


Senate Select Committee on Superannuation and Financial Services

Main Inquiry Reference (a)

Submission No. 241

(Supplementary to Submission No. 236)

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From: Susan Orchard
Sent: Friday, September 14, 2001 9:14 AM
To: committee, superannuation senate.
Cc: Reilly, Keith
Subject: RE: Senate - Questions on notice

Please find below responses to questions on notice. I apologise for the delay in responding it took a little longer than anticipated to answer your queries.

1. The Institute does not have the power to exclude someone "from auditing" with the registration and regulation of (company) auditors being carried out by the ASIC. Even if someone was excluded from membership of the Institute, they could continue to act as a company auditor unless their registration had been revoked by the CALDB. Over the last two years, four persons were excluded from membership of the Institute, none for matters relating to the audit function.
2. Again, the primary responsibility for the discipline of company auditors rests with the ASIC/ CALDB and their antecedent bodies. If an Institute member has been dealt with by the CALDB, he or she is then required to appear before the Institute's Disciplinary Committee which decides what, if any, further sanction should be imposed. In the case of the auditors of these two companies, by the time the various legal actions had been concluded both auditors had retired from practice and the Institute is not aware that any action was taken by the ASIC.
3. While the Institute does not maintain specific statistics about the source of particular complaints, a review of the Institute's disciplinary files for the past three years indicate that three matters were referred by APRA.

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The Institute of Chartered Accountants in Australia