

Attention: Directors, CFO's, Audit Committees and Auditors

**Your ASIC compliance risk
has just increased impacting**

- Financial Reporting
- Audit



Enhanced Scrutiny Alert

- ASIC has rapidly increased the size of its financial reporting, audit, and sustainability surveillance teams in the past 12 months by approximately 4 times.
- This expanded oversight means a higher risk of your financial report and audit files being scrutinised. Expect more detailed reviews and potential investigations of financial reporting.

Where you could be exposed

- ASIC is targeting entities lacking high-quality technical accounting papers for material transactions and financial statement balances
- ASIC has also launched an auditor independence team to detect conflicts such as where audit firms prepare financial statements for clients (a red flag under professional standard APES 110).



Director Responsibilities



- As part of their statutory duties, directors are required to ensure that accounting advice is provided by accounting standards experts other than the auditor.
- Technical papers must reference Australian Accounting Standards (AASB's)

Stay Compliant!



We are an independent specialist accounting standards advisory and financial report preparation practice.

We can:

- prepare robust technical accounting position papers and related calculations
- prepare financial reports to avoid auditor independence conflicts

ASIC is watching. Are you?



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