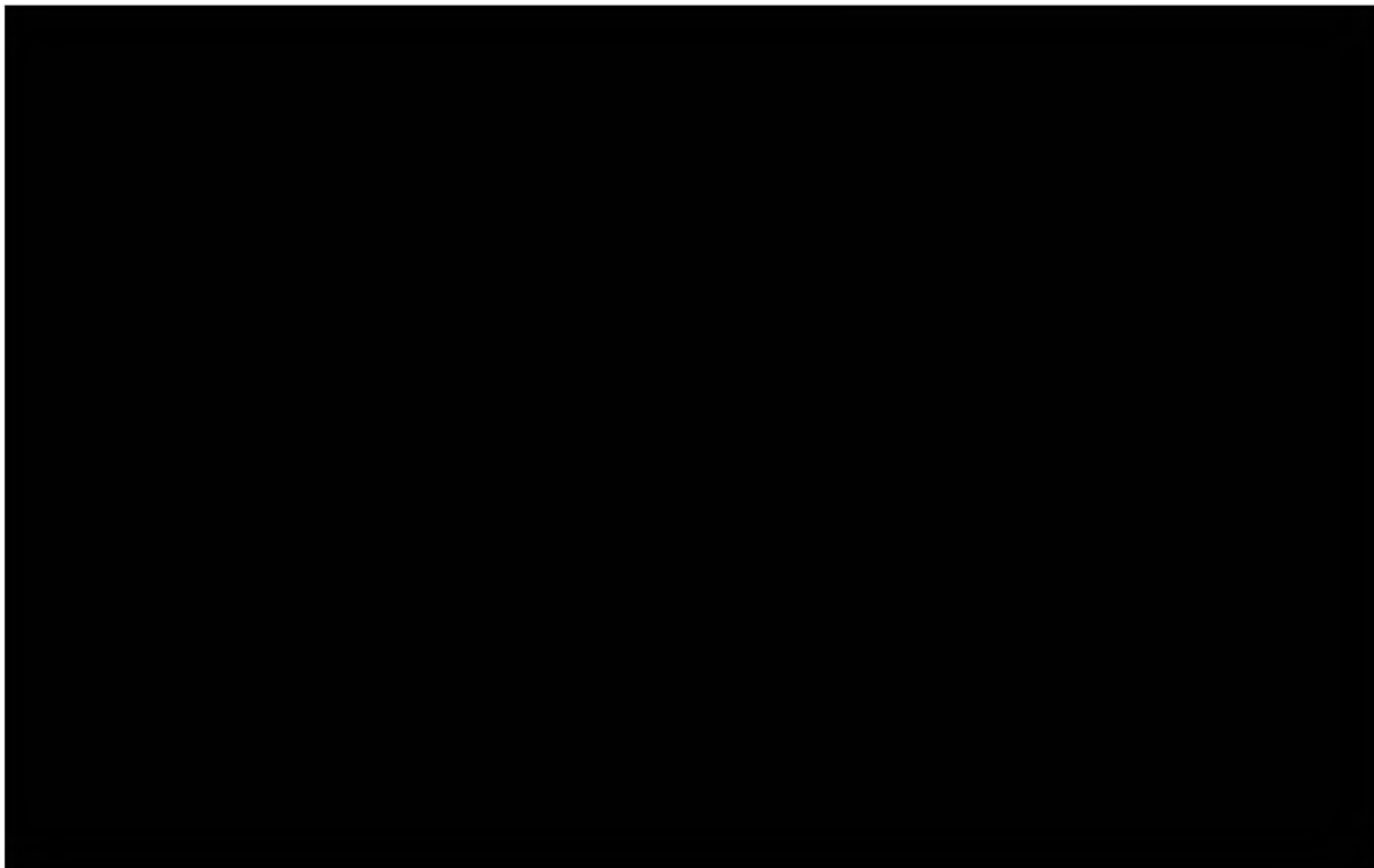
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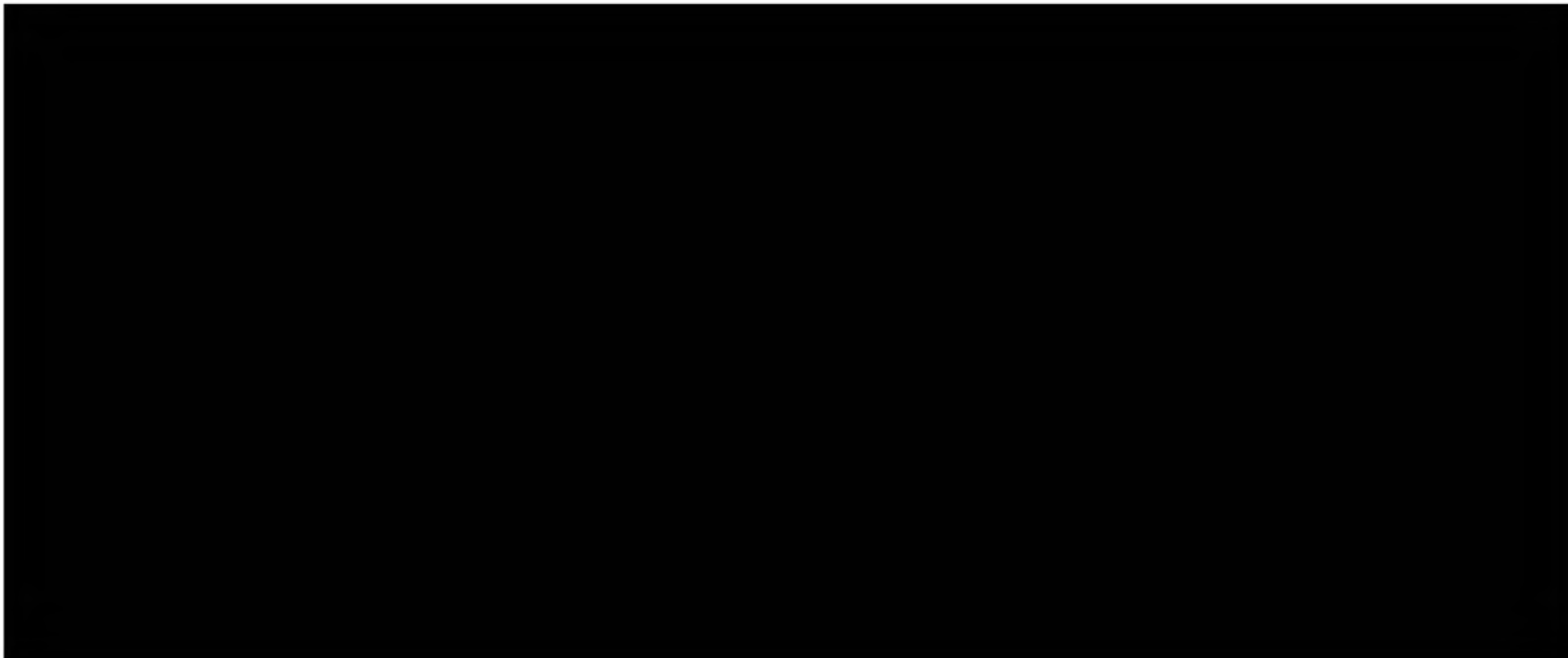
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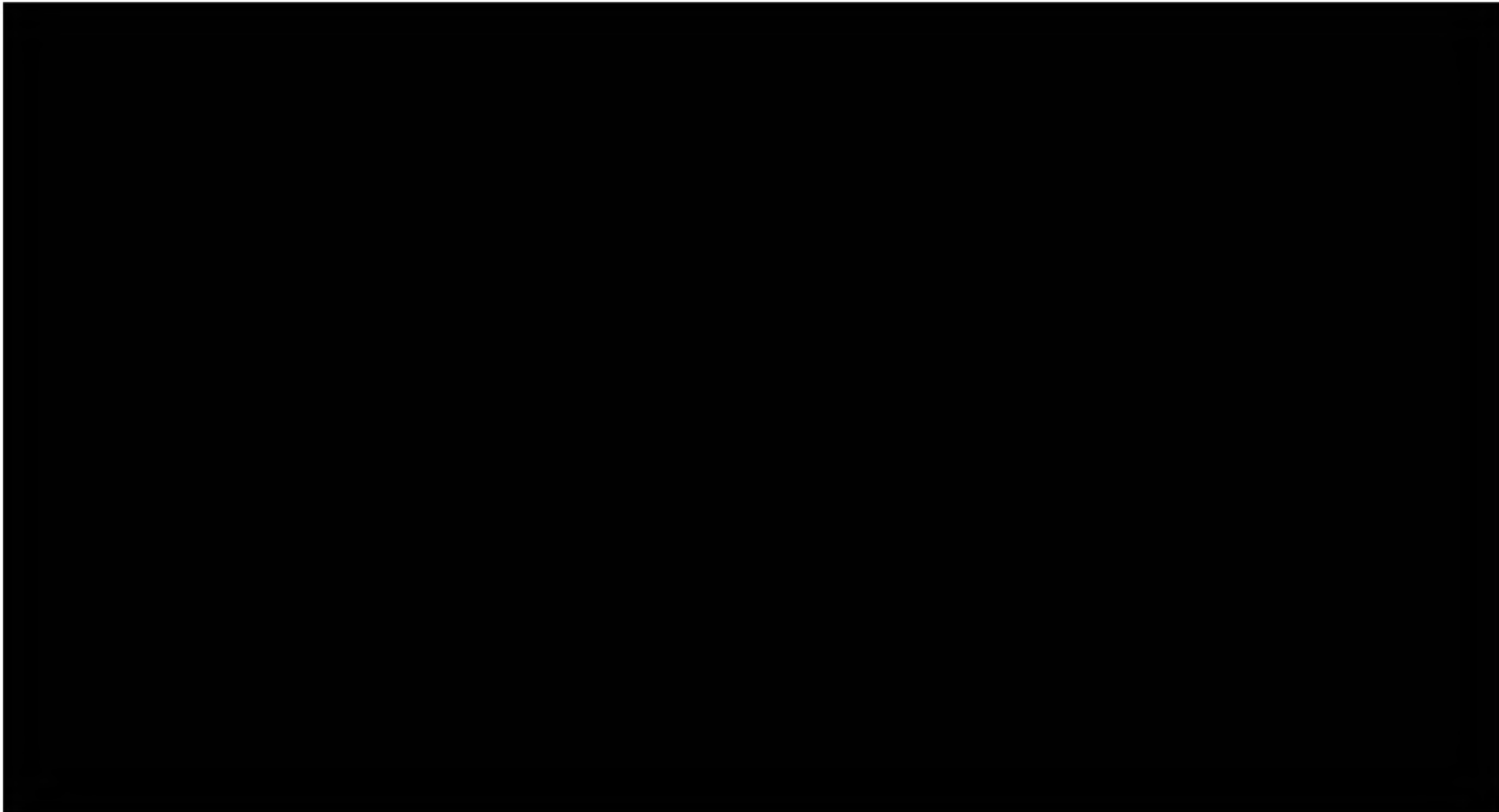
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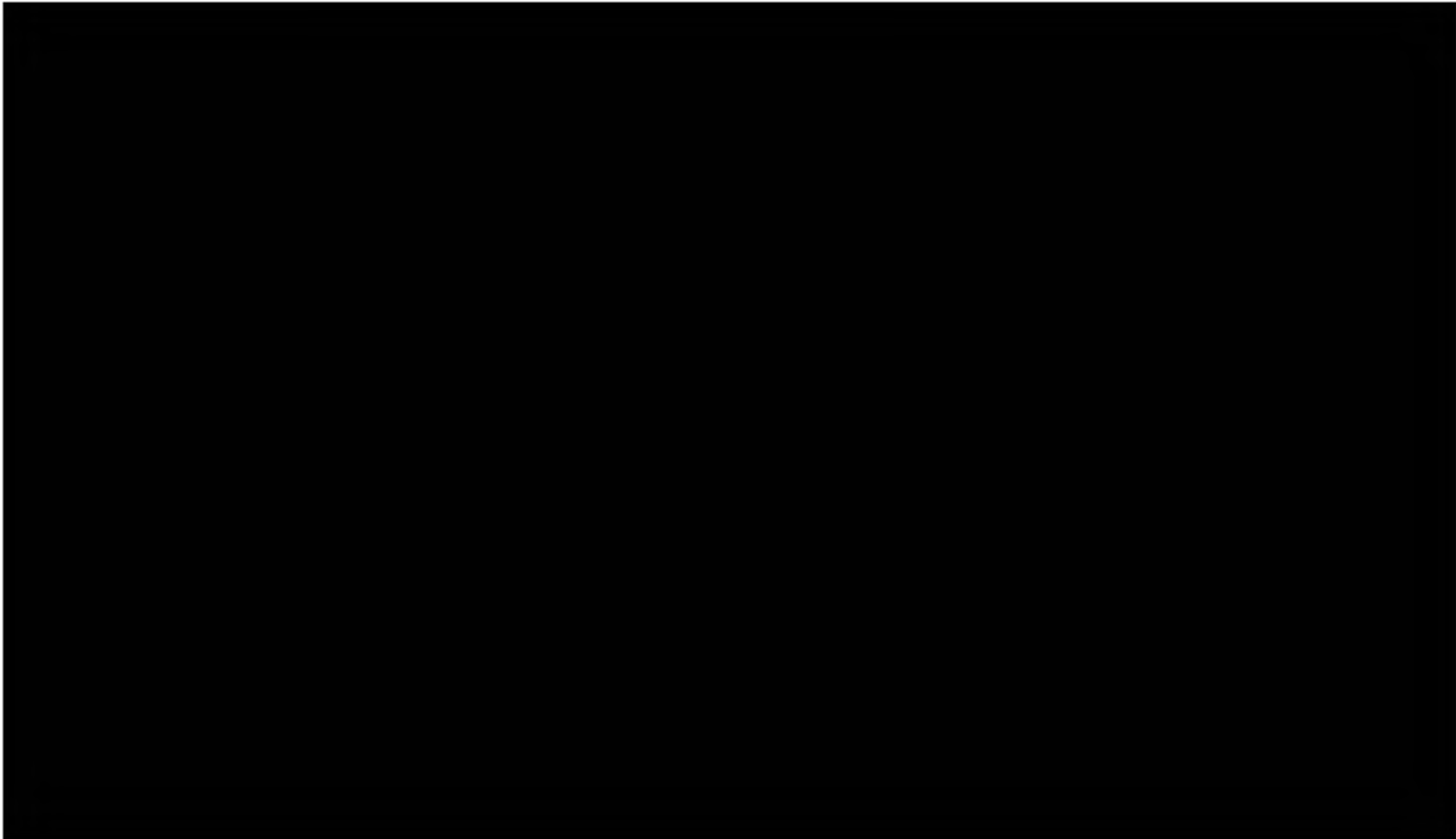
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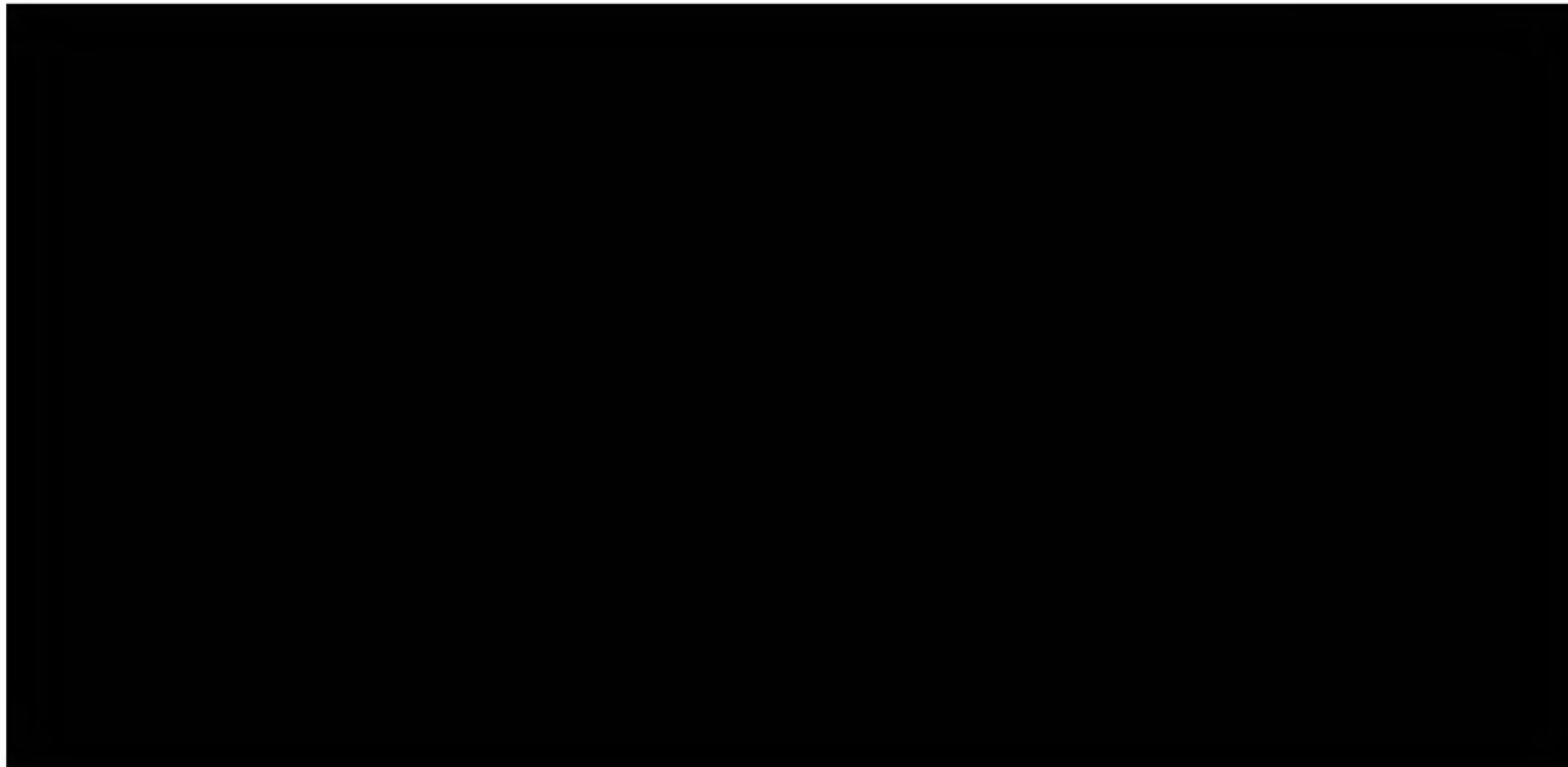
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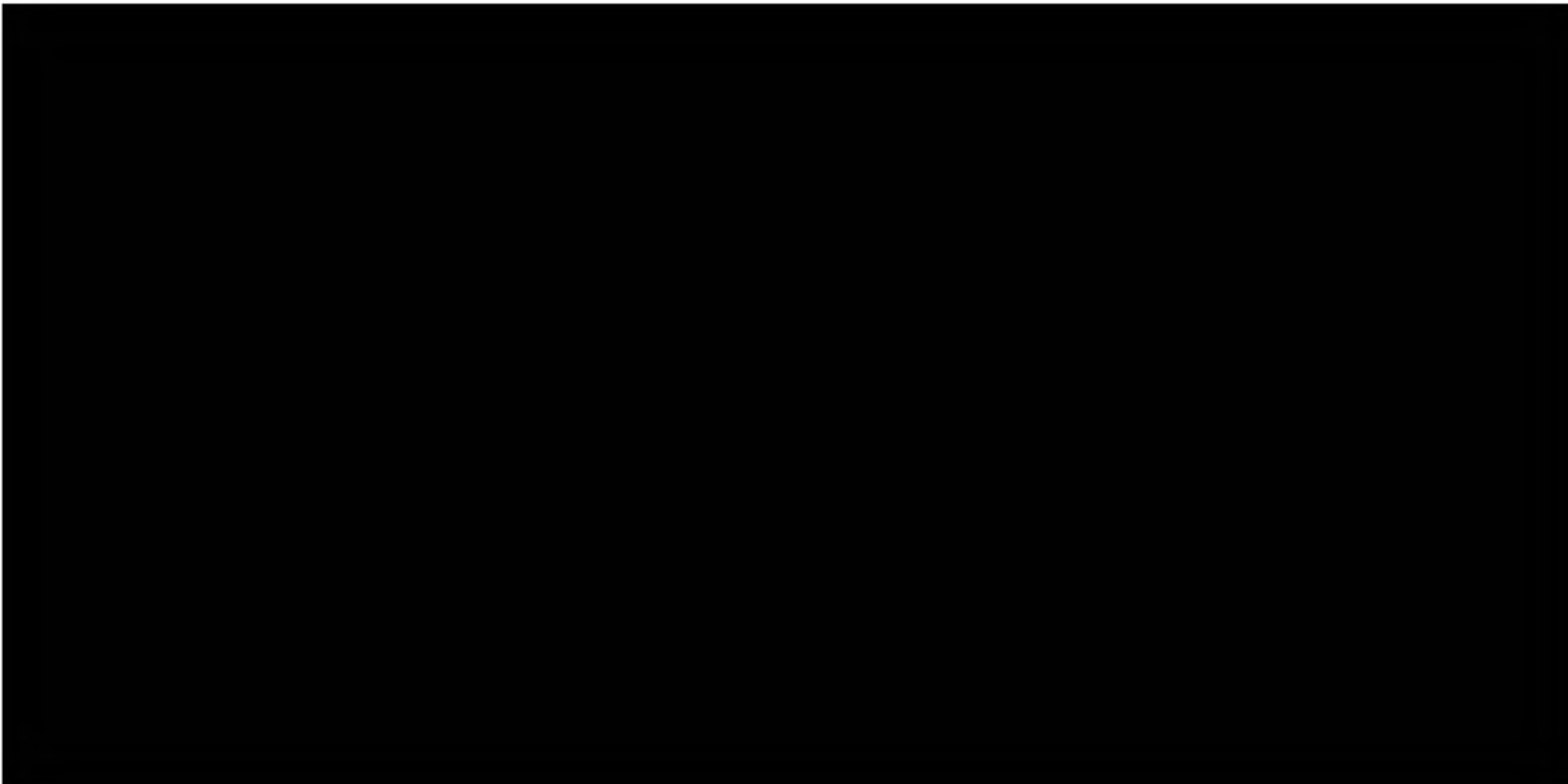
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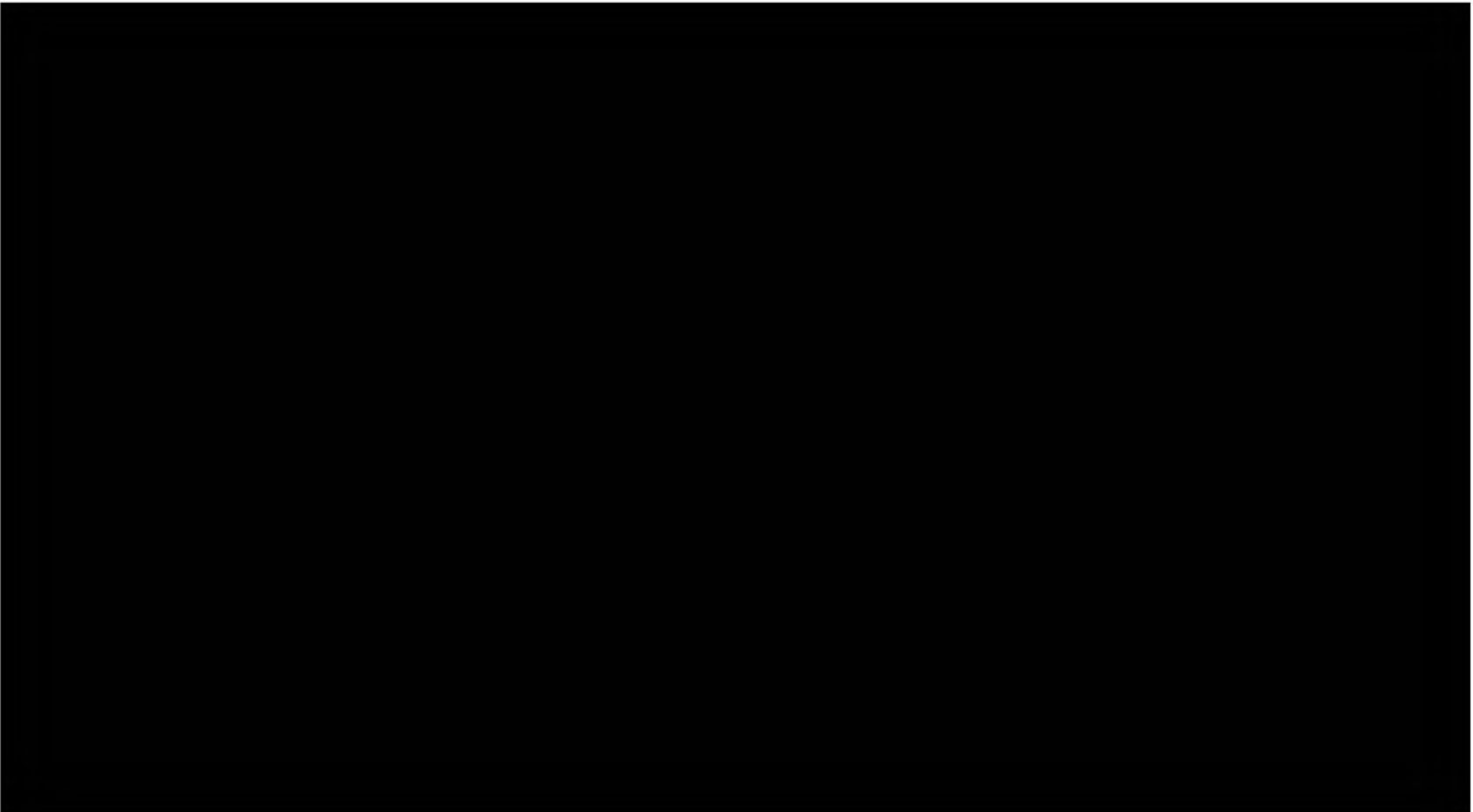
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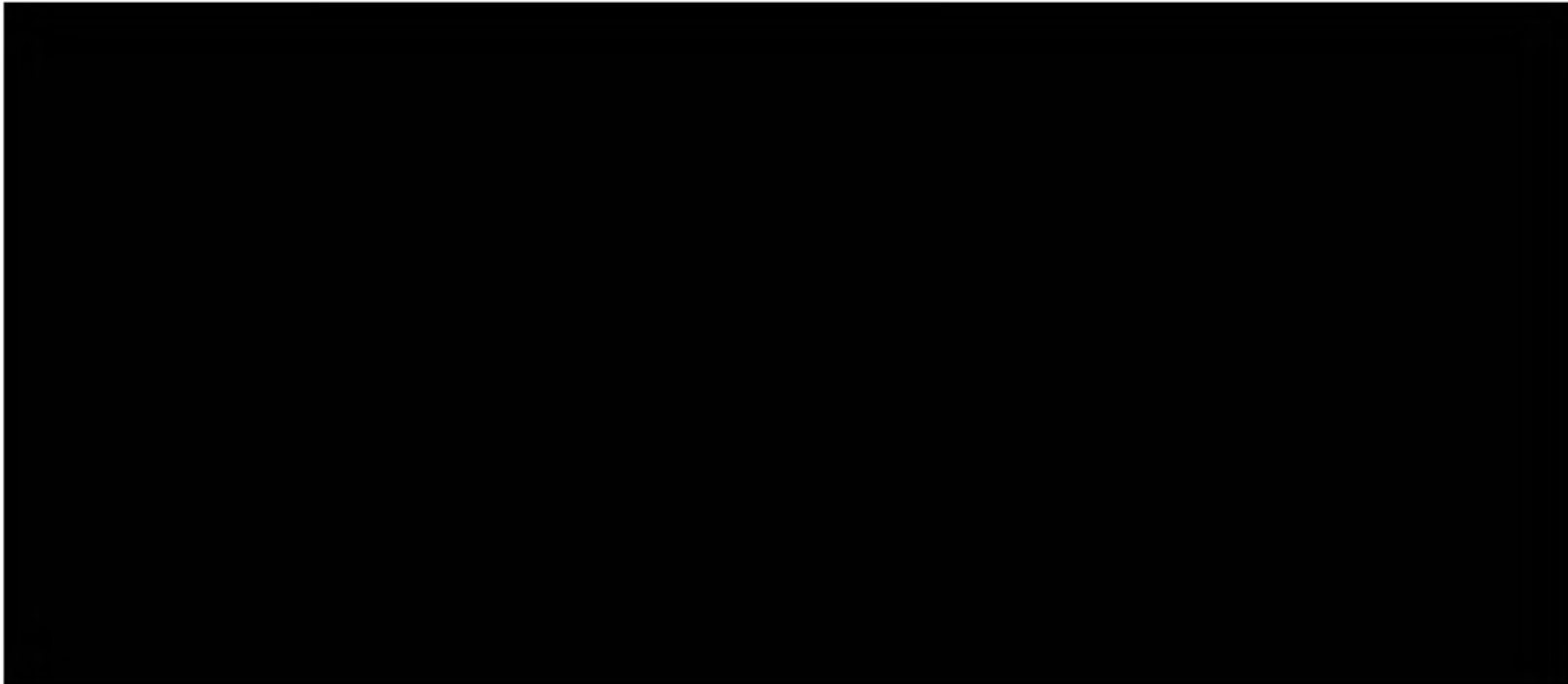
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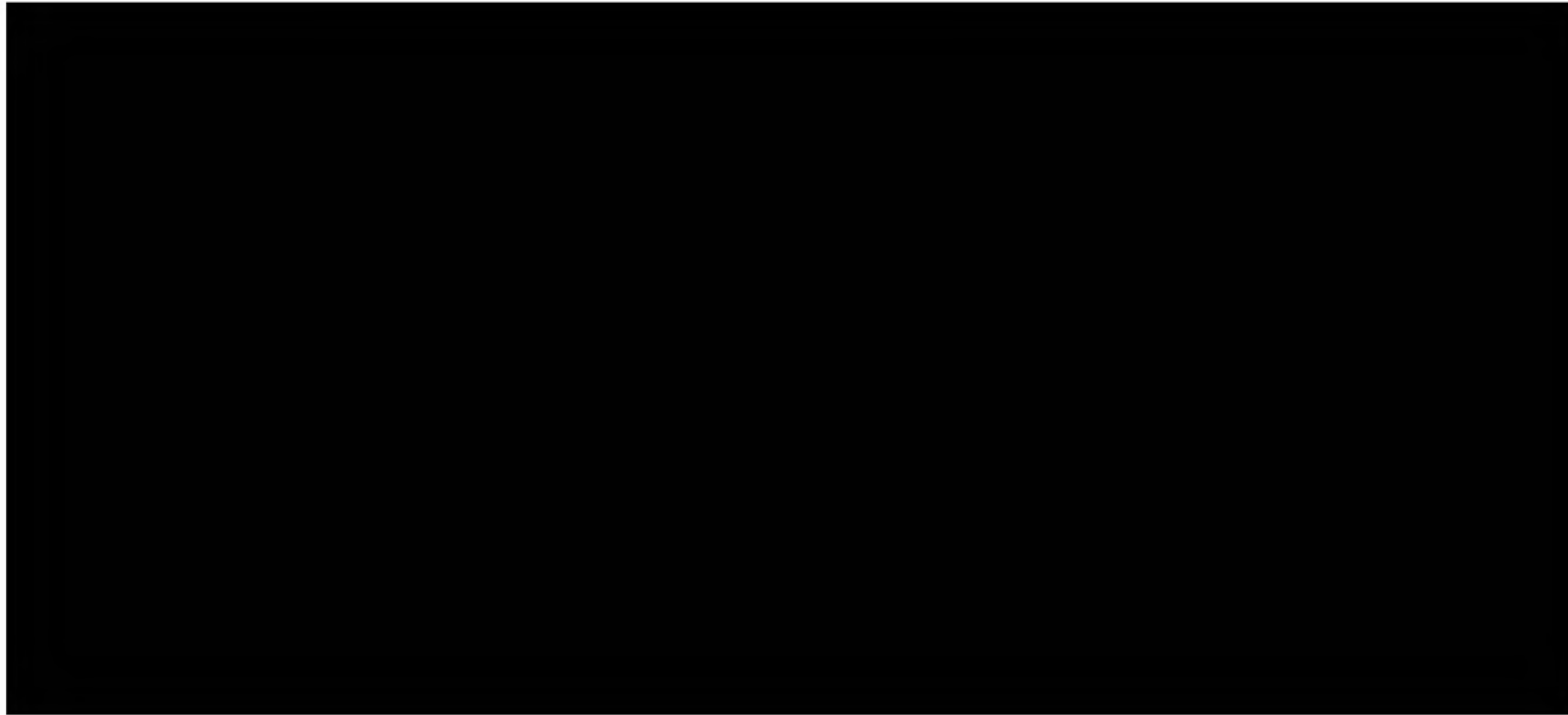
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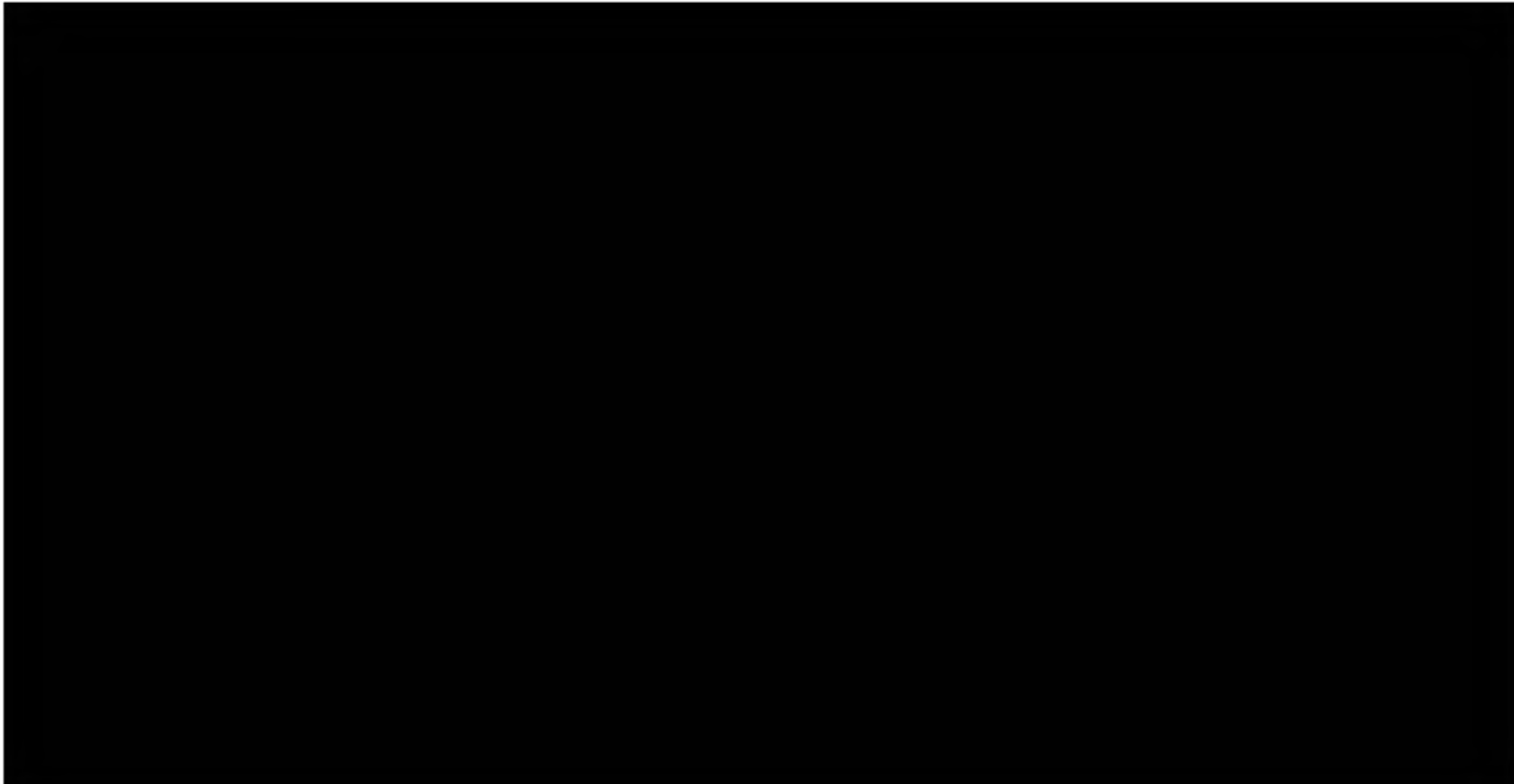
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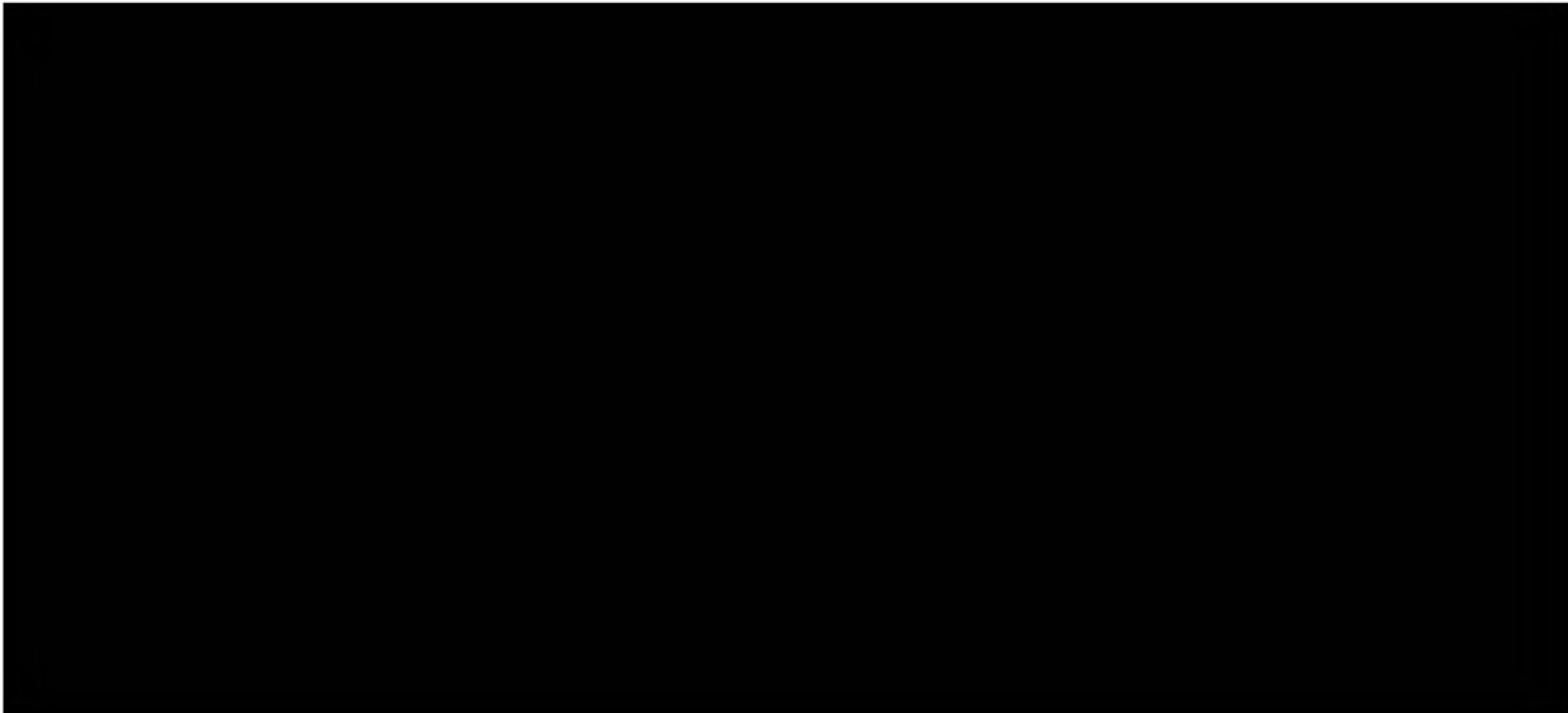
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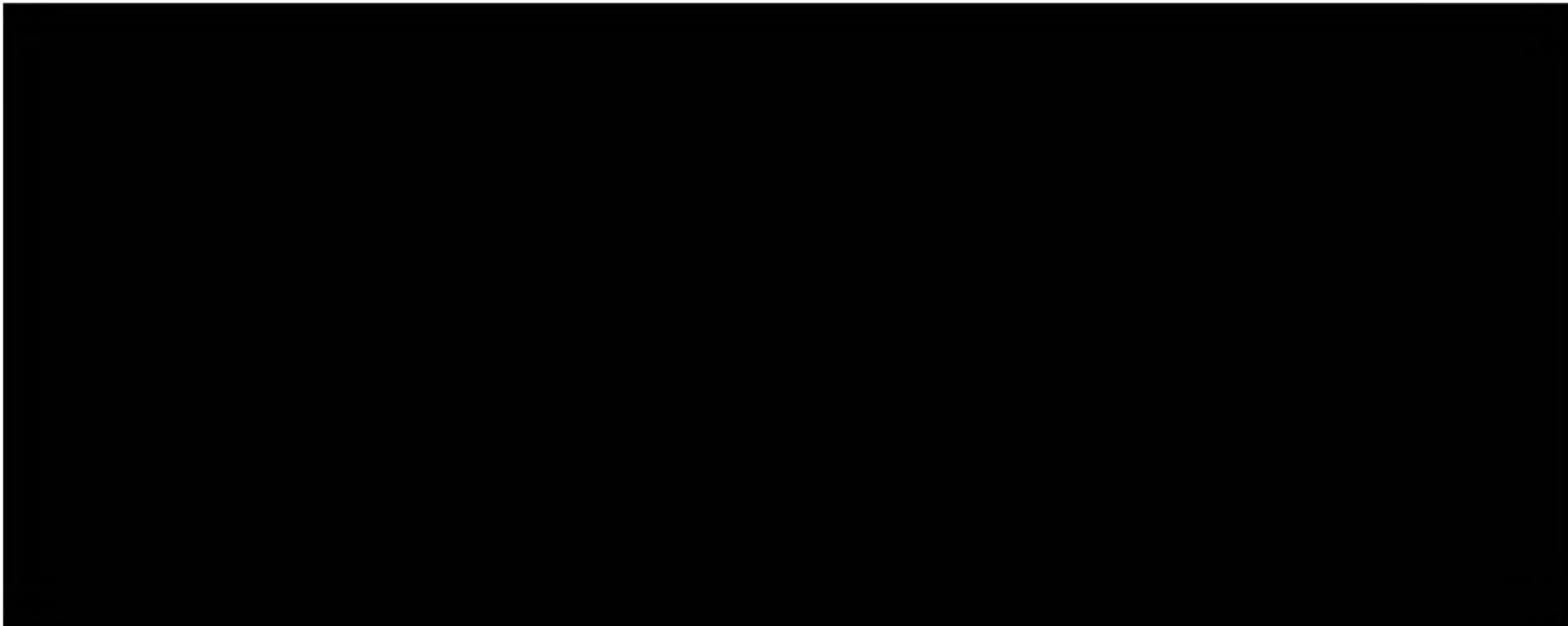
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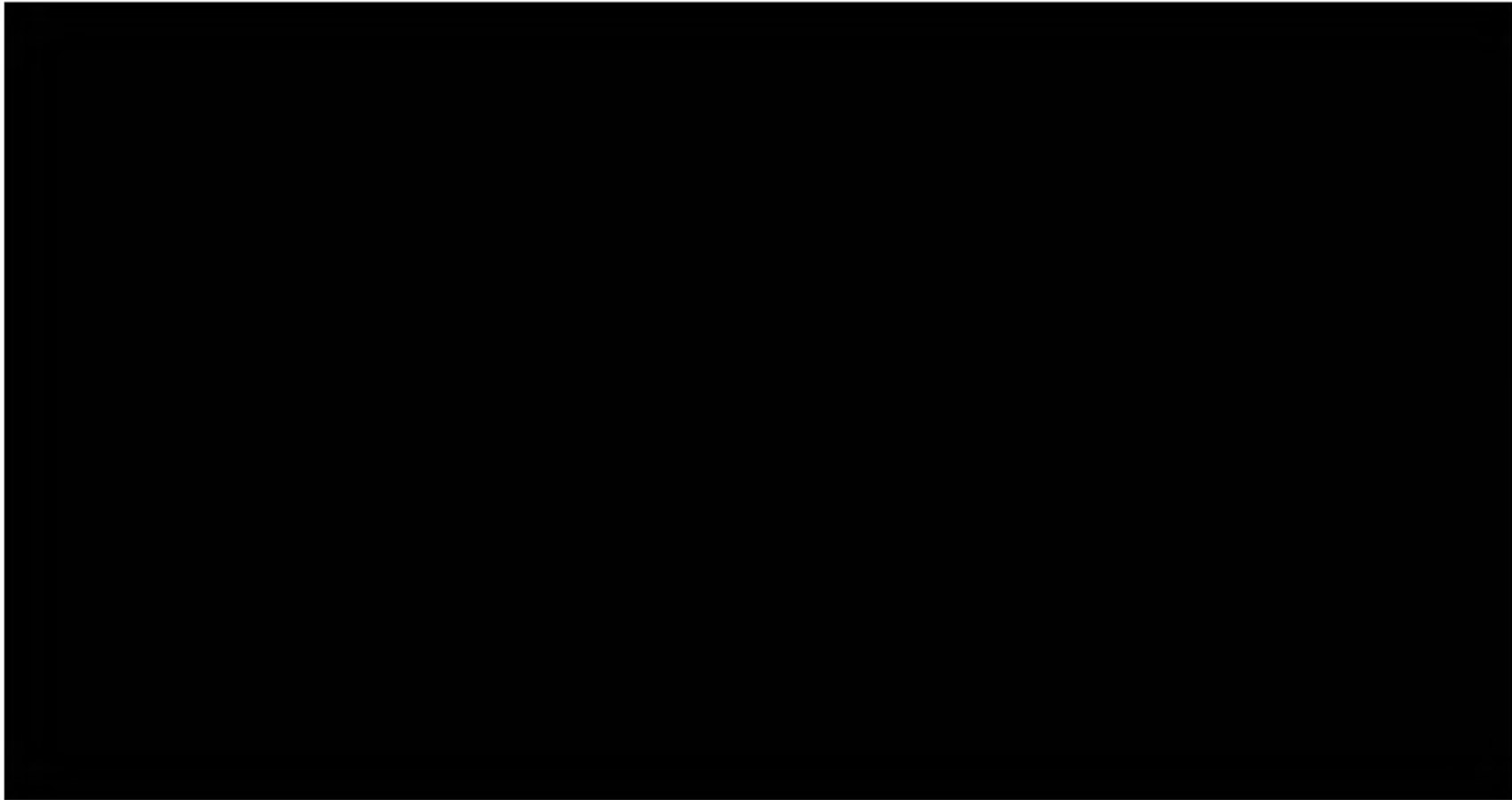
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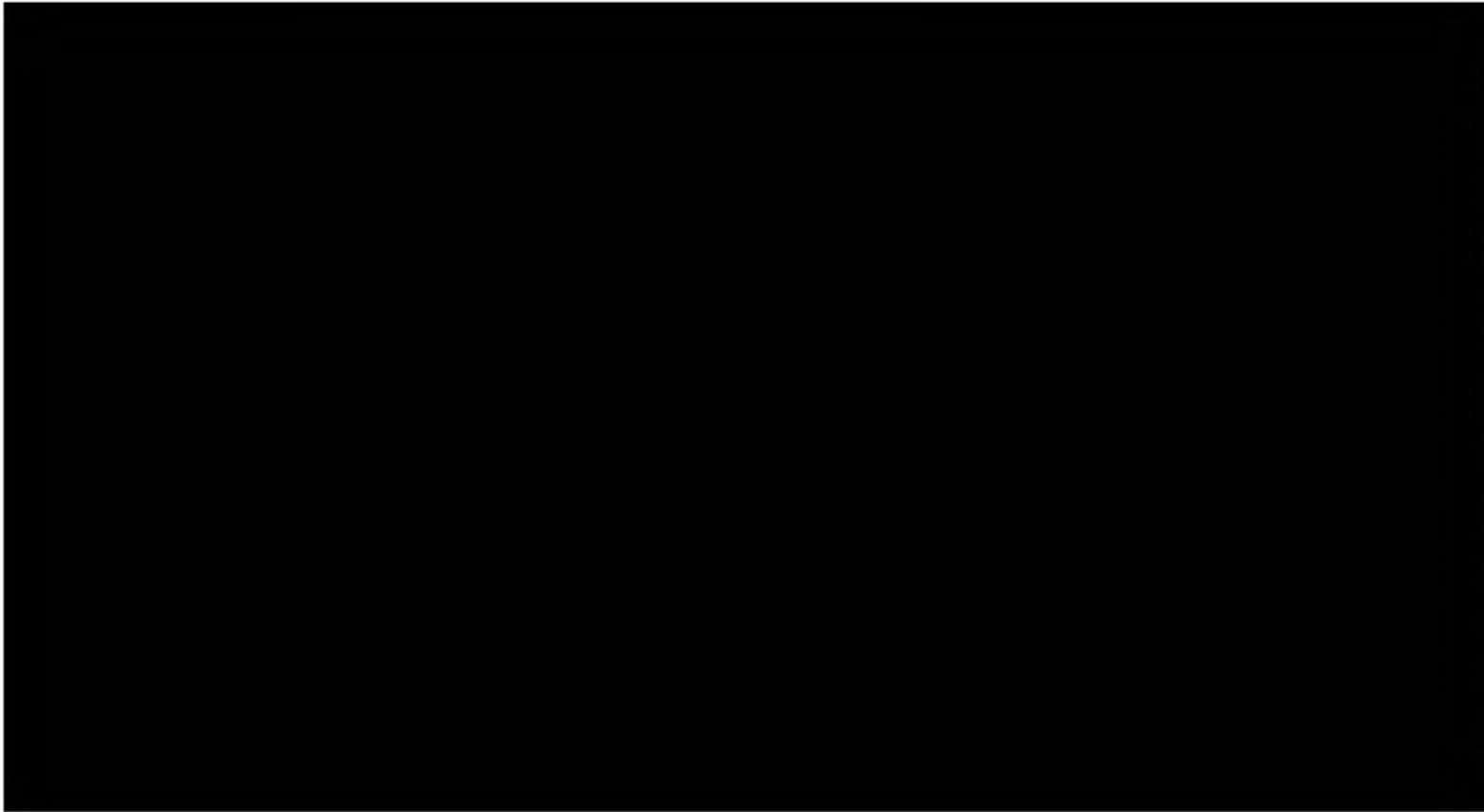
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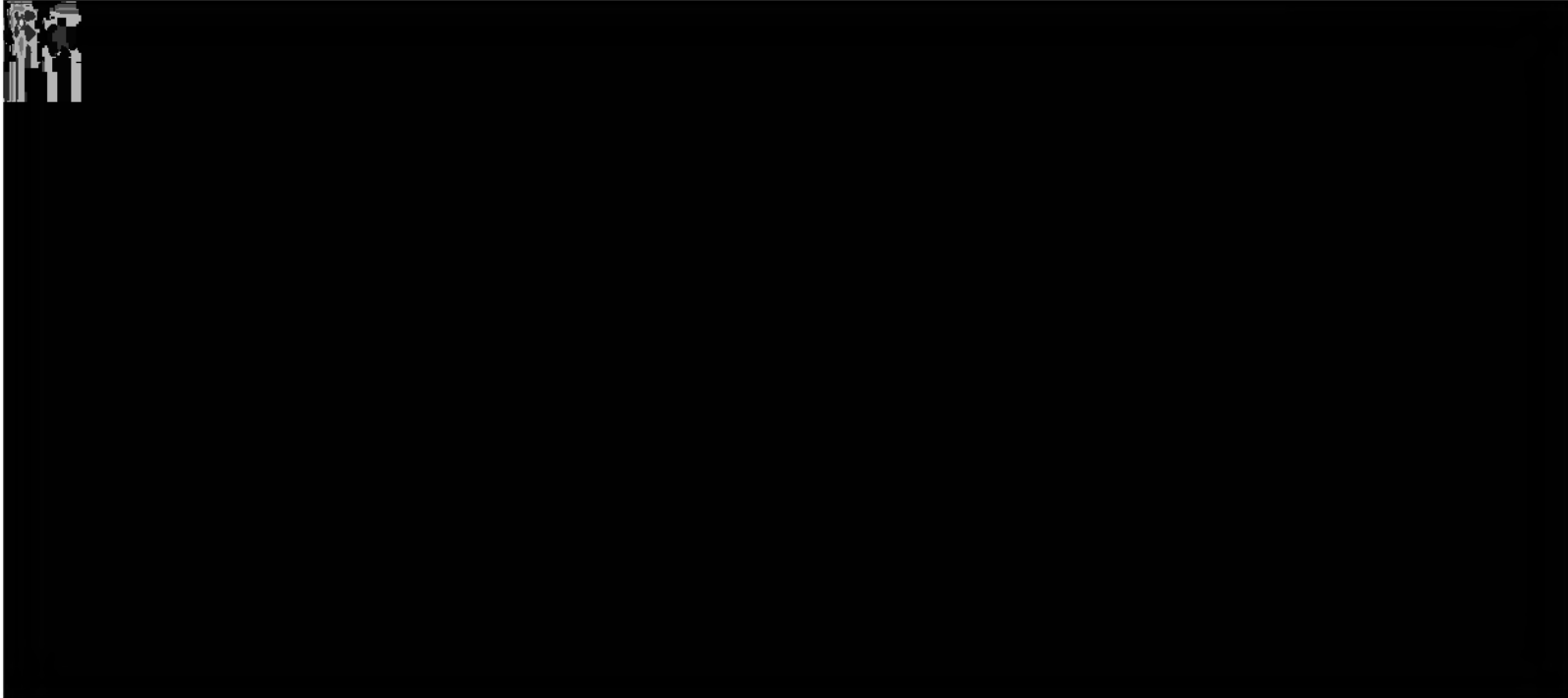
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AGENDA ITEM 6:
Ernst & Young Closing Report - Half Year ended
31 December 2019

Crown Melbourne Limited

Closing Report to the Audit Committee for
the half-year ended 31 December 2019



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Crown Melbourne's VIP gaming debts ageing profile	11



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary Areas of review focus Appendices

Welcome

Dear Audit Committee Members



Michael Collins
EY Assurance
Partner

Our procedures in relation to the review of Crown Resorts Limited ("CRL") for the half-year ended 31 December 2019 are in progress. In carrying out our review procedures, we consider certain matters relating to Crown Melbourne Limited ("Crown Melbourne"). An extract of our overall observations to date, as relevant to Crown Melbourne, is provided in this report.

This report is intended solely for the use of the Audit Committee and senior management and should not be used for any other purpose nor given to any other party without our prior written consent.

We would like to thank your staff for the assistance provided to us during the engagement.

I look forward to the opportunity of discussing with you any aspects of this report or any other issues arising from our work.

If you have any queries in the meantime, please feel free to contact myself on [REDACTED].

Yours faithfully

Michael Collins
Partner
29 January 2020



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary

Status of review	Areas of review focus	Scope & materiality
<p style="text-align: center;">1 outstanding matter</p> <p>The outstanding matter is:</p> <ul style="list-style-type: none"> ▶ Subsequent event procedures. <p>We have remained in compliance with the <i>Corporations Act 2001</i> independence requirements.</p>	<p style="text-align: center;">4 key areas of focus where there are potential risks and exposure</p> <p>The areas of review focus and level of complexity or management judgement applied are:</p> <ul style="list-style-type: none"> HIGH Gaming debtors MEDIUM AASB 16 Leases MEDIUM Regulatory reviews LOW Restructuring and legal provisions <p>▶ See Areas of Review Focus section for more details.</p>	<p style="text-align: center;">\$15.3m final materiality based on actual results for HY</p> <p>Our review procedures for CRL have been performed using a materiality of \$15.3m, calculated based on 5% of net profit before tax for the period.</p> <p>The threshold for reporting review differences which impact the income statement is \$1.4m.</p> <p>We identified a review difference in respect of Crown Melbourne relating to the provision for doubtful debts. As noted below, for the purpose of the CRL half year review, review differences are aggregated at the CRL level.</p>



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary **Areas of review focus** Appendices

Areas of review focus

Gaming debtors

Key judgements: Provision for doubtful debts

Relevant accounting standards: *AASB 9 Financial Instruments*

HIGH



Our understanding

- The following table summarises the net exposure to Crown Melbourne's gaming receivables at 31 December 2019:

[Redacted table content]

Recovery of receivable balances previously written off

- During the year ended 30 June 2019, management wrote off [redacted] of gross debtor balances. There were no further debts written off in the period to 31 December 2019.
- During the half year period, [redacted] was recovered from patrons whose debts were fully written off at 30 June 2019.

EY perspective

- Our review included, but was not limited to the following procedures:

- Enquired with management if there have been any changes to internal controls over credit granting;
- Reviewed credit control debt reports for recent VIP activity and outstanding amounts owing;
- Reviewed the ageing of the gaming receivables; and
- Reviewed whether the assumptions and calculations used in the determination of the VIP debtor provisioning is in accordance with Crown's policy.

Recovery of receivable balances previously written off

- To the extent that amounts are recovered that were previously written off, these recoveries are required to be recognised as a recovery of doubtful debt expense in the income statement.
- Based on our review procedures, the [redacted] of amounts received, that were previously written off, have been appropriately recorded within doubtful debt expense in Crown Melbourne's ledger.



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary **Areas of review focus** Appendices

Our understanding

Provision for doubtful debts

- ▶ In accordance with AASB 9, the measurement of expected credit loss must reflect:
 - ▶ An unbiased and probability-weighted amount determined by evaluating a range of possible outcomes;
 - ▶ The time value of money; and
 - ▶ Reasonable and supportable information about past events, current conditions and forecasts of future conditions.
- ▶ The table below shows the provisioning rates determined and used by management in calculating the expected credit loss:

Age of Debt	< 6 months	6 – 12 months	12 – 24 months	24 – 36 months	>36 months
% Provided	5%	25%	50%	75%	100%

- ▶ Crown Melbourne's accounting policies, as well as provisioning rates, are consistent with those applied by Crown Resorts Limited, and are consistent with those applied at 30 June 2019.
- ▶ The ageing profile of outstanding debts at 31 December 2019 is included in the Appendices to this report.

Corporate debtors provisions

- ▶ At the Crown Resorts level, there is an additional provision of \$20 million relating to a collective assessment of debtors based on current and forward looking information, not captured in the provision for doubtful debts held in the operating entities (i.e. Crown Melbourne, Crown Perth and Aspinalls). This is consistent with the provision raised at 30 June 2019.
- ▶ Consistent with the prior year, no portion of the Corporate debtors provision relevant to Crown Melbourne has been recorded in Crown Melbourne's ledger as at 31 December 2019.

EY perspective

Application of the Crown provisioning policy

- ▶ We understand that Crown's provisioning policy has been applied in a manner consistent with the prior year and that there are no changes to internal controls over credit granting.
- ▶ Management has applied their provisioning policy at 31 December 2019 against all outstanding debtors. Nothing has come to our attention to suggest that the provisioning rates applied at 30 June 2019 are no longer appropriate at balance date.

Reconciling differences

- ▶ As noted in prior periods, the recognition of the doubtful debts provision in the general ledger is based on turnover (for management reporting purposes).
- ▶ This has resulted in an overstatement of the provision of \$3.5m at 31 December 2019 compared to management's calculation of expected credit loss. This has contributed to the provision as a % of gaming debtors to increase from 30% at 30 June 2019, to 32% at 31 December 2019. As no standalone review conclusion will be issued for Crown Melbourne at 31 December 2019, this difference will be concluded on at the Crown Resorts consolidated level.

Corporate debtors provision

- ▶ Consistent with the reconciling differences noted above, this provision is assessed at the Crown Resorts consolidated level.
- ▶ As in prior years, we recommend that management assess the relevant portion of the Corporate provision that should be recognised in Crown Melbourne's financial statements for the year ending 30 June 2020.



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary **Areas of review focus** Appendices

AASB 16 Leases

Key judgements: Measurement of lease obligations
 Relevant accounting standards: [AASB 16 Leases](#)

MEDIUM



Our understanding

- ▶ AASB 16 Leases became effective for the first time for Crown from 1 July 2019. We understand that Crown is applying the modified retrospective method of transition, in which comparative information is not restated in the Crown HY20 interim financial statements.
- ▶ As part of the FY19 financial statement closing process, Crown management completed the assessment of the impact of adopting AASB 16. This included evaluating the completeness of leases captured under the new standard.
- ▶ We performed procedures in respect of management's assessment as part of the FY19 audit. This included Crown Melbourne's main site lease (the 'Site'), which constitutes most of Crown's right of use assets (ROU assets) and lease liabilities. We also considered a sample of other leases relevant to Crown Melbourne, such as the Marvel stadium suite.
- ▶ Management recorded ROU assets and lease liabilities of \$12.3m and \$33.7m respectively at 1 July 2019, of which \$8.1m and \$29.6m relate to the Site. The significantly higher lease liability is primarily a result of payments for the Site not beginning until 2033, whilst the ROU asset is depreciated from inception (i.e. 1993). This difference has been recorded in retained earnings.
- ▶ The amounts recorded are consistent with those assessed by management as part of the FY19 financial statement closing process. Recognition of a net deferred tax asset of \$6.4m have been included as part of the 1 July 2019 adjustment, being 30% of the net of the ROU assets and lease liabilities recognised.
- ▶ The lease liability for the Site will be re-measured at the beginning of year 41 of the 99-year lease term (2034) when the lease payments change following the first market rent review, with an associated adjustment being made to the ROU asset at that time.
- ▶ At 31 December 2019, Crown Melbourne recorded \$11.6m ROU assets and \$33.8m lease liabilities. The increase in the lease liabilities from 30 June 2019 primarily relates to interest expense in relation to the Site lease, partially offset by lease payments recorded in the period.

EY perspective

- ▶ Our review included the following procedures:
 - ▶ Enquired with management if there have been any changes to internal controls relating to identifying and measuring leases;
 - ▶ Enquired with management as to the recognition of ROU assets, lease liabilities and related tax effect accounting upon adoption; and
 - ▶ Enquired with management as to the amortisation of ROU assets and recognition of interest expense in relation to lease liabilities during the period.
- ▶ Based on our enquiries of management, no further lease arrangements at 1 July 2019 have been identified, and no significant new lease arrangements were entered into in the period to 31 December 2019.
- ▶ Based on our review procedures, the transition adjustments recorded as at 1 July 2019 do not appear unreasonable. The transition adjustments were consistent with those assessed as part of the 30 June 2019 year end audit process and disclosed in the Crown Resorts financial statements.
- ▶ Based on our review procedures, the amortisation of ROU assets and interest expense in relation to lease liabilities that have been recorded in the income statement during the period does not appear unreasonable.
- ▶ Management intends on updating its accounting policies and lease-related disclosures in the Crown Melbourne statutory financial statements for the year ending 30 June 2020 in accordance with the new requirements of AASB 16.



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary **Areas of review focus** Appendices

Regulatory reviews

Key judgements: Measurement of potential obligations arising from regulatory inquiries and/or related disclosures
 Relevant accounting standards: [AASB 137 Provisions, Contingent Liabilities and Contingent Assets](#)

MEDIUM



Our understanding

- ▶ In July 2019, a number of media outlets including "60 minutes" and The Age levied a series of allegations with respect to the conduct of Crown.
- ▶ On 30 July 2019, Crown released an ASX announcement with its responses to the allegations made by the media outlets, denying all allegations.
- ▶ Since the allegations there have been inquiries from Government regulators and authorities which are ongoing, including from the:
 - ▶ Victorian Commission for Gambling & Liquor Regulation (VCGLR)
 - ▶ NSW Independent Liquor and Gaming Authority (ILGA)
 - ▶ WA Gaming & Wagering Commission (GWC) - informal inquiry
 - ▶ Australian Commission for Law Enforcement Integrity (ACLEI) - this is a formal inquiry into the conduct involving Crown Resorts and the Department of Home Affairs
 - ▶ Australian Transaction Reports and Analysis Centre (AUSTRAC)
- ▶ At the date of this report, the inquiries noted above are ongoing, and we understand that no actions have been taken against Crown.

EY perspective

- ▶ Our review included the following procedures:
 - ▶ Enquired with management regarding its processes for monitoring compliance with laws and regulations; and
 - ▶ Enquired with senior management, in-house legal counsel and those charged with governance on developments with respect to the ongoing inquiries or investigations.
- ▶ At the date of writing this report, we are awaiting from management recent letters from AUSTRAC as well as reviews performed by Crown's AML consultant, Neil Jeans from Initialism, to review.
- ▶ Based on our review procedures, we understand that to date, no legal action has been taken against Crown from the ongoing regulatory reviews. Management currently do not believe any provision should be recorded in respect of these inquiries. This does not appear unreasonable. Any disclosure to be included in the financial statements will be considered at the Crown Resorts level.
- ▶ We will continue to monitor the development of the inquiries and investigations and assess whether disclosure is required in Crown Melbourne's statutory financial statements for the year ending 30 June 2020 in relation to the regulatory reviews.



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary **Areas of review focus** Appendices

Provisions

Key judgements: Recognition and measurement

Relevant accounting standards: [AASB 137 Provisions, Contingent Liabilities and Contingent Assets](#)

LOW



Our understanding

Restructuring and legal provision

- ▶ At 31 December 2019, Crown Melbourne held provisions of \$4.4m relating to restructuring (\$3.1m) and legal matters in respect of a number of small public liability claims (\$1.3m).

Class action

- ▶ At period end, Crown Melbourne held a \$0.4m provision for legal and consulting services in relation to the Class Action (included in the \$3.1m restructuring provision).
- ▶ Consistent with prior year, Crown Melbourne continues to recognise a receivable related to amounts recoverable under the Group's insurance policies in respect of recoverable legal costs for the Class Action. The receivable amounted to \$2.2m at 31 December 2019. Cumulative costs recovered from the insurer to date amounts to \$4.0 million.

Dinner by Heston ("DBH")

- ▶ As a result of the financial performance of DBH, provisional liquidators were appointed in late December 2019. At the time of appointment of liquidators, Crown Melbourne had a receivable balance and working capital loan amounting to \$5.2m owing from DBH. As such, management consider that these receivables may not be recoverable.
- ▶ Further, management estimated a potential net exposure of \$1.6m to Crown Melbourne in relation to the DBH review conducted by the Fair Work Commission. Crown Melbourne also carried prepaid license fees amounting to \$0.5m as an intangible asset at 31 December 2019. With the receivable these amounts total \$7.3m.
- ▶ Consistent with 30 June 2019, no provisions relating to the DBH matter has been recorded in Crown Melbourne's ledger as at 31 December 2019. We understand that a provision has been recorded at Crown Resorts consolidated level for the total potential exposure of \$7.3m.

EY perspective

- ▶ Our review included the following procedures:
 - ▶ Enquired with management about the methods and assumptions adopted in assessing the adequacy of the provisions;
 - ▶ Reviewed the schedule of the provisions prepared by management and enquired about the nature of the provisions;
 - ▶ Met with in-house legal counsel to update Crown's current position with respect to open cases, including the Class Action;
 - ▶ Enquired with management about provisions utilised during the period; and
 - ▶ Considered the recognition of the insurance claim receivable.
- ▶ Based on our review procedures, we note that the assumptions made by management in estimating the restructuring and legal provisions at 31 December 2019 does not appear unreasonable and were consistent with our understanding.
- ▶ In respect of the recoverable legal costs for the Class Action, we note that management's recognition of the insurance claim receivable does not appear unreasonable, given Crown's insurance policy and the requirements of AASB 137.
- ▶ Based on our review procedures, it appears appropriate to recognise a provision in relation to the DBH matter. As no standalone review opinion will be issued for Crown Melbourne at 31 December 2019, this provision is currently recognised at the Crown Resorts consolidated level.



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary Areas of review focus **Appendices**

Appendix A - Other required audit committee communications

Auditing Standards require us to report to you certain matters that are not otherwise detailed in this report.

Matter	How matter was addressed
Disagreements with management	During our review, there were no unresolved differences with management.
Compliance with laws and regulations	During our review, we have not identified any material instances of non-compliance with laws and regulations.
Fraud and illegal acts	<p>We have made enquiries of management regarding:</p> <ul style="list-style-type: none"> ▶ Knowledge of any fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial information ▶ Knowledge of any allegations of fraud, or suspected fraud, affecting Crown Melbourne Limited's financial information <p>Based on our enquiries and review procedures, we did not become aware of any fraud or illegal acts during our review.</p>



Crown Melbourne Limited

For the half-year ended 31 December 2019

Executive summary Areas of review focus **Appendices**

Crown Melbourne's VIP gaming debts ageing profile



6



EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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ED None

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Crown Melbourne Limited

Audit Plan for the year ending 30 June 2020





Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary Areas of Audit Focus Audit Approach Your EY Team Engagement Execution Appendices

Welcome

Dear Audit Committee Members



Michael Collins
EY Assurance
Partner

We are pleased to present our External Audit Plan (Audit Plan) for Crown Melbourne Limited and its controlled entities ("Crown Melbourne" or "the Group") for the year ending 30 June 2020. We look forward to the opportunity to discuss our Audit Plan with you, including the scope of our work, to ensure that our efforts are aligned with your expectations.

Our audit is designed to express an audit opinion on the 2020 full year financial report of Crown Melbourne.

Our Audit Plan has been prepared acknowledging, and with consideration of, Crown Melbourne's current and emerging business risks and the resultant financial statement impacts. It is designed to be responsive to the needs of Crown Melbourne, to maximise audit effectiveness and to deliver the high-quality audit you expect.

Should you have any questions or comments, please do not hesitate to contact me on [REDACTED].

Yours faithfully



Michael Collins
Partner
29 January 2020



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary

<p style="text-align: center;">AREAS OF AUDIT FOCUS</p> <p style="text-align: center; font-size: 2em; color: yellow;">5</p> <p>key focus areas identified that remain broadly consistent with the prior year.</p> <p>The Areas of Audit Focus and the level of complexity or management judgement to be applied are:</p> <table border="0"> <tr> <td>Gaming debtors</td> <td style="background-color: red; color: white; text-align: center; padding: 2px;">HIGH</td> </tr> <tr> <td>Revenue recognition</td> <td style="background-color: orange; color: white; text-align: center; padding: 2px;">MEDIUM</td> </tr> <tr> <td>AASB 16 Leases</td> <td style="background-color: orange; color: white; text-align: center; padding: 2px;">MEDIUM</td> </tr> <tr> <td>Regulatory reviews</td> <td style="background-color: orange; color: white; text-align: center; padding: 2px;">MEDIUM</td> </tr> <tr> <td>Provisions</td> <td style="background-color: green; color: white; text-align: center; padding: 2px;">LOW</td> </tr> </table> <p>Note that the impairment assessment of Crown Melbourne's intangible assets and other non-current assets is performed as part of the Crown Resorts Limited ('CRL') audit.</p>	Gaming debtors	HIGH	Revenue recognition	MEDIUM	AASB 16 Leases	MEDIUM	Regulatory reviews	MEDIUM	Provisions	LOW	<p style="text-align: center;">AUDIT SCOPING</p> <p>Our audit scope is to express an opinion on the 30 June 2020 consolidated financial statements of Crown Melbourne.</p> <p>At the 31 December 2019 half year, we will issue a review opinion on the consolidated interim financial report of Crown Resorts Limited. Our review is primarily limited to performing analytical review procedures and discussions with management. In carrying out our review procedures, we will consider certain matters relating to Crown Melbourne.</p> <p>Further, we will provide the following independent audit reports to Crown Melbourne:</p> <ul style="list-style-type: none"> ▶ Statement of Compliance to the Victorian WorkCover Authority; ▶ Statement of Outgoings; ▶ Statement of Promotional Expenditure; ▶ Statement of Statutory Outgoings; and ▶ Crown Singapore Pte Ltd financial report. 	<p style="text-align: center;">OUR AUDIT APPROACH</p> <p>As in prior years we seek to test IT and manual controls over the key financial statement processes and therefore expect to take a controls-based approach for the following processes:</p> <ul style="list-style-type: none"> ▶ Revenue to cash (table games, gaming machines, hotel and F&B); ▶ Main bank close-out; ▶ Credit granting to VIP players; ▶ Purchase to pay; and ▶ Payroll. <p>The nature and extent of our controls testing is dependent on and considers whether the IT general controls environment of Crown Melbourne is operating effectively. There continues to be a substantive approach taken to areas of significant management judgement.</p>
Gaming debtors	HIGH											
Revenue recognition	MEDIUM											
AASB 16 Leases	MEDIUM											
Regulatory reviews	MEDIUM											
Provisions	LOW											
<p style="text-align: center;">PLANNING MATERIALITY</p> <p style="text-align: center; font-size: 2em; color: yellow;">\$30M</p> <p>Our planning materiality has been set at \$30m, calculated at 8% of forecast profit before tax.</p> <p>We allocate a relevant proportion of CRL's materiality to Crown Melbourne for the purpose of auditing the Crown Resorts financial statements.</p> <p>We will report all audit differences over \$1.5m to the Audit Committee. We will regularly review materiality throughout the engagement.</p>	<p style="text-align: center;">DIGITAL AUDIT</p> <div style="text-align: center;">  </div> <p>We will continue use EY Helix analytic tools that has been embedded in our digital audit in previous years, including the General Ledger Analyzer which facilitates analysis of 100% of Crown Melbourne's journal entry population.</p>	<p style="text-align: center;">INDEPENDENCE</p> <div style="text-align: center;">  </div> <p>We will confirm our independence throughout the audit and remain in compliance with the <i>Corporations Act 2001</i> independence requirements.</p>										



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary **Areas of Audit Focus** Audit Approach Your EY Team Engagement Execution Appendices

Areas of Audit Focus

Gaming debtors - VIP debtor provisioning

Key judgements: Provision for doubtful debts

Relevant accounting standards: [AASB 9 Financial Instruments](#)



Background

- ▶ Management determines provisioning rates based on the requirements of the relevant accounting standard (AASB 9), reflecting:
 - An unbiased and probability-weighted amount determined by evaluating a range of possible outcomes;
 - The time value of money; and
 - Reasonable and supportable information about past events, current conditions and forecasts of future economics.
- ▶ Due to the subjective nature and significant level of judgement associated with the estimate of expected credit loss, VIP debtor provisioning requires significant management judgement and remains a key area of audit focus.
- ▶ Management discretion is applied if management becomes aware of circumstances relevant to an individual or group of debtors that results in the provision rates not being an appropriate basis for provisioning.
- ▶ At 30 June 2019, Crown Melbourne recorded a \$19.3m provision for gaming receivables, representing 30% of gross gaming receivables.
- ▶ Consistent with prior years, an additional \$20m provision is recorded at the Group level (i.e. CRL) relating to a collective assessment of debtors based on current and forward-looking information. The portion which related to Crown Melbourne was not recorded in Crown Melbourne's 30 June 2019 financial statements and was raised as an unadjusted difference. The differences identified during the course of our 2019 audit were not considered material for adjustment.
- ▶ We recommend that management consider the allocation of corporate provisions to the Crown Melbourne financial statements moving forward.

Planned Audit Approach

- ▶ As part of our audit procedures, we will:
 - Assess the design and operating effectiveness of relevant controls in granting of credit facilities, including credit checks;
 - Test the ageing of gaming receivables on a sample basis;
 - Evaluate management's assessment of customers' financial circumstances and ability to repay the amounts owing to Crown Melbourne;
 - Assess the provision for expected credit losses, including considering historical collection trends, time value of money, current conditions and forward-looking information;
 - Assess the recognition of VIP gaming revenue at year end as part of our cash count procedures;
 - Examine receipts subsequent to year end to determine any remaining exposure at the date of the financial report;
 - Assess the adequacy of Crown Melbourne's disclosures in relation to trade receivables included in the financial report; and
 - Assess the impact of allocation of the corporate provision to the Crown Melbourne financial statements.



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary **Areas of Audit Focus** Audit Approach Your EY Team Engagement Execution Appendices

Revenue recognition

Key judgements: Revenue recognition, measurement and disclosure

Relevant accounting standards: [AASB 15 Revenue from Contracts with Customers](#)



Background

- ▶ AASB 15 was effective for Crown Melbourne's financial statements for the first time for FY19. The key changes upon adoption, which are now embedded into Crown's accounting policies, are:
 - ▶ Commission payments made to VIP players and junket operators are netted against gaming revenue
 - ▶ Complimentary benefits are recognised as a separate component of revenue (i.e. hotel, food and beverage, parking, etc.), with a corresponding reduction in gaming revenue
- ▶ AASB 15 also introduced specific requirements to disclose disaggregation of revenue from contracts with customers. In the notes to the FY19 financial statements, management presented the following disaggregation of revenue from contracts with customers:
 - ▶ Main floor tables;
 - ▶ Main floor machines;
 - ▶ VIP program play; and
 - ▶ Non-gaming (incl. hotel, F&B, parking).

Planned Audit Approach

- ▶ As part of our audit procedures, we will:
 - ▶ Assess the design and operating effectiveness of relevant controls in respect of key revenue to cash processes (table games, gaming machines, hotel and F&B);
 - ▶ Substantively test revenue for other revenue processes (tenancy, parking and miscellaneous/sundry revenue);
 - ▶ Test cut-off of revenue at year end, including observation of management's cash count procedures at year end and assess VIP gaming activity at 30 June 2020 (towards the end of the gaming day between 4-6am);
 - ▶ Assess management's calculation of commission payments to be netted against gaming revenue;
 - ▶ Evaluate management's assessment of complimentary benefits recognised as a reduction to gaming revenue; and
 - ▶ Assess the adequacy and appropriateness of the disclosures in relation to revenue included in Crown Melbourne's financial statements.



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary **Areas of Audit Focus** Audit Approach Your EY Team Engagement Execution Appendices

AASB 16 Leases

Key judgements: Measurement of lease obligations

Relevant accounting standards: [AASB 16 Leases](#)



Background

- ▶ AASB 16 Leases is effective for the Group from 1 July 2019. We understand the Group is applying the modified retrospective method of transition, in which comparative information is not restated in the FY20 financial statements.
- ▶ As part of the FY19 financial statement closing process, management substantially completed their assessment of the impact of adopting AASB 16. This included a comprehensive review of the Group's supplier arrangements. In total, 17 leases were identified, resulting in an estimated right of use assets and lease liabilities of \$12.3m and \$33.7m respectively at 1 July 2019.
- ▶ As part of our audit procedures performed over management's assessment to the date of the FY19 financial statements, we put our focus primarily on Crown Melbourne's main site lease (the 'Site') given it constitutes the majority of the Group's right of use assets and lease liabilities expected to be recognised on 1 July 2019.
- ▶ The Site has a 99-year lease term which commenced in 1993 with nominal rent (\$1 per annum) for the first 40 years and market rent for years 41 onwards. Crown will surrender and yield up the Site together with all improvements on the Site to the Minister of Finance at the expiry of the lease.
- ▶ On adoption of AASB 16, when measuring the lease liability, the variable lease payments for years 41-99 that depend on a future market rent review is based on the market rental of the remediated Site at commencement of the lease (i.e. 1993). Management engaged an external valuer in FY19 to estimate the market rental of the Site in 1993.
- ▶ In management's assessment in FY19, the right of use asset and lease liability for the Site on adoption at 1 July 2019 amounted to \$8.1m and \$29.6m respectively.
- ▶ The lease liability will be re-measured at the beginning of year 41 when the lease payments change following the first market rent review, with an associated adjustment being made to the right of use asset at that time.

Planned Audit Approach

- ▶ As part of our audit procedures, we will:
 - ▶ Finalise our audit procedures over management's transition adjustments at 1 July 2019, including right of use assets, lease liabilities and related tax effect accounting;
 - ▶ Substantively test the ongoing accounting for leases in FY20, including amortisation of right of use assets and interest expense recognised in relation to lease liabilities;
 - ▶ Assess management's ongoing process with respect to completeness of identified leases including embedded lease arrangements; and
 - ▶ Assess management's AASB 16 accounting policies, as well as transition-related and recurring financial statement disclosures.



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary **Areas of Audit Focus** Audit Approach Your EY Team Engagement Execution Appendices

Regulatory reviews

Key judgements: Measurement of potential obligations arising from regulatory inquiries

Relevant accounting standards: [AASB 137 Provisions, Contingent Liabilities, and Contingent Assets](#)



Background

- ▶ In July 2019, a number of media outlets including 60 minutes and The Age levied a series of allegations with respect to the conduct of Crown.
- ▶ On 30 July 2019, Crown released an ASX announcement with its responses to the allegations made by the media outlets, denying all allegations.
- ▶ Since the allegations there have been inquiries from Government regulators and authorities which are ongoing, including from the:
 - ▶ Victorian Commission for Gambling & Liquor Regulation (VCGLR)
 - ▶ NSW Independent Liquor and Gaming Authority (ILGA)
 - ▶ WA Gaming & Wagering Commission (GWC) - informal inquiry
 - ▶ Australian Commission for Law Enforcement Integrity (ACLEI) - this is a formal inquiry into the conduct involving Crown Resorts and the Department of Home Affairs
 - ▶ Australian Transaction Reports and Analysis Centre (AUSTRAC)
- ▶ At the date of this report, the inquiries noted above are ongoing, and we understand that no actions have been taken against Crown.

Planned Audit Approach

- ▶ As part of our audit procedures, we will:
 - ▶ Assess management's processes for monitoring compliance with laws and regulations;
 - ▶ Enquire with senior management, in-house legal counsel and those charged with governance on developments with respect to the ongoing inquiries or investigations. This will include understanding Crown's process for managing the various inquiries and ongoing compliance with laws and regulations;
 - ▶ Perform procedures to identify any litigation relating to the inquiries. This includes obtaining representations from in-house and external legal counsel;
 - ▶ Understand the potential impact, if any, on the financial reporting of Crown; and
 - ▶ Assess whether any disclosure is required in the financial statements with respect to the regulatory inquiries.



Crown Melbourne Limited

For the year ending 30 June 2020

Executive Summary **Areas of Audit Focus** Audit Approach Your EY Team Engagement Execution Appendices

Provisions

Key judgements: Recognition and measurement

Relevant accounting standards: [AASB 137 Provisions, Contingent Liabilities, and Contingent Assets](#)



Background

Restructuring and legal provision

- As at 30 June 2019, Crown Melbourne held \$4.3m provisions relating to both restructuring (\$3.0m) and legal matters related to a number of small public liability claims (\$1.3m).

Class action

- At 30 June 2019, Crown Melbourne held a \$0.4m provision for legal and consulting services in relation to the Class Action (included in the \$3.0m restructuring provision).
- In addition, management recognised a receivable related to amounts recoverable under the Group's insurance policies in respect of recoverable legal costs for the Class Action of \$3.5m. Under the policy, 90% of relevant costs over the \$1m deductible up to a maximum of \$15m is recoverable. In July 2019, management received a portion of its insurance claim from AIG of \$0.5m.

Dinner by Heston

- At 30 June 2019, Crown Melbourne had receivables owing from Dinner by Heston, including a working capital loan, amounting to \$3.5m. As a result of the financial performance of Dinner by Heston, management identified a risk that these receivables may not be recoverable.
- Further, a review had commenced by the Fair Work Commission with a potential exposure of approximately \$4.5m. Dinner by Heston's owners were expected to inject funding of \$2.6m which may result in a shortfall of \$1.9m.
- The total provision of \$5.4m was recognised within the Crown Resorts group financial statements and was not reflected in the Crown Melbourne financial statements at 30 June 2019 and was raised as an unadjusted difference. The differences identified during the course of our 2019 audit were not considered material for adjustment.

Planned Audit Approach

- As part of our audit procedures, we will:
 - Update our understanding of management's basis of assumptions for these provisions;
 - Assess whether provisions at year end meets the requirements of AASB 137;
 - Meet with in-house legal counsel to update Crown's current position with respect to open cases;
 - Where appropriate, request legal representation letters from Crown Melbourne's external solicitors handling these claims;
 - Substantively test management's provision for legal claims and assess disclosure of any contingent liabilities in light of the requirements of AASB 137; and
 - Assess the impact of allocation of the provision relating to Dinner by Heston to the Crown Melbourne financial statements.



Assessment of Internal Control Environment

The primary responsibility for the design and operating effectiveness of the internal control environment, including the prevention and detection of fraud and error, rests with those charged with governance and management.

We obtain an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit is not designed to express an opinion on the effectiveness of internal control we are required to communicate significant deficiencies in internal control to you.

Our assessment of internal controls covers:

- The control environment including entity level controls
- Crown Melbourne’s risk assessment procedures
- The design and operating effectiveness of internal controls (including IT general controls)
- Monitoring of controls (internal audit and self-assessment)

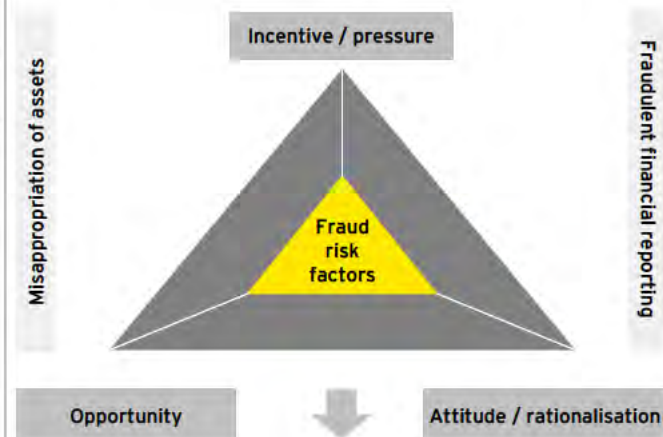
We communicate with management our findings and our recommendations on where improvements in internal controls can be made.

Where significant deficiencies come to our attention, we will communicate these to the Audit Committee.

The Risk of Fraud

Our responsibility as the external auditor is to consider the risk of fraud and the factors that are associated with it so as to provide reasonable assurance that the financial statements are free from material misstatement resulting from fraud. However, it is important to note that while our external audit work is not primarily directed towards the detection of fraud or other irregularities, we will report any matters identified during the course of our work.

When developing our Audit Plan, we use professional judgement in determining whether a fraud risk factor is present. We determine fraud risk factors in the context of the three conditions generally present when fraud occurs (i.e., incentive/pressure, opportunity and attitude/rationalisation).





IT General Controls (“ITGCs”)

Evaluating ITGCs is an integral part of our audit in assessing the controls that underpin financially significant systems and support the confidentiality, integrity and availability of information processing. Our evaluation of ITGCs focuses on two key areas as set out below, as well as IT operations (disaster recovery and backups):

Areas	Descriptions
Access to programs and data	Controls are in place to determine that only authorised persons have access to data and applications (including programs, tables, and related resources) and that they can perform only specifically authorised functions
Change management	Controls are in place to determine that only appropriately authorised, tested, and approved changes are made to applications, interfaces, databases, and operating systems

We performed an assessment of Crown Melbourne’s IT environment associated with PeopleSoft HR, PeopleSoft Finance and SYCO in FY19. Whilst improvement had been made, we noted areas for control improvement which predominantly relates to user access management. Audit reliance on IT general controls allow us to put a higher degree of reliance on the IT systems to an extent we could reduce our substantive procedures on output data produced by these IT systems.

We understand that management is in the process of implementing a strategic solution (through the Identity Access Management project) which is intended to address many of our control observations. We understand that an automated solution in respect of Identity Access Management, covering PeopleSoft and SYCO, is planned to be implemented during FY20. A manual controls process is in place in the interim. We understand management will then focus on other critical applications.

At the date of this report, our planned testing scope for the IT systems that underpin your significant accounting processes is shown in the table below for FY20 and FY21.

System	IT General Controls - planned testing scope (Logical Access and Change Management Controls)		
	FY19	FY20	FY21
PeopleSoft Finance	☑	☑	☑
PeopleSoft HR	☑	☑	☑
SYCO (Table Games)	☒	To be confirmed	☑
DACOM (Gaming Machines)	☒	☒	☑
SIMPHONY, MICROS (F&B)	☒	☒	☑
OPERA (Hotel)	☒	☒	☑

Controls Reliance

Set out below is the level of controls reliance we expect to achieve over the key financial statement processes.

Process	Internal Controls	Related IT applications
Financial statement close		PeopleSoft Finance
Purchase to pay		PeopleSoft Finance
Payroll		PeopleSoft HR
Revenue to receivables (table games)		SYCO
Revenue to receivables (gaming machines, hotel, F&B)		DACOM (Gaming Machines) OPERA (Hotel) SIMPHONY, MICROS (F&B)
Main bank close-out		SYCO (Table Games) DACOM (Gaming Machines) OPERA (Hotel) SIMPHONY, MICROS (F&B)
Doubtful debts provision (incl. credit granting to VIP players)		SYCO
Accruing gaming liabilities		SYCO (Table Games) DACOM (Gaming Machines)



Crown Melbourne Limited

For the year ending 30 June 2020

Digital Audit

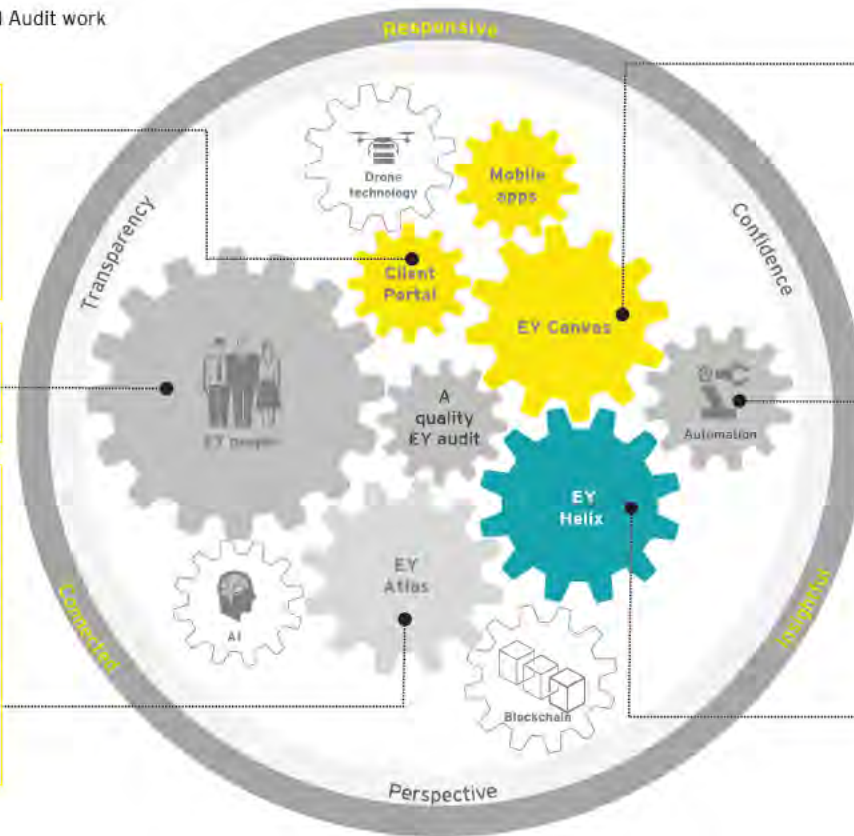
Each of the components of the EY Digital Audit work together to deliver a quality audit

The Client Portal
The Client Portal connects us directly to you. It enables you to securely provide supporting audit evidence, automated uploading the information to EY Canvas and gives you reporting of the status of the audit progress. This streamlines our communications with you and saves you time.

EY People
The EY engagement team is uniquely placed to appropriately execute a digital audit strategy.

EY Atlas
Our global accounting and financial reporting research platform keeps our audit team up-to-date with the most relevant accounting, auditing and industry information globally. This enables us to share accounting precedents efficiently and deliver a more relevant audit.

EY Atlas Client Edition is the client version of EY Atlas allowing clients to keep up to date on accounting and reporting requirement.



EY Canvas
Our state-of-the-art global online audit platform is the engine that drives the EY Digital Audit. It enables teams to drive a globally integrated and globally consistent audit, allows us to better identify and respond to audit risks and leverage our industry experience to customise our audit approach.

Automation
Automation strives to optimise the audit of manual and repeatable business processes to increase coverage and reduce errors. At EY we are currently utilising Automation to perform a variety of audit procedures (for example bank confirmations - in use for Crown) and to streamline our procedures. This provides higher quality audit evidence. We plan to implement EY intelligent financial statements checklist for Crown Melbourne for the current year audit that helps streamline and automate the preparation and review of the financial statements and disclosures.

EY Helix
Our library of globally consistent Analysers provide better, more relevant audit evidence and a deeper understanding of your business. EY Helix is fully integrated with our audit approach and enables us to focus on the risks and issues that matter so we can provide feedback and actionable business insights. We will continue to use the EY GL Analyzer for analysis of general ledger transactions.



Crown Melbourne Limited

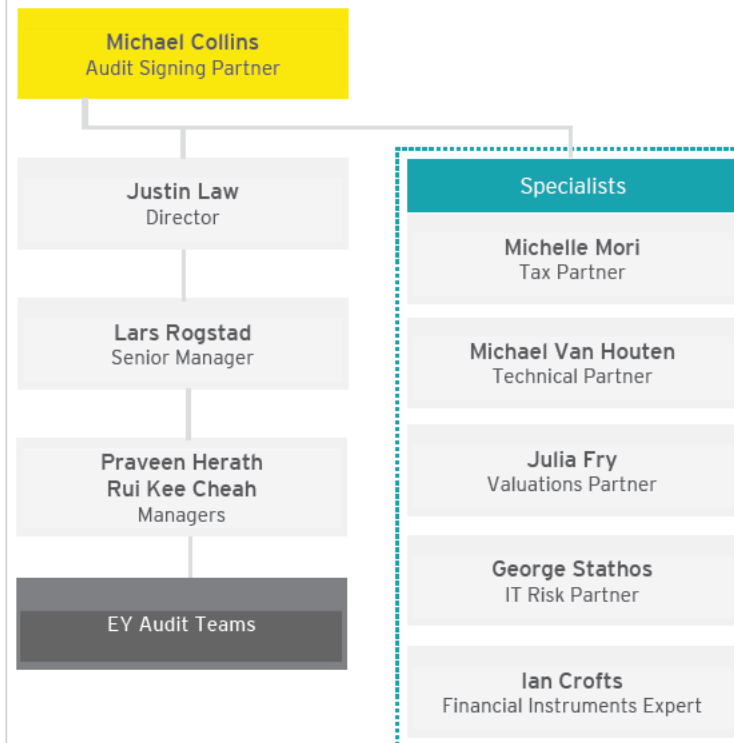
For the year ending 30 June 2020

Executive Summary Areas of Audit Focus Audit Approach **Your EY Team** Engagement Execution Appendices

Your EY Team

We understand that our team is the most important element of your relationship with us.

Our team has been involved in the audit of Crown Melbourne for a number of years. This stability provides Crown Melbourne with continuity, historical knowledge of your business and industry expertise. These combined factors enable us to focus on the significant issues facing your business. Further we have incorporated experts from our Taxation, IT Risk & Assurance, Valuations and Technical groups to assist us in addressing the financial risks facing Crown Melbourne.

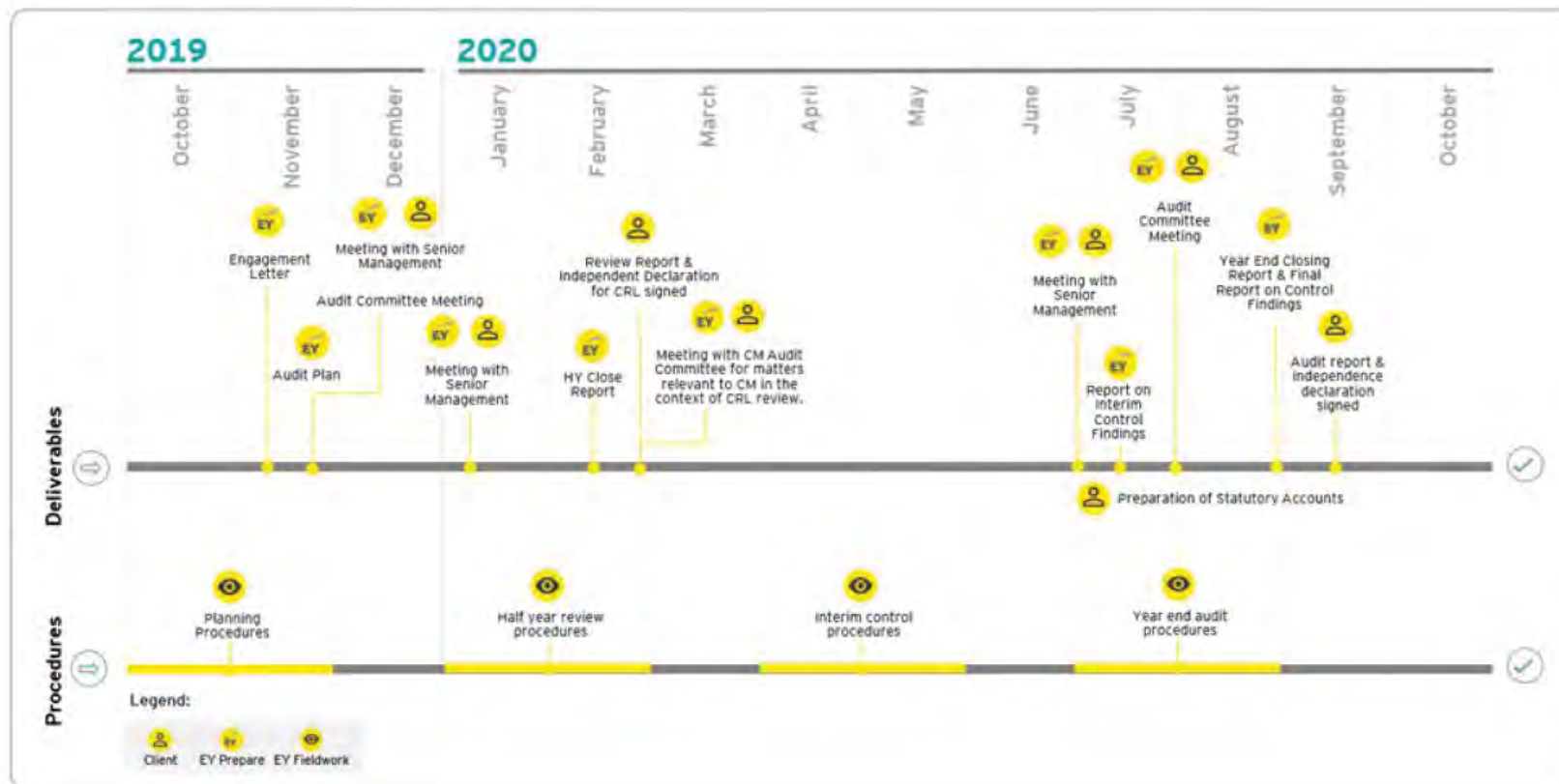




Crown Melbourne Limited

For the year ending 30 June 2020

Engagement Execution



Appendices



Independence

How we are meeting your independence requirements.



Data Security and Privacy

Our digital audit is supported by a well-articulated data privacy and information security strategy.



Other Communications

Provides explanatory guidance on other communication such as climate change, governance, new regulatory requirements, etc



Focused on Your Future

Audit Committee members should be aware of focus areas, which includes the impact of new accounting standards.





Crown Melbourne Limited

For the year ending 30 June 2020

Independence

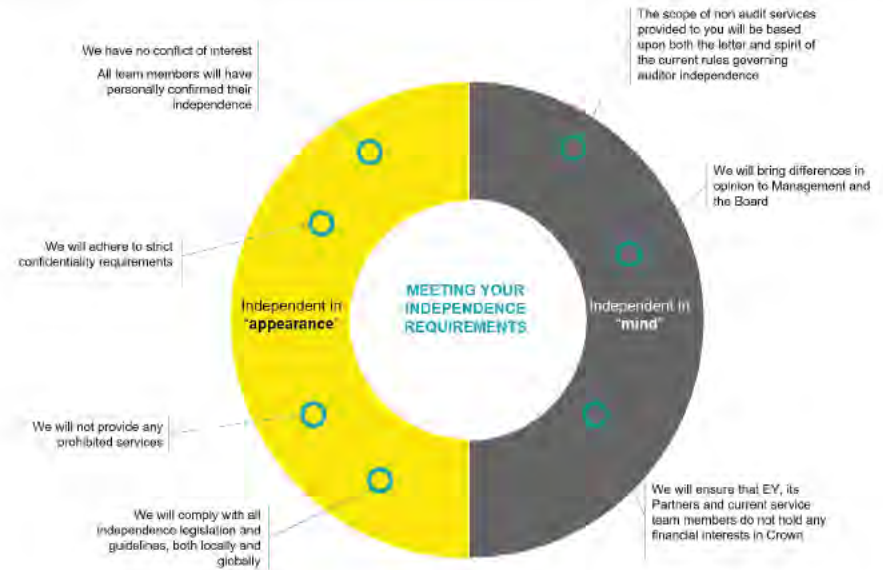
Independence is fundamental to EY as our ongoing reputation and success is connected to our ability to meet both Crown Melbourne's and broader regulatory independence requirements.

We have consistently complied with all professional regulations relating to auditor independence including those outlined in:

- ▶ Section 307C of the *Corporations Act 2001*
- ▶ APES 110 *Code of Ethics for Professional Accountants*

Accordingly, we ensure that there are controls in place and actions taken on a regular basis that mitigate any risks to our independence.

There are no matters that, in our professional judgement, bear on our independence which need to be disclosed to the Audit Committee.





Crown Melbourne Limited

For the year ending 30 June 2020

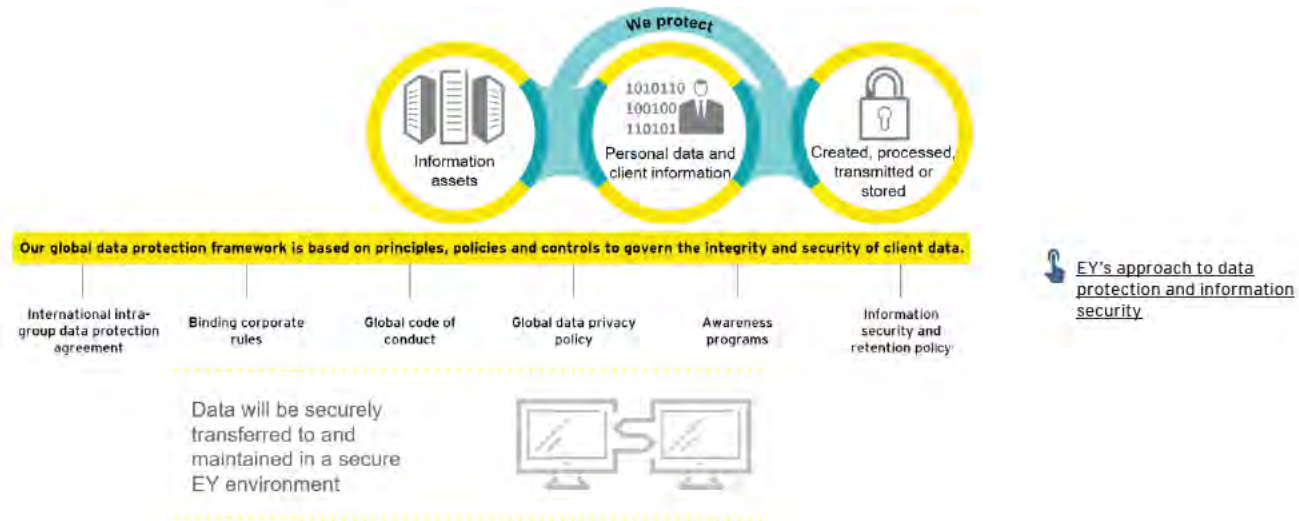
Data Security and Privacy

Our ability to provide seamless, consistent, high-quality client service worldwide is supported by a well-articulated data privacy and information security strategy.

For the audit of Crown Melbourne, the following applies:

Access to EY Canvas is restricted to members of the engagement team only.

Audit relevant information is transferred to EY securely via EY Client Portal and emails.





Other Communications

Whistleblowing

Regulatory issue

In February 2019, the Federal government passed legislation to amend Australia's law relating to whistleblowing.

Effective from 1 July 2019, the new regime consolidates the various private sector whistleblower regimes into the *Corporations Act 2001* and creates distinct but largely consistent protections within the *Taxation Administration Act 1953*.

Mandatory obligations

The legislation widens the scope of reportable conduct under the *Corporations Act 2001*. Protected disclosures may relate to "misconduct or an improper state of affairs" and can include disclosure of systemic issues. These changes are in addition to expanding the classification of who can be an 'eligible whistleblower' and 'eligible recipient' of a protected disclosure.

Under both Acts, there are stronger protections for whistleblowers including anonymity, increased immunity against prosecution and protection against detriment through victimisation.

Serious penalties, both criminal and civil, apply to employers who breach these protections or fail to appropriately manage a disclosure. Of primary importance is the protection of the whistleblower's anonymity, unless they consent to their identity being disclosed.

The new legislation also requires large proprietary companies, public companies and registered superannuation entities to have a whistleblowing policy in place and made available to their officers and employees by 1 January 2020.

Impact on your business

The Government and other stakeholders have made it clear that the purpose of the whistleblowing legislation is to protect whistleblowers and encourage a compliance culture. It is critical for business success to have a policy and process, compliant with legislation, to address whistleblowing disclosures.

In addition to reputational damage arising from a lack of compliance with legal requirements, any failure to appropriately manage or investigate a whistleblowing disclosure can result in potential fines for the company of \$10.5m, three times the benefit derived or detriment avoided or 10% of annual turnover (up to \$525m). Individuals (including directors and officers) face potential criminal and civil penalties of \$1.05m or three times the benefit derived or detriment avoided. Failure to have a compliant whistleblower policy by 1 January 2020 will result in a \$12,600 fine.

As your Auditor, EY team members are eligible recipients of a whistleblowing disclosure under the legislation. If approached by a member of your team, the EY recipient will initiate our internal procedures to address the report and commence an investigation.

Whilst we will endeavour to be as transparent as possible about disclosures made to EY, we are required by legislation to maintain the confidentiality of the protected disclosure and the identity of the whistleblower, unless consent is provided to us. Therefore, we will not be able to provide you with any details of either the protected disclosure or whistleblower's identity.



Crown Melbourne Limited

For the year ending 30 June 2020

Other Communications

Digital Audit - EY Digital Audit is Moving to the Cloud

Why are we moving to the cloud

The EY Digital Audit is moving to the cloud, bringing enhanced capability, security and speed to the audit through advanced cloud technology.

This exciting transition underpins EY's commitment to sustainable audit quality and helps deliver great transparency and accountability for the organisations and communities EY serves.

The move of the EY Digital Audit to the cloud is part of a broader US \$1bn investment and transformation in technology.




By leveraging cloud technology, EY teams can further enhance the global capabilities of the EY Digital Audit with:

- Ability to bring new features and technologies, such as automation, Artificial intelligence (AI) and blockchain, to the EY Digital Audit is accelerated
- Advanced security measures and controls are combined with the existing EY security architecture
- Enhanced ability to process more data, increase overall processing power and deliver system resources as and when needed, with speed and at scale



Benefits for your business

By leveraging cloud technology, EY Digital Audit will provide these key benefits to your business:

 <p>Capability</p> <ul style="list-style-type: none"> Accelerates EY's ability to bring new features and technologies, such as automation, AI and blockchain, to your EY Digital Audit can be accelerated 	 <p>Security</p> <ul style="list-style-type: none"> Strengthened EY user access through the cloud's incremental authentication measures 	 <p>Speed</p> <ul style="list-style-type: none"> Enhances EY's ability to onboard new users, process more data, increase overall processing power and deliver system resources as and when needed with speed and at scale
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The security of EY platforms, applications and data is a critical component of the EY Digital Audit. In addition to existing EY enterprise security controls, the move to the cloud incorporates additional security measures including multi-layered security and customised security controls to protect the EY Digital Audit's core platforms and applications.

Data is only accessible to authorised EY teams with multiple layers of encryption applied to data in transit and at rest.



Focused on Your Future

ASA 540 revised - Auditing Accounting Estimates and Related Disclosures

Background

Directors, and by extension management, are responsible for the preparation of the financial report that gives a true and fair view in accordance with AASBs and the *Corporations Act 2001*, including internal controls necessary to enable the preparation of a true and fair financial report. This responsibility includes determination of true and fair accounting estimates at each reporting date, supported by sufficient and appropriate documentation.

ASA 540, the auditing standard on auditing accounting estimates, has recently been revised with effect for the year ending 30 June 2021 audit for Crown Melbourne.

The auditing standard was revised to address public interest issues:

- ▶ The evolving audit risks due to a more complex business environment
- ▶ Fostering improved exercise of professional scepticism
- ▶ Realising public interest benefits through improved communication and transparency

The objective of the auditing standard has changed the level of assurance that is to be attained when auditing accounting estimates from "adequate" to "reasonable". As a result, auditors will need to perform additional work to get to this higher level of assurance. This has resulted in changes to the prescribed procedures that an auditor should undertake in the auditing accounting estimates standard. The key changes and consideration to be performed by auditors are as follows:

- ▶ Inherent risk factors considering:
 - ▶ Estimation uncertainty and the precision in the measurement
 - ▶ Complexity in the process of making an accounting estimate
 - ▶ Subjectivity and limitation in knowledge or data regarding valuation attributes
- ▶ Risk assessment - inherent and control risk
- ▶ Testing the operating effectiveness of controls relevant to accounting estimates
- ▶ Work effort - objectives-based effort requirements: Methods; Assumptions; and Data
- ▶ Focus on disclosures

Accounting estimates are often a focus area for the management and the Board Audit Committee. Evolving nature and complexity of financial reporting, increased complexity in management's process to prepare accounting estimates has resulted in developing a more robust auditing standard for accounting estimates.

What this means for you and your audit

The new standard encompasses requirements such as obtaining audit evidence about the reliability of information sources external to the entity that management used when making the estimates, evaluate the design of models and any adjustments made by management to the output of the models, understanding how management selects the method, assumptions and data for all accounting estimates when alternatives are available...etc.

Management are encouraged to maintain a clear register of the estimates being made during the financial statement close process, as well as appropriate supporting documentation for the estimates identified.

An assessment should be made on the design and the operating effectiveness of those controls to ensure estimates are complete, accurate and part of a robust controls process. The process should include controls over:

- ▶ The monitoring of outsourced providers and experts
- ▶ The quality of the data used
- ▶ Quality review and validation of inputs into models
- ▶ Changes to assumptions made and validation of assumptions
- ▶ Benchmarking of similar estimates to industry competitors
- ▶ Quality reviews of final estimates and financial statement disclosures

The new standard will result in additional management and audit effort including:

- ▶ Enhanced requirement to obtain audit evidence about whether related disclosures are "reasonable"
- ▶ Increased scepticism by auditors
- ▶ Increase reporting to those charged with governance
- ▶ Enhanced management representations

In our upcoming audit, we will consider whether management's current estimation processes are suitable under the new auditing standard and highlight areas where improvements should be made.



EY | Assurance | Tax | Transactions | Advisory

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EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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ED None

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