Compliance Audit Process - Overview

Refer to the Compliance Risk Profile and Assurance Approach

Annual Compliance Assurance Approach

- Obtain an understanding of the *Foreign Acquisitions and Takeovers Act 1975* (the Act) as the legislative basis underpinning the assurance approach.
- As a key product of the assurance approach, determine the compliance audit objectives and scope.
- Identify the listing of foreign investment transactions with associated conditions imposed by the Treasurer.
- Develop a compliance risk profile, audit selection methodology and annual compliance audit plan.

Planning Control Compliance Audits Quality Performing the Communication and Audit and Gathering Audit Evidence **Procedures Evaluating Evidence** and Forming Documentation, Conclusions Reporting

- Identify the conditions imposed by the Treasurer and understand the risk/s the conditions are intended to mitigate.
- Develop an audit strategy with consideration given to the nature and source of audit evidence required to conclude whether the foreign investor has complied with the conditions imposed by the Treasurer.
- Obtain information from internal and other independent sources and determine the additional information required from the foreign investor.
- Send formal correspondence to the foreign investor, requesting information be provided within the specified period as per section 133 (3) of the Act.
- Evaluate whether sufficient appropriate audit evidence has been obtained to conclude whether the foreign investor has complied with the conditions.
- Form a conclusion whether the foreign investor has complied with the conditions imposed by the Treasurer.
- Prepare a draft report on the results of the audit, including identified exceptions, the overall conclusion formed and other observations, for comment.

I- ssue the report as final.

Evaluate
outcomes and
incorporate
into future
plans and
approach