



National Carbon Offset Standard Assurance Audit Report Limited Assurance Audit 2016/2017

Ndeivr Environmental Pty Ltd
L2, 27-31 King St Melbourne
VIC 3000
p +61 3 9865 1413
w www.ndevrenvironmental.com.au
e environment@ndeivr.com.au
ABN 83 165 080 17
Environmental Assurance Services

COMMERCIAL AND CONFIDENTIAL

VERSION CONTROL RECORD

Version	Date	Author/Editor	Lead Auditor Review	Description of Change
V 1.0	29/11/2018	James Simpson	Matt Drum	NA
V 1.1	18/01/2018	James Simpson	Matt Drum	Inclusion of additional data and responses to requests for clarification by the audited body
vA.0	22/01/2019	Bobby Chen James Simpson	Matt Drum	NA
vA.1	07/02/2019	Michaela Morris	Matt Drum	Final sign off and submission to audited body

Contents

Section 1: Audit Statement and Audit Findings	4
Audited body	4
Audit description	4
Audited emissions inventory FY 2016/17	5
Auditor details	5
Scope of audit	6
Responsibility of Cbus's management	7
Our responsibility	7
Summary of procedures undertaken	8
Use of our limited assurance engagement report	8
Inherent limitations	8
Audit Conclusion	9
Limitations on use	9
Confirmation of audit findings	9
Section 2: Corrective Action Requests and Observations	10

Section 1: Audit Statement and Audit Findings

Audited body

Name of audited body	United Super as the Trustee for the Construction and Buildings Union Superannuation Fund (Cbus Super)
Name of contact person for audited body	Scott LaFerlita
Position title	Manager, Cbus Property Relationship
Contact person phone number	0409 934 674
Contact person email address	Scott.LaFerlita@cbussuper.com.au
Audited body's street address	Level 28, 2 Lonsdale Street, Melbourne VIC 3000

Audit description

Type of audit	Limited Assurance
Type of carbon neutral claim	<input checked="" type="checkbox"/> Organisation <input type="checkbox"/> Precinct <input type="checkbox"/> Product/service <input type="checkbox"/> Event
Subject of carbon neutral claim	The Australian Business Operations of United Super as the Trustee for the Construction and Buildings Union Superannuation Fund (Cbus Super).
Initial or periodic audit	Initial
Reporting period covered by audit	2016/2017 financial year
Date terms of engagement signed	5/09/2018
Date audit report signed	7/02/2019

Audited emissions inventory FY 2016/17

Audited Scope 1 emissions (tonnes CO₂-e)	181.9 tCO ₂ -e
Audited Scope 2 emissions (tonnes CO₂-e)	314.3 tCO ₂ -e
Audited Scope 3 emissions (tonnes CO₂-e)	9,392 tCO ₂ -e
Scope 2 emissions reduced through retirement of LGCs (tonnes CO₂-e)	NA
Total retired offsets (tonnes CO₂-e)	NA – baseline audit only

Auditor details

Name of audit team leader	Matt Drum
Organisation	Ndevr Environmental Pty Ltd
Email	matt.drum@ndevr.com.au
Phone number	03 9865 1413
Address	Ndevr Environmental Pty Ltd Level 2, 27-31 King Street Melbourne, VIC 3000

Names and contact details of other audit team members	<p>Michaela Morris 03 9865 1413 michi.morris@ndevr.com.au</p> <p>Bobby Chen 03 9865 1400 bobby.chen@ndevr.com.au</p> <p>Claire Bright 03 9865 1404 claire.bright@ndevr.com.au</p> <p>James Simpson 0401 219 203 james.simpson@ndevr.com.au</p>
Lead auditor's relevant qualifications, registrations and credentials	<p>Managing Director, Ndevr Environmental B.BusCom, Dip.Gov, Grad.Dip (EnvLaw) Registered Greenhouse and Energy Auditor (Cat. 1 – Technical and Non-Technical; Cat. 2; CFI – Technical) (0120/2011)</p>

Ndevr Environmental confirms that we are not aware of any actual or perceived conflict of interest in having completed this engagement.

For NGER-registered auditors: Matt Drum confirms that he has not carried out more than five previous consecutive audits for United Super as the Trustee for the Construction and Buildings Union Superannuation Fund (Cbus).

Scope of audit

Ndevr Environmental has been engaged to undertake an independent limited assurance audit of the compliance of the carbon neutral claim for United Super as the Trustee for the Construction and Buildings Union Superannuation Fund (Cbus Super) with the National Carbon Offset Standard for Organisations.

Matt Drum and Ndevr Environmental conducted the audit in accordance with ASAE 3000 and ASAE 3410. The audit has been planned and performed in accordance with the proposal approved by the participant to enable us to provide limited assurance regarding the carbon neutral claim for United Super as the Trustee for the Construction and Buildings Union Superannuation Fund (Cbus Super).

Responsibility of Cbus's management

Management of Cbus Super is responsible for preparation of the carbon neutral claim in accordance with the *National Carbon Offset Standard for Organisations* in all material respects. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation and presentation of the carbon account and public report that is free from material misstatement, whether due to fraud or error. Management of Cbus Super is responsible for the interpretation and application of the requirements of the *National Carbon Offset Standard for Organisations*. Emissions quantification is subject to inherent uncertainty because incomplete scientific knowledge has been used to determine emissions factors and the values needed to combine emissions due to different gases.

Our responsibility

Our responsibility is to express an opinion on Cbus Super's carbon neutral claim based on the procedures we have performed and the evidence we have obtained. We have conducted our limited assurance engagement in accordance with the *National Greenhouse and Energy Reporting (Audit) Determination 2009* (NGER Audit Determination) and relevant national and international standards, as listed below. The NGER Audit Determination and relevant standards require us to plan and perform this engagement to obtain limited assurance about whether the carbon neutral claim is free from material misstatement / material errors, omissions or misrepresentations.

- Standards used in undertaking the assurance engagement include: Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*;
- Australian Standard on Assurance Engagements ASAE 3410 *Assurance on Greenhouse Gas Statements*.

A limited assurance engagement involves performing procedures to obtain evidence about the compliance of the carbon neutral claim with the *National Carbon Offset Standard for Organisations*. The nature, timing and extent of procedures selected depend on the assurance practitioner's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to Cbus Super's preparation of the carbon neutral claim, carbon account and public report. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Ndevr Environmental has not conducted any audit procedures with respect to the internal control environment and data management system of the audited body as a whole. As such, no assurance is provided on any internal control environment and data management system not associated with preparing the carbon neutral claim.

Summary of procedures undertaken

The procedures we conducted in our limited assurance engagement included:

- interviews conducted to gather evidence
- testing of calculations performed by the audited body
- review of reporting boundary in accordance with the Standard
- review of source data such as invoices and financial reports
- review of emissions factors (see Section 3); and
- identification and testing of assumptions supporting the calculations.

Use of our limited assurance engagement report

This report has been prepared for the use of Cbus Super and the Department of the Environment and Energy, for the sole purpose of reporting on Cbus Super's carbon neutral claim against the *National Carbon Offset Standard*. Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the Department of the Environment and Energy and Cbus for any consequences of reliance on this report for any purpose.

Inherent limitations

There are inherent limitations in performing assurance—for example, assurance engagements are based on selective testing of the information being examined—and because of this, it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance engagement is not performed continuously throughout the period that is the subject of the engagement and the procedures performed on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given its nature and the methods used for determining, calculating and sampling or estimating such data. We specifically note that Cbus Super has used estimates or extrapolated underlying information to calculate certain amounts included within the greenhouse and energy information.

The procedures performed in a limited assurance engagement vary in nature from, and are narrower in scope than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than that in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Cbus Super's carbon neutral claim has been prepared, in all material respects, in accordance with the *National Carbon Offset Standard*.

Ndevr Environmental has not conducted any audit procedures with respect to the internal control environment and data management system of the audited body as a whole. As such, no assurance is provided on any internal control environment and data management system not associated with preparing the carbon neutral claim.

Audit Conclusion

Based on the procedures performed (as described above), nothing has come to our attention that would lead to believe that Cbus Super's carbon neutral claim has not been prepared in all material respects in accordance with the *National Carbon Offset Standard* for Organisations.

Limitations on use

This Audit Statement has been prepared for the management of Cbus Super and, if the carbon neutral claim is to be certified, for review by the Department of the Environment and Energy. It is solely for use in assessing whether a carbon neutral claim has been prepared in accordance with the requirements of the *National Carbon Offset Standard*. We disclaim any liability for reliance upon this Report by any other party or for any other purpose other than that for which it was prepared.

Confirmation of audit findings

Name of lead auditor	Matt Drum
Position of lead auditor	Managing Director Ndevr Environmental Pty Ltd
Signature of lead auditor	
Date	07/02/2019

Section 2: Corrective Action Requests and Observations

Finding	Summary of CAR/ observation	Summary of action taken to address the CAR/ observation	Was the CAR resolved prior to the closure of the audit activity?
Minor CAR	Emissions for a portion of hotel nights that did not have readily available data were included in both 'Purchased Goods and Services' and 'Business Travel'.	Rob Rouwette (Energetics) has removed these emissions from 'Purchased Goods and Services' to avoid double-counting. No issues.	Yes
Observation	The hotel nights without detailed data only had a total cost associated with them.	The number of hotel nights which were not included in the Travel Report were calculated by using the total cost of these nights (subtracting accounted costs from total accommodation costs) and assuming the same \$/night as domestic hotel stays. This is a conservative and acceptable assumption, as domestic factors are higher than most countries with available data.	Yes
Observation	All international hotel nights were assigned the USA emissions factor while USA hotel nights only made up 24 per cent of international stays.	Upon reviewing evidence, limited assurance can be provided that this was a conservative measure, as USA hotel factors are larger than most other countries with available data.	Yes
Minor CAR	The electricity consumption summary spreadsheet contained several calculations with no comments, labels or explanations.	Upon a request for information the correct version was uploaded with more transparent calculations. No issues.	Yes
Observation	Electricity consumption data was not available for 11 out of 16 offices.	The average kWh/FTE was calculated from offices with data, and applied to the FTE of offices with no data. Given that the larger Melbourne and Sydney offices were covered, limited assurance	Yes

Finding	Summary of CAR/ observation	Summary of action taken to address the CAR/ observation	Was the CAR resolved prior to the closure of the audit activity?
		can be provided that this is a conservative approach. No issues.	
Observation	Electricity bills for the Perth office showed a total value, of which an undefined portion can be attributed to Cbus due to office-sharing.	It was conservatively assumed that all consumption was attributed to Cbus. No issues.	Yes
Observation	Electricity bills were improperly scanned or missing from Townsville, Melbourne, Perth and Sydney.	Where data was missing, consumption was calculated by extrapolating average daily use. No issues.	Yes

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Carbon Account spreadsheet	<i>Cbus Super FY17 NCOS carbon account-final.xlsx</i>	Rob Rouwette
Carbon Account report draft	<i>Cbus Super NCOS Carbon Account FY17 – draft 20181114.docx</i>	Rob Rouwette
Grid Electricity Files		
Sydney office electricity bill – Jul 2016	<i>Electricity Syd July 2016 L12.pdf</i>	N/A
Sydney office electricity bill – Sep 2016	<i>Electricity Syd Sept 2016 F25002.pdf</i> <i>Electricity Syd Sept 2016 F25003.pdf</i>	N/A
Sydney office electricity bill – Oct 2016	<i>Electricity Syd Oct 2016 F25002 & F25003.pdf</i>	N/A
Sydney office electricity bill – Nov 2016	<i>Electricity Syd Nov 2016 F25002.pdf</i> <i>Electricity Syd Nov 2016 F25003.pdf</i>	N/A
Sydney office electricity bill – Dec 2016	<i>Electricity Syd Dec 2016 F25002.pdf</i> <i>Electricity Syd Dec 2016 F25003.pdf</i>	N/A
Sydney office electricity bill – Jan 2017	<i>Dexus Syd Jan Feb April 2017 F25002.pdf</i> <i>Dexus Syd Jan Feb April 2017 F25003.pdf</i>	N/A
Sydney office electricity bill – Feb 2017	<i>Dexus Syd Jan Feb April 2017 F25002.pdf</i> <i>Dexus Syd Jan Feb April 2017 F25003.pdf</i>	N/A
Sydney office electricity bill – Mar 2017	<i>Dexus Syd Mar 2017 F25002.pdf</i> <i>Dexus Syd Mar 2017 F25003.pdf</i>	N/A

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Sydney office electricity bill – Apr 2017	<i>Dexus Syd Jan Feb April 2017 F25002.pdf</i> <i>Dexus Syd Jan Feb April 2017 F25003.pdf</i>	N/A
Sydney office electricity bill – May 2017	<i>Dexus Syd May 2017 F25002.pdf</i> <i>Dexus Syd May 2017 F25003.pdf</i>	N/A
Sydney office electricity bill – Jun 2017	<i>Dexus Syd June 2017 F25002.pdf</i> <i>Dexus Syd June 2017 F25003.pdf</i>	N/A
Sydney consumption summary	<i>Sydney Consumption.xlsx</i>	Rob Rouwette
Melbourne office Lvl 26 electricity bill – Jun 2017	<i>MEL L26 June 2017.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Jul 2016	<i>MEL L27 Period 01-07-16 to 31-07-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Aug 2016	<i>MEL L27 Period 01-08-16 to 31-08-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Sep 2016	<i>MEL L27 Period 01-09-16 to 30-09-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Oct 2016	<i>MEL L27 Period 01-10-16 to 31-10-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Nov 2016	<i>MEL L27 Period 01-11-16 to 30-11-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Dec 2016	<i>MEL L27 Period 01-12-16 to 31-12-16.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Jan 2017	<i>MEL L27 Jan 2017.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Feb 2017	<i>MEL L27 Feb 2017.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Mar 2017	<i>MEL L27 March 2017.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – Apr 2017	<i>MEL L27 April 2017.pdf</i>	N/A

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Melbourne office Lvl 27 electricity bill – May 2017	<i>MEL L27 May 2017.pdf</i>	N/A
Melbourne office Lvl 27 electricity bill – June 2017	<i>MEL L27 June 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Jul 2016	<i>MEL L28 Period 01-07-16 to 31-07-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Aug 2016	<i>MEL L28 Period 01-08-16 to 31-08-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Sep 2016	<i>MEL L28 Period 01-09-16 to 30-09-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Oct 2016	<i>MEL L28 Period 01-10-16 to 31-10-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Nov 2016	<i>MEL L28 Period 01-11-16 to 30-11-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Dec 2016	<i>MEL L28 Period 01-12-16 to 31-12-16.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Jan 2017	<i>MEL L28 Jan 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Feb 2017	<i>MEL L28 Feb 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Mar 2017	<i>MEL L28 March 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Apr 2017	<i>MEL L28 April 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – May 2017	<i>MEL L28 May 2017.pdf</i>	N/A
Melbourne office Lvl 28 electricity bill – Jun 2017	<i>MEL L28 June 2017.pdf</i>	N/A
Melbourne consumption summary	<i>Melbourne Electricity 2016-2017.xlsx</i>	Rob Rouwette
Perth office electricity bill Jun-Aug 16	<i>Electricity Perth 24-06-16 to 19-08-16.pdf</i>	N/A
Perth office electricity bill Oct-Dec 16	<i>Electricity Perth 24-10-16 to 22-12-16.pdf</i>	N/A

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Perth office electricity bill Dec 16 – Feb 17	<i>Electricity Perth 22-12-16 to 23-02-17.pdf</i>	N/A
Perth office electricity bill Feb-Apr 17	<i>Electricity Perth 23-02-17 to 28-04-17.pdf</i>	N/A
Perth Office electricity bill Apr-Jun 17	<i>Electricity Perth 28-04-17 to 28-06-17.pdf</i>	N/A
Perth office electricity bill Jun-Aug 17	<i>Electricity Perth 28-06-17 to 25-08-17.pdf</i>	N/A
Perth Consumption Summary	<i>Perth Consumption.xlsx</i>	Rob Rouwette
Townsville office electricity bill – Jul 16	<i>Townsville 05-07-16 to 03-08-16.pdf</i>	N/A
Townsville office electricity bill – Aug 16	<i>Townsville 03-08-16 to 05-09-16.pdf</i>	N/A
Townsville office electricity bill – Sep 16	<i>Townsville 05-09-16 to 05-10-16.pdf</i>	N/A
Townsville office electricity bill – Oct 16	<i>Townsville 05-10-16 to 01-11-16.pdf</i>	N/A
Townsville office electricity bill – Nov 16	<i>Townsville 01-11-16 to 02-12-16.pdf</i>	N/A
Townsville office electricity bill – Dec 16	<i>Townsville 02-12-16 to 05-01-17.pdf</i>	N/A
Townsville office electricity bill – Jan 17	<i>Townsville 05-01-17 to 06-02-17.pdf</i>	N/A
Townsville office electricity bill – Feb 17	<i>Townsville 06-02-17 to 07-03-17.pdf</i>	N/A
Townsville office electricity bill – Mar 17	<i>Townsville 07-03-17 to 04-04-17.pdf</i>	N/A
Townsville office electricity bill - Apr 17	<i>Townsville 04-04-17 to 05-05-17.pdf</i>	N/A
Townsville office electricity bill – May 17	<i>Townsville 05-05-17 to 01-06-17.pdf</i>	N/A
Townsville office electricity bill – Jun 17	<i>Townsville 01-06-17 to 06-07-17.pdf</i>	N/A

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Townsville consumption summary	<i>Townsville consumption.xlsx</i>	N/A
Cbus Super consumption summary	<i>Cbus Super Electricity record FY17.xlsx</i>	Rob Rouwette
Confirmation of no gas	<i>Cbus Super – no natural gas.msg</i>	Scott LaFerlita, 25/09/2018
Purchased Goods and Services Files		
Confirmation of economic sector allocation	<i>Cbus Super – Allocation confirmation.msg</i>	Scott Tatalaschwili
Confirmation of administration services allocation	<i>Administration Services ENERGETICS-Secure.FID477397.msg</i>	Rob Rouwette
Summary of operational expenses	<i>Cbus Super – Summary of Operational expenses FY17.xlsx</i>	Rob Rouwette
Finance information	<i>FY17 Finance information.xlsx</i>	Rob Rouwette
Flights Files		
Travel report	<i>FCM Travel Solutions report – FY17.pdf</i>	N/A
Flight data summary	<i>Flight data – Cbus Super FY17.xlsx</i>	Rob Rouwette
Breakdown of flights, hotels and cars	<i>FY17 Full Breakdown Flights Hotels, Cars.pdf</i>	N/A
Consultant's assessment on flights	<i>Robs Assessment on Flights.msg</i>	Rob Rouwette
Consultant's assessment on rental cars and hotels	<i>Robs Assessment on Rental Cars & Hotel Nights.msg</i>	Rob Rouwette
Staff Commuting Files		
Employee survey results	<i>Cbus Transport office results – 2018.xlsx</i>	Rob Rouwette
Calculation approach	<i>Formula and Findings Output Data.msg</i>	Scott LaFerlita
Accommodation Files		
Breakdown of flights, hotels and cars	<i>FY17 Full Breakdown Flights Hotels, Cars.pdf</i>	N/A

Name or description of document	Document title / filename	Author and date prepared, and version if applicable
Consultant's assessment on rental cars and hotels	<i>Robs Assessment on Rental Cars & Hotel Nights.msg</i>	Rob Rouwette
End of Life Paper Files		
Cbus member count	<i>FY17 Cbus member count.msg</i>	Scott LaFerlita