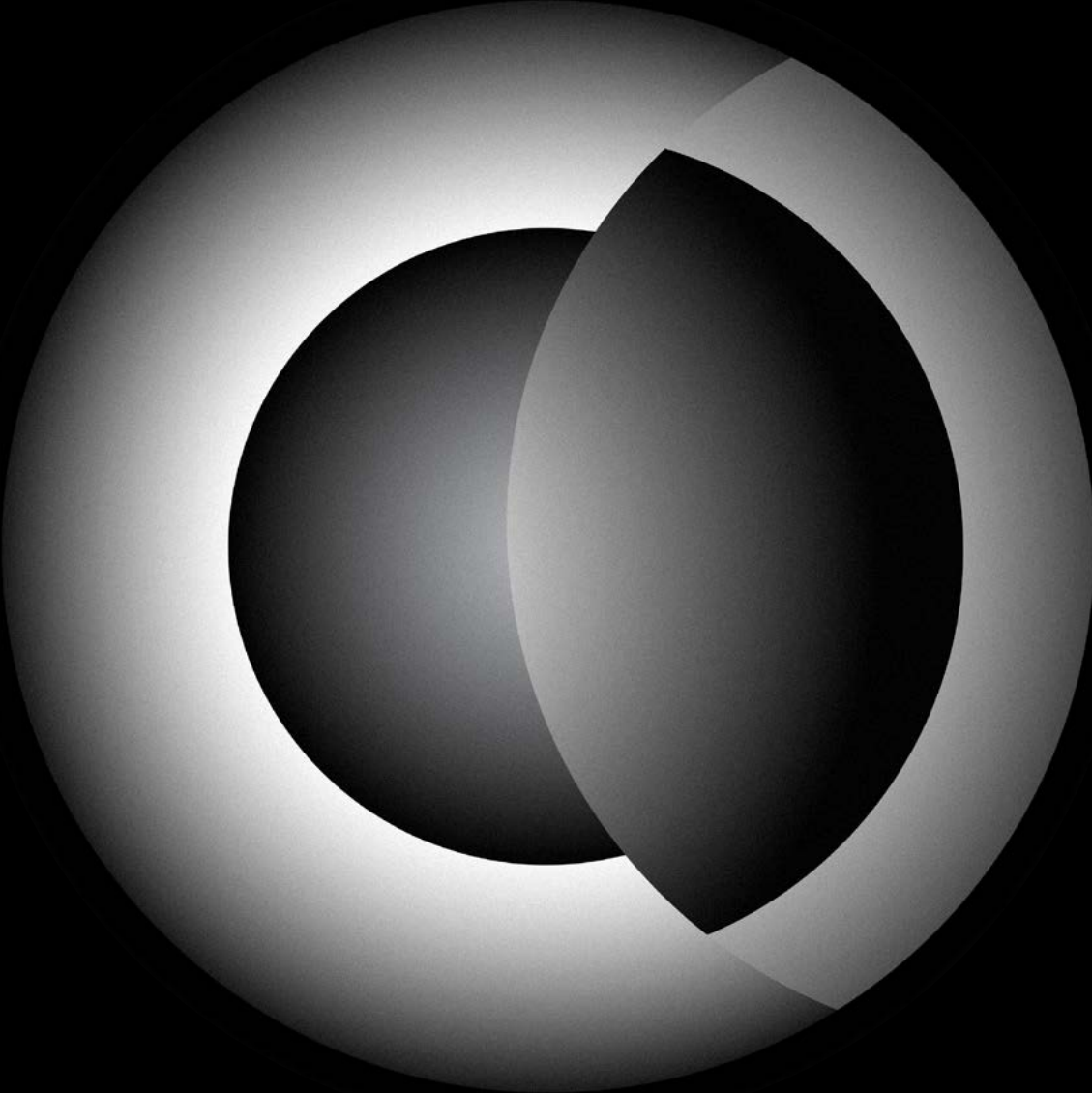


**Deloitte.**



**2021 Transparency Report**

Deloitte Touche Tohmatsu

October 2021



This Transparency Report is prepared in accordance with the requirements of Section 332 of the *Corporations Act 2001* (Corporations Act). The Transparency Reporting Year is from 1 July 2020 to 30 June 2021.

Deloitte Australia refers to the Australian partnership of Deloitte Touche Tohmatsu.

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# Leadership message

Audit is fundamental to our business. We're dedicated to serving the public interest by instilling confidence and trust for our clients, people, and capital markets.

## Resilience in a landscape of uncertainty

In the face of a difficult business environment and unprecedented market uncertainty, Deloitte<sup>1</sup> remains resolute in putting audit quality and the public interest first.

From the outset, we've closely monitored and managed our response to the impact of COVID-19 on our clients and people. We have adapted and responded to continue delivering audits that are of the highest calibre, recognising the important role we play in sustaining trust and confidence in the capital markets.

## Investment in audit quality

We value the importance of the audit business to our firm, partners, and people and it has our unwavering commitment.

Ensuring audit quality keeps pace with emerging economic, business, and regulatory conditions is critical to our role in protecting the public interest and supporting the effective functioning of the financial reporting ecosystem.

Deloitte has already invested over \$1 billion globally in audit transformation across a range of strategic and operational priorities. Locally, we have committed \$15 million to investment in audit quality improvement initiatives for the coming year in relation to our ongoing digital transformation, along with investments in people, processes, and technologies.

## Commitment to the audit profession

We continue to listen to stakeholder views about what they need and share our perspectives. We recognise audit quality is an ongoing journey and there are always opportunities to do more.

We look forward to continuing our constructive engagement with audit regulators, standard setters, and other stakeholders within the financial reporting ecosystem.

We're supportive of the final recommendations made by the Parliamentary Joint Committee on Corporations and Financial Services into the Regulation of Auditing to enhance transparency, audit quality, and trust in financial reporting and corporate governance in Australia. Deloitte supports the recommendation for public interest entities to establish and maintain an internal controls framework for financial reporting and continue to invest in processes and controls, including monitoring whether those processes and controls are working effectively.

Deloitte's implementation of the new International Standard on Quality Management 1 (ISQM 1) activities are underway. This will further enhance our proactive approach to managing the quality of engagements performed, identifying and addressing risks to audit quality, and driving improvements in quality control processes.

This report provides you with an insight into our Firm and sets out our practices and processes, demonstrating our continued commitment to and investment in audit quality.

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### Adam Powick

Chief Executive Officer  
Deloitte Australia

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### Tom Imbesi

Chairman  
Deloitte Australia

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### Joanne Gorton

Managing Partner  
Audit & Assurance

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<sup>1</sup> Throughout this report, the terms 'Deloitte', 'we', 'us', and 'our' refer to one or more of Deloitte Touche Tohmatsu Limited, its network of member firms, and their related entities. For more information about the Deloitte network, please see p. 3 of this document or <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/about-the-network.html>.

# Deloitte network

## **Deloitte Australia: legal structure and ownership**

The Australian partnership of Deloitte Touche Tohmatsu is a member of Deloitte Asia Pacific Limited and part of the Deloitte global network. Deloitte Touche Tohmatsu is referred throughout this report as Deloitte Australia or the Firm, and provides (through the Firm or one of its related entities) professional services using the Deloitte name within Australia, Papua New Guinea, the Solomon Islands, and Timor-Leste.

For the purposes of transparency reporting, this report contains information about Deloitte Australia, which is relevant to the Audit & Assurance business.

## **Network description**

### **The Deloitte network**

The Deloitte network (also known as the Deloitte organisation) is a globally connected network of member firms and their respective related entities operating in more than 150 countries and territories across the world. These separate and independent member firms operate under a common brand.

### **Deloitte Asia Pacific Limited**

Deloitte Australia, along with members in China, Japan, Korea, New Zealand, Southeast Asia, and Taiwan comprise Deloitte Asia Pacific Limited, the Deloitte Touche Tohmatsu Limited member firm in this region.

Deloitte Asia Pacific Limited (also known as the Deloitte Asia Pacific member firm, referred to as Deloitte Asia Pacific throughout this report) is a UK private company limited by guarantee incorporated in England. Deloitte Asia Pacific Limited does not provide professional services to clients and its members, and their related entities are separate and independent legal entities.

The purpose of Deloitte Asia Pacific Limited is to facilitate alignment and collaboration between its members as part of the Deloitte Network in the Asia Pacific region. Through the Deloitte Asia Pacific member firm, Deloitte Australia (together with the other members) is making a significant investment in building capabilities across the region to enhance our services to clients and create the best development opportunities for our people.

The Deloitte Asia Pacific Limited Board is the highest governing body of the Deloitte Asia Pacific member firm. Deloitte Australia has three representatives on the Board, including the Chairman of Deloitte Australia's Board of Partners, Tom Imbesi. The Deloitte Asia Pacific Limited Executive is led by Asia Pacific Chief Executive Officer (CEO), Cindy Hook.



### **Deloitte Touche Tohmatsu Limited (DTTL or Deloitte Global)**

Deloitte Touche Tohmatsu Limited is a UK private company limited by guarantee incorporated in England and Wales. DTTL serves a coordinating role for its member firms and their related entities by requiring adherence to policies and protocols with the objective of promoting a consistently high level of quality, professional conduct and service across the Deloitte network. DTTL does not provide professional services to clients, or direct, manage, control or own any interest in any member firm or any member firm's related entities.

'Deloitte' is the brand under which approximately 345,000 dedicated professionals in independent firms throughout the world collaborate to provide audit and assurance, consulting, financial advisory, risk advisory, tax, and related services to select clients. These firms are members of DTTL. DTTL, these member firms and each of their respective related entities form the Deloitte organisation. Each DTTL member firm and/or its related entities provides services in particular geographic areas and is subject to the laws and professional regulations of the particular country or countries in which it operates. Each DTTL member firm is structured in accordance with national laws, regulations, customary practice, and other factors, and may secure the provision of professional services in its respective territories through related entities. Not every DTTL member firm or its related entities provides all services, and certain services may not be available to attest clients under the rules and regulations of public accounting. DTTL, and each DTTL member firm and each of its related entities, are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm, and their respective related entities, are liable only for their own acts and omissions, and not those of each other. The Deloitte organisation is a global network of independent firms and not a partnership or a single firm.

The Deloitte Global Board is the highest governing body of Deloitte Global. The Chairman of Deloitte Australia's Board of Partners, Tom Imbesi, is a member of the Deloitte Global Board, the Global Finance & Audit Committee, and the Global Risk & Ethics Committee. Other key Deloitte Global governance bodies are the Deloitte Global Executive, which is led by the Global CEO, and the Deloitte Global Operating Committee, led by the Global Chief Operating Officer (COO). The CEO of Deloitte Asia Pacific Limited, Cindy Hook, is a member of the Deloitte Global Executive.

### **Deloitte Australia: governance – leadership in action**

Underpinning the leadership and management of Deloitte Australia are strong governance structures that provide accountability across our operations.

#### **The Board of Partners**

Deloitte Australia's Board of Partners (the Board) is responsible for protecting the interests and reputation of the Firm and its partners, and for overseeing management and operations at a strategic level. The Board maintains oversight of Deloitte Australia's structure for corporate governance including quality and risk.

The Board comprises the elected CEO and between seven and 10 elected partners. Our governance structure includes specific terms around the length of service and representation, including a provision that at least 40 percent of seats are held by women and at least 40 percent are held by men. In addition, the separation between the roles of Chairman and the CEO provides a strong measure of accountability.

#### **Chief Executive Officer**

Our CEO, Adam Powick since 21 April 2021 and previously Richard Deutsch, has full executive authority for managing the Firm. A Board-appointed committee of between four and eight equity partners nominate the CEO who is elected by the partners for a four-year term. Unless an extension is approved by an ordinary resolution of partners, the maximum overall period for the CEO is eight years.

### **The National Executive**

The CEO appoints the National Executive, which manages the Firm's day-to-day activities. The National Executive comprises the CEO; COO; Chief Strategy Officer; Managing Partner Clients, Industries & Markets; Chief Risk Officer (CRO); Chief Transformation Officer who is also the business managing partner for Risk Advisory; National Leader Clients; and the business managing partners for Audit & Assurance, Consulting, Financial Advisory, Risk Advisory, and Tax & Legal.

The CEO has overall responsibility for developing, implementing and monitoring quality policies and procedures, and risk-related matters. Day-to-day responsibility is delegated as follows:

- CRO – Enterprise risk framework; ethics and conduct; independence and conflicts; business resilience; compliance including regulatory compliance; client and engagement acceptance; engagement risk; quality control; data security, confidentiality and privacy; risk culture and complaints handling; legal and professional indemnity insurance
- COO – People and performance.

### Audit & Assurance Leadership

The responsibility for developing and implementing the strategy for the Audit & Assurance practice – including related policies and procedures – rests with the Managing Partner Audit & Assurance, Joanne Gorton; the Audit Leader, John Leotta; the Assurance Leader, Neil Brown; and the Audit & Assurance Executive. In all their activities, Deloitte Australia's senior leaders are responsible for the overarching objective of audit quality, including compliance with applicable professional standards and regulatory requirements. The Deloitte Australia Audit & Assurance strategy is developed in alignment with the overall strategic direction established for the Deloitte network.

Deloitte Australia Audit & Assurance leaders participate in external and Deloitte network groups that set and monitor quality standards, and from which a number of audit quality initiatives emanate.

### Audit & Assurance Quality & Risk and Accounting Technical

The Audit & Assurance Quality & Risk team is responsible for implementing the quality agenda, establishing specific policies and procedures, audit and assurance technical training, monitoring and risk mitigation, and supporting engagement teams on audit technical and risk matters.

The National Professional Practice Director (NPPD), Jacques Strydom from 1 August 2021, previously Gary McLean until retirement on 31 July 2021, oversees the Audit & Assurance Quality and Risk team. The NPPD is responsible for all decisions relating to the interpretation of auditing matters, audit technical training to the Audit & Assurance practice, and has operational responsibility for the system of quality control. From September 2021, the NPPD is a member of the Audit & Assurance Executive.

Caithlin Mc Cabe is the Audit & Assurance Risk Leader responsible for client and engagement acceptance and continuance, risk sensing and risk mitigation activities in relation to the audit practice, and is a member of the Audit & Assurance Executive.

The Accounting Technical team is led by the National Accounting Technical Leader, Alison White. The Accounting Technical team is responsible for providing accounting technical support, including accounting technical training to the Audit & Assurance practice and clients. It specialises in accounting standards and interpretations, including Australian International Financial Reporting Standards, U.S. Generally Accepted Accounting Principles, and the financial reporting requirements of the Corporations Act.

Deloitte Australia's investment in these teams has increased from a full time equivalent of 43.1 in 2020 to a full time equivalent of 51.2<sup>2</sup> in 2021, an increase of 18.8 percent.

### Audit Quality Network

We have an Audit Quality Network of partners and staff within the geographic and market segments of our Audit & Assurance practice. The network helps the Audit & Assurance Quality & Risk team reinforce key messages, raise awareness of quality and risk matters and be more agile in responding to new developments.

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## External, DTTL and Deloitte Asia Pacific contribution

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### Adam Powick

#### CEO

Deloitte Asia Pacific Executive Team

### Tom Imbesi

#### Chairman Deloitte Australia

Deloitte Global Board

Deloitte Global Finance & Audit Committee

Deloitte Global Risk & Ethics Committee

Deloitte Asia Pacific Board

### Joanne Gorton

#### Managing Partner, Audit & Assurance

Accounting & Auditing Standing Committee

Deloitte Asia Pacific Audit & Assurance

Leadership Team

### John Leotta

#### Audit Leader

International Accounting Standards Board's Consultative Group for Rate Regulation

Board of the Group of 100

### Caithlin Mc Cabe

#### Audit & Assurance Risk Leader

DTTL Regulatory Leadership Advisory Board

### Sneza Pelusi

#### Chief Risk Officer

Deloitte Asia Pacific Board

### Gareth Bird

#### Partner Audit & Assurance Quality & Risk

Australian Auditing & Assurance

Standards Board

### Julie Breden

#### Partner Audit & Assurance Quality & Risk

Deloitte Global AQMM Executive

Deloitte Asia Pacific Audit Quality Monitoring & Measurement Leader

Deloitte Asia Pacific Practice Review Director

### Alison White

#### National Accounting Technical Leader

Deputy Chair Australian Accounting Standards Board

### Anna Crawford

#### Partner Accounting Technical

Deloitte Global IFRS Leadership Team

### Marisa Orbea

#### Director of Independence

Deloitte Global Independence Leadership Team

### Hussein Hussein

#### Audit & Assurance Partner

Deloitte Asia Pacific Assurance Leader

### Stephen Roche

#### Audit & Assurance Partner

Deloitte Asia Pacific Global Mobility Leader

### Suzana Vlahovic

#### Audit & Assurance Partner

Deloitte Asia Pacific Member Global Audit & Assurance Transformation Executive Group

Deloitte Asia Pacific Omnia Leader

### Jamie Gatt

#### Audit & Assurance Partner

Deloitte Asia Pacific Financial Services Leader

### Peter Rupp

#### Audit & Assurance Partner

President of Chartered Accountants Australia and New Zealand (until 31 December 2020)

<sup>2</sup> Includes real time engagement review and internal controls task force team members.

# Our purpose and commitment: instilling trust and confidence

At Deloitte Australia, our purpose is to make an impact that matters for our clients, people, and capital markets. For Audit & Assurance, this means a focus on delivering independent high-quality audits and instilling confidence and trust in the capital markets through the services we deliver. This requires us to continuously build capabilities to support the delivery of high-quality audits and make leading contributions to shaping the future of the audit profession.





# What Deloitte Audit & Assurance brings to capital markets

## Audit & Assurance Transformation

Being a relevant profession of the future and a sustainable practice that evolves with the pace of change in technology and society is critical. Driving this goal is the Deloitte Audit & Assurance Transformation initiative, which is currently being developed and deployed across the Deloitte network, including Deloitte Australia.

Audit & Assurance Transformation is an important shift across the network in the way Deloitte professionals work and includes:

The Deloitte Way: standardisation of audit processes supported by our global technology suite

Real-time audit quality monitoring

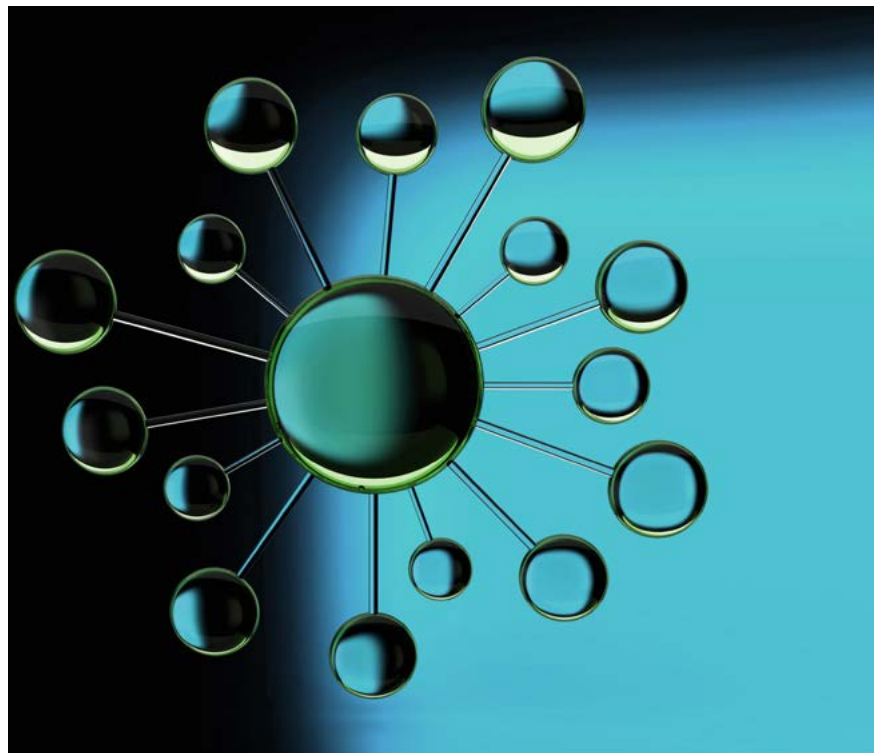
Enhanced talent model which includes learning, rewards and recognition, centres of excellence, and delivery centres

Agile deployment of tools and technologies to respond to changing environments

## Deloitte Global leadership

The Deloitte Global Audit & Assurance Leadership Team is led by Jean-Marc Mickeler, Deloitte Global Audit & Assurance Business Leader, whose responsibilities include:

- Developing and driving the Deloitte Global Audit & Assurance strategy
- Setting audit methodology standards and approving audit policy and methodology changes with the objective of enhancing audit quality across the Deloitte network
- Driving key audit quality initiatives and policies across the Deloitte network.



### Audit innovation<sup>3</sup>

With The Deloitte Way, Deloitte is bringing innovation into the core of how our audits are executed: with automation that improves routine tasks, analytics that yield a deeper and more insightful view into data, and Artificial Intelligence (AI) that enhances human discovery and problem solving. As a result, clients get an experience that is less burdensome, with more transparency and deeper insight.

Innovation and technology enablement are an expectation in today's fast-changing business environment, and this holds true for the audit profession as well. Today's complex business environment requires the audit be dynamic, multidimensional, and insightful. There is demand for relevant, real-time information, and clients expect audits to evolve as they innovate their businesses and processes. Deloitte Australia auditors are enhancing procedures by making more use of data-driven analytics, as well as cognitive and cloud-based technologies like AI. This is due in part to the increased automation and effectiveness these provide, but also the need for Deloitte Australia to stay ahead of technological advances used by the entities that we audit.

Deloitte is committed to the continued investment in emerging technologies and diversity of thought that enables the delivery of enhanced quality, insights, and value to our clients and the markets. Deloitte Australia will be releasing Deloitte Omnia, our next-generation cloud-based audit delivery platform, as well as Deloitte Levvia, a tailored solution to support our very small audits. Deloitte Australia has commenced pilots of Deloitte Omnia on a selection of our audits, with broad deployment expected over the next few years. We will commence the broad deployment of Deloitte Levvia on our 30 June 2022 year-end very small audits.

Further development and enhancement of both solutions will continue over the next several years. Deloitte also has a global analytics platform, as well as an integrated suite of enabling innovation tools all connected in the cloud.

The consistent application of audit methodology through standardised audit procedures and an audit delivery platform which tracks and identifies departures from our audit methodology on a timely basis are key to consistently performing high-quality audits.

Deloitte Australia has also implemented the following innovation initiatives and cloud-hosted solutions:

- Deloitte Connect – online communication, information sharing, and progress tracking
- Reveal – sophisticated regression analysis
- InsightBox – self-service analytics
- Signal – comprehensive risk analytics on Public Company Accounting Oversight Board (PCAOB) engagements
- Audit Online – interface with delivery centres and support of guided risk assessments
- Regional Audit Delivery Centres and Centres of Excellence – specialist teams enhancing quality and consistency of audit delivery.

### Entities Deloitte audits

As part of Deloitte Global Audit & Assurance's commitment to supporting the capital markets, Deloitte is focused on auditing entities where it serves the public interest and where Deloitte has the capabilities to perform a quality audit with objectivity and in compliance with applicable ethical and professional standards.

The Australian Audit Acceptance Committee augments Deloitte Australia's detailed policies and procedures for accepting prospective audit clients and assessing risk. The objective of these policies and procedures is to ensure Deloitte Australia only accepts audit engagements where:

- It is able to perform the engagement and has the capabilities to do so, including adequate time and resources
- It can comply with all relevant ethical requirements and professional standards, including independence considerations
- It has considered the integrity of the prospective audit client's management team
- The proposed audit fee is appropriate given the risk profile of the engagement.

We perform a continuance assessment to determine if Deloitte Australia should continue providing services, both annually and any time an entity changes significantly (e.g. a change in ownership).

The annual portfolio risk review involves a comprehensive review of the audit client portfolio for the purposes of creating capacity for partners and practitioners, evaluating whether we were doing the right work for the right clients, and understanding the risks in the audit client portfolio.

Our ongoing risk-sensing activities include analysis by Audit & Assurance Quality & Risk to identify audit engagements with an elevated risk and to implement mitigating strategies as appropriate.

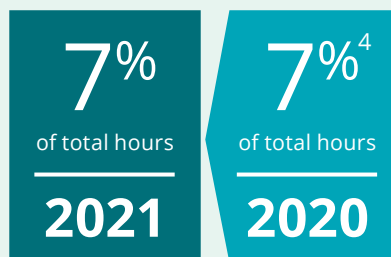
<sup>3</sup> For more information about Deloitte audit innovation, please refer to Deloitte's [Global Impact Report](#).

### Engagement team selection and expertise

The selection of the engagement team and timely involvement of the partner and other senior team members in the riskiest aspects of the audit is key to developing and executing a high-quality audit. Every audit is led by an engagement partner who must be satisfied that the assigned professionals have the required competencies and experience, and meet independence requirements.

For higher risk engagements, additional measures are in place such as assigning a more experienced Engagement Quality Control Reviewer (EQCR), assigning a Special Review Partner in addition to the EQCR for much greater than normal risk engagements, and additional consultations with specialists or a national panel of experienced partners.

Specialist hours on audit engagements accounted for:



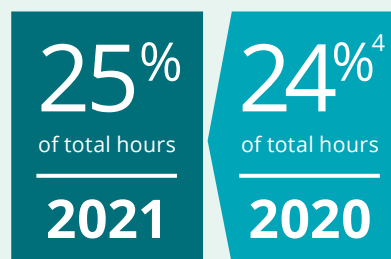
### Independence, objectivity, and professional scepticism

The execution of high-quality audits requires independence, objectivity, and professional scepticism. This means a continuous and tangible focus on Deloitte's critical role in protecting the public interest, including creating a culture of quality where doing the right thing is paramount. At Deloitte we consistently reinforce the importance of maintaining a mindset of professional scepticism throughout the conduct of our work. This approach to the audit is reflected in many aspects of Deloitte policies, methods, procedures, and learning, and is reinforced through quality control and accountability measures.

### Engagement supervision and review

Our audit approach requires that audit engagements are adequately planned, supervised, and managed so that the work performed provides reasonable assurance that it complies with professional standards. The overall supervision of each audit engagement is the responsibility of the engagement partner.

Audit partner, principal, director, senior manager, and manager hours on audit engagements accounted for:



The table on page 11 summarises Deloitte Australia's policies in relation to engagement reviews.

### Consultation

Quality and risk management considerations are integral to Deloitte's audit business. That is why Deloitte views consultation as an essential, collaborative process – one that helps determine the most appropriate answers to complex questions. Deloitte consultation policies require that conclusions are documented, understood, and implemented. In addition to formal consultations, whenever engagement partners and teams need additional information or perspectives, they are encouraged to seek assistance from the Audit & Assurance Quality & Risk and Accounting Technical teams, or others in the organisation with specialised knowledge including Independence Australia. The management, visibility and consistency of these consultations is enhanced by our query management portal, which facilitates the consultation process with specialists.

In addition to formal consultations, we have an internal crowd support platform where staff can ask and answer general questions about auditing, helping to build a culture of shared solutions and best practice.

<sup>4</sup> Updated comparatives for consistency.

# Review policies

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## **Working paper review**

Performed by more senior members of the engagement team, including an overriding review by the engagement partner, to consider whether:

- The work has been performed in accordance with Deloitte audit methodology, professional standards, and applicable legal and regulatory requirements
  - Any significant matters have been raised for further consideration
  - Appropriate consultations have taken place and the resulting conclusions have been properly documented
  - There is a need to revise the nature, timing and extent of planned audit procedures
  - The work performed supports the conclusions reached and is appropriately documented
  - The evidence obtained is sufficient and appropriate to support the auditor's report
  - The objectives of the engagement procedures have been achieved.
- 

## **Engagement quality control review**

Performed by a partner for public interest entities and high risk entities, or a partner, principal, or director for certain other entities based on predetermined criteria, to consider whether:

- The conclusions reached on significant judgements made by the engagement team are appropriate
- The audit documentation selected for review in relation to significant judgements supports the conclusions reached
- Appropriate consultations have taken place and the resulting conclusions have been properly documented
- The engagement team has made an appropriate evaluation of independence
- Appropriate matters have been considered for reporting to those charged with governance.

The engagement quality control reviewer also reviews the financial statements and the proposed auditor's report.

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## **Special review**

Performed by an experienced partner for entities assessed as much greater than normal risk, to provide an additional level of objectivity by continually challenging the key elements of the engagement giving rise to the higher risk. These may include:

- Engagement acceptance or continuance
  - Overall engagement approach and detailed plan
  - Scope and quality of work in high-risk areas
  - Appropriateness and implementation of consultation and resolution of significant issues
  - Adequacy of audit evidence documented in the working papers
  - Client communication or reports.
- 

## **Review panel**

Performed by at least two partners who are not involved in the engagement:

- When events or conditions have been identified that indicate that there could be significant doubt about an entity's ability to continue as a going concern (for audit of entities other than very small engagements); or
- Where our auditor's report will or may be modified, contain a material uncertainty related to going concern section or an emphasis of matter; or
- Where a client is reliant on a letter of financial support; or
- When a restatement of financial statements is proposed.

A review panel considers the appropriateness of the proposed auditor's report and the wording of the modification, material uncertainty related to going concern, emphasis of matter, restatement, or letter of financial support disclosure. Furthermore, for audit of listed entities, the review panel will also review the determination of Key Audit Matters and how they are reported in the auditor's report.

# Deloitte's priority focus on audit quality

Deloitte's commitment to audit quality is central to everything we do, from instilling a culture of quality and excellence across the network, to business and financial priorities, and the processes, tools and technologies applied in the execution of audits. Making sure audit quality keeps pace with emerging economic, business, and regulatory conditions, as well as technological advances, is critical to the continual enhancement of Deloitte's role in protecting the public interest and supporting the effective functioning of the financial reporting ecosystem. Deloitte's brand is defined by the high-quality audits delivered and by the unwavering commitment to continuous improvement.





### **Leadership commitment and tone at the top**

Deloitte's culture of quality and excellence begins with strong tone from the top, starting with senior leadership through to the leaders in all our offices and audit engagements. Deloitte's focus on audit quality is evident through the direct involvement of leaders across activity levels and consistent messaging that reinforces the importance placed on audit quality. Deloitte's relentless pursuit of quality defines not just what we do, but who we are.

We conduct staff surveys at least annually to assess perceptions of the leadership tone within Deloitte Australia and the importance placed on audit quality. The results of the 2021 survey confirm Deloitte Australia's continued commitment to providing high-quality audits.

### **Audit approach**

Deloitte's approach to a high-quality audit involves an audit methodology, common across the Deloitte network, supplemented by audit tools for use by our professionals to plan, perform, supervise, review, document, conclude, and communicate the results of each audit. Deloitte's audit approach is underpinned by professional standards.

This audit methodology is dynamic – it evolves continuously to keep pace with the changing demands of investors, companies, and other stakeholders. It recognises that advances in the availability and management of large data sets and in statistical science are relevant to continuing to enhance the quality of Deloitte audits.

Deloitte audit methodology is risk based, focusing on the financial statement account balances, disclosures, and underlying assertions that have a risk of material misstatement.

### **Processes to support Deloitte professionals in the execution of high-quality audits**

The resources applied by Deloitte professionals in the performance of their audits include the proprietary tools, guidance, materials, and practice aids used in conducting audits, which are available to all our professionals in the Deloitte Global Technical Library, an extensive online library. Deloitte regularly issues accounting and auditing guidance to our professionals and communicates developments that may affect audit quality.

### **System of quality control**

Deloitte believes an effective system of quality control is crucial for the consistent performance of high-quality audit engagements and we continue to make significant investments in the people, processes, and technologies that underlie Deloitte's quality control processes.

Regulators and standard setters in Australia and globally are focused on driving further improvements in firms' systems of quality control. In December 2020, the IAASB released its new, revised suite of quality management standards, including ISQM 1. Effective 15 December 2022, ISQM 1 focuses on quality management at the firm level.

Deloitte's ISQM 1 implementation activities are underway, working with leaders across Deloitte Australia and Deloitte Asia Pacific, as well as the broader network, to further enhance our proactive approach to managing the quality of engagements performed, identifying and addressing risks to audit quality, and driving improvements in quality control processes.

Consistent with Deloitte's culture of continuous improvement and innovation, these standard-setting activities provide the opportunity to challenge ourselves – examining those areas where we can further support and transform the system of quality control. Audit quality is always front and centre, and robust audit quality monitoring and measurement processes play an integral role in our ability to continually improve.



## Environmental, social, and governance (ESG) reporting<sup>5</sup>

### Financial reporting today

To better assess the resiliency of corporate strategies to climate-related and other ESG matters, investors and stakeholders are seeking reliable and comparable information on the potential impacts of these matters. These matters could have implications on a company's financial accounting and reporting, in the context of the existing accounting standards and the financial statement audit. Companies follow financial reporting standards such as the International Financial Reporting Standards (IFRS) and US Generally Accepted Accounting Principles. Auditors follow auditing standards such as those established by the International Auditing and Assurance Standards Board (IAASB), International Standards on Auditing (ISA), and PCAOB related to the audit of the financial statements. These standards require auditors to identify and assess the risks of material misstatement in the financial statements of the entities they audit, and design and perform audit procedures responsive to those risks. Deloitte is increasing awareness of the potential impacts of climate-related and other ESG matters on financial reporting through guidance, tools, templates, learning, and leading practices.

### Corporate reporting of the future

In addition, market participants and broader stakeholders are calling for greater insight into corporate performance, specifically demanding enhanced transparency around ESG impacts and dependencies of a company's business model and strategy. Over time, many standard-setters and other organisations have developed frameworks or standards for reporting metrics and ESG information for use by companies. However, currently there is no global enforcement mechanism or assurance requirements for consistent adherence or adoption. Deloitte supports the International Financial Reporting Standards Foundation's (IFRSF) proposal to establish an International Sustainability Standards Board (ISSB) that, alongside the International Accounting Standards Board and under the governance and oversight of the IFRSF, would provide a set of global standards.

There is a growing interest for companies globally to integrate climate-related and other ESG considerations into systems of internal control, enhancing the maturity of systems, processes, and governance over climate-related and other ESG information. Globally, those charged with governance (e.g. Audit Committees, Boards) are moving toward incorporating ESG considerations in their oversight responsibilities of companies' management – companies' readiness, companies' management skillsets, and implementation of processes and controls to collect data.

Deloitte supports efforts to make publicly disclosed ESG information consistent, comparable, and reliable. Assurance provides a greater confidence in ESG information. Deloitte believes that there is a benefit of ESG assurance being provided by an audit firm. Objectivity, credibility, and integrity are qualities valued most in assurance providers. These are in addition to independence, professional scepticism, commitment to quality, and appropriate training that are equally critical. All of these are covered under the typical infrastructure of audit firms and will be further reinforced with the adoption of ISQM 1, which becomes effective in December 2022.

Deloitte supports the continued collaboration of all participants in the financial reporting ecosystem, working together to develop and implement common standards upon which to measure, disclose, and ultimately assure ESG information.

Further, to help the world achieve the goals of the Paris Agreement, Deloitte has launched [WorldClimate](#), a strategy to drive responsible climate choices within the Deloitte network and beyond.



<sup>5</sup> For more information about Deloitte's alignment with ESG, please refer to Deloitte's [Global Impact Report](#).

## COVID-19

Deloitte's highest priority is the safety and wellbeing of its professionals. In this changing global environment as the impacts of COVID-19 continue to unfold, investors and stakeholders are looking to auditors more than ever to provide an independent opinion on entities' financial statements. Deloitte remains committed to this critical role and delivering the highest quality audits.

Entity management and auditors have both been affected by limits on movement and stay-at-home requirements. With travel restrictions affecting entities' personnel and auditors, companies have needed to obtain information in new or different ways. In addition, entity management is faced with significant uncertainty in making judgements to project future operating results and cash flows, going concern, and developing valuation analysis, etc. The financial reporting process requires careful analysis and further considerations of impact from management and auditors given the current environment.

All stakeholders of the financial reporting ecosystem must exercise significant judgement in this unprecedented and uncertain environment – governments, when projecting the length of lockdowns and providing necessary support packages; bankers, when deciding if a loan can be repaid in full; management, when evaluating if a company can continue operating as a going concern and audit committees providing oversight of management; auditors, when assessing these judgements; and investors, when analysing the available financial information in light of these unprecedented uncertainties.

Although the existing accounting frameworks have provisions for uncertainties, it is important for financial statement users and regulators to expect a higher degree of market and economic volatility in the near future.

Deloitte welcomes the public statements and guidance issued by regulators including those by the Australian Securities and Investment Commission (ASIC) that recognise the current uncertainties and emphasise the importance of high-quality, forward-looking corporate disclosures. Importantly, some regulators have conveyed that good faith attempts to provide investors and other market participants with appropriately framed forward-looking information will not be second-guessed. There is benefit to the public for greater transparency from various financial reporting ecosystem stakeholders raising awareness about these issues. This includes providing more clarity on the responsibilities of management, audit committees, companies, auditors, regulators, and other stakeholders.

Deloitte's overarching strategic objectives are principles-based and remain unchanged (e.g. investments in quality, people, and technology), however, some related processes have been modified or prioritised to factor in unanticipated changes due to the pandemic. Deloitte implemented monitoring and consultation processes to maintain high standards of quality and reinforce key areas of focus impacted by the implications of COVID-19.

Deloitte has been focused on setting the necessary tone for the historically challenging period that followed. From an audit risk perspective, the fluid economic and health environments globally continue to put pressure on the risk of fraud, asset impairments, and going concern in certain industries. Operational challenges in some industries can manifest into financial reporting challenges, while other industries may be benefiting from the current environment.

The professional standards, Deloitte policies and guidance, strong consultation and specialist networks, and steadfast diligence continue to be the basis for Deloitte's execution of high-quality audits.

Deloitte's global technology and infrastructure allowed for an agile and rapid response to the various impacts of the COVID-19 pandemic. Deloitte prepared for various contingencies in order to support changing needs and to support professionals during periods when they have been required to work remotely. Deloitte Global has launched and continues to maintain the Deloitte Global Audit & Assurance Technical Delivery Resource Centre – a central location for all Deloitte professionals to access globally relevant and locally adaptable COVID-19 related audit resources and guidance. These responses have allowed us to continue to reinforce execution of the Deloitte audit approach throughout the pandemic.

Deloitte has also led global initiatives to understand the implications of working virtually for professionals, to provide them with support to enhance team collaboration and to consider new ways of working in a remote environment. Despite the virtual working environment, learning was successfully delivered to Deloitte professionals through virtual programs and we are using this experience to drive continuous improvement.

Mental and physical wellbeing was a key focus for Deloitte throughout the Transparency Reporting Year, with the goal of supporting our professionals through the shift to virtual working and the challenges and uncertainty caused by various lockdowns. Our extensive wellbeing program ranged from supporting families in school holidays through to coaching and counselling on mental, financial, and physical wellbeing. The Audit Recharge guidelines issued by Deloitte Australia during the Transparency Reporting Year provide audit practitioners with an opportunity to recharge and manage wellbeing following peak periods.

During the Transparency Reporting Year, Deloitte Australia became a founding member of the Corporate Mental Health Alliance Australia, an alliance of organisations that recognises that the mental wellbeing of their employees transcends market dynamics, and that working together collaboratively will give them the best chance of delivering real impact for their people.

The transformation of audit execution in an increasingly dynamic work environment has led Deloitte to respond to the rapidly changing needs and requirements of the talent landscape. As Deloitte is organising the return to the workplace in several countries, it's challenging its historical working methods, including adopting a hybrid working environment.

Going forward, Deloitte will continue to focus its efforts and provide a consistent audit experience in a way that embraces the evolving expectations of clients and professionals.

### Multidisciplinary model (MDM)

MDM is an important contributor to high-quality audits. Auditors increasingly use the work of specialists in a number of areas, including to assist in their evaluation of accounting estimates and fair value measurements. This has been more important than ever as companies' financial statements were required to reflect the uncertainties presented by COVID-19. Financial statements may continue to grow in complexity due to new ESG considerations and other focus areas. Further, as big data utilisation becomes more pervasive in line with other digital advances, the demand for data analysts and IT specialists will grow accordingly. Among the benefits of the MDM are:

- Possibility to develop industry insights through multiple lenses, which enhances auditors' understanding of business risks relevant to conducting audits.
- Immediate access for the audit practice to specialised resources in other business lines. This promotes audit quality because auditors can leverage the knowledge and experience of advisory professionals who are skilled in subjects beyond audit and assurance.
- A diverse organisation helps attract and retain premier talent.
- Availability of intellectual capital within the network to innovate audit processes and technologies.
- Parts of the business grow at different rates during various time periods across markets. Deloitte's MDM provides a safeguard against market volatility that is important to long-term viability of the network and makes significant investments in audit quality and innovation possible, even in times of financial pressures on the audit business.

Deloitte's response to COVID-19 demonstrates resilience in putting audit quality and the public interest first, which is further supported by the significant benefits of the MDM. Each non-audit Deloitte business has a shared and vested interest in supporting audit quality initiatives and Deloitte's strategy to deliver high-quality, globally consistent service to clients.

# Professional development and performance management

Deloitte's culture and the design of learning programs place people at the forefront. Deloitte professionals are technically proficient with high levels of ethics, integrity, professional scepticism, and objectivity, and are continuously enhancing their skillset and experience.

Deloitte is committed to delivering an unrivalled talent experience, developing professionals, and furthering their careers by creating a lifelong learning environment – advancing audit education, skillsets, and flexible career options that appeal to future auditors. Attracting, developing, and retaining our very best professionals are key to consistently performing high-quality audits.

Deloitte professionals bring diverse backgrounds, knowledge, and skillsets that enhance capabilities as an organisation.

In addition, operational discipline, effective management of the business, and the development of a singular approach to doing audits known as The Deloitte Way, provide the foundation for Deloitte's commitment to bring consistency to our audits.

Deloitte is driving a sustainable audit and assurance business that recognises and rewards its people and provides ongoing investments in their future.





### Learning and development initiatives

Deloitte's transformed approach to audit delivery is changing the audit experience for professionals. Audit teams are empowered by advanced tools and technologies and more extensive use of data analytics within a guided workflow to execute the end-to-end audit cycle. For Deloitte professionals, this means focusing on how the engagement is planned, executed, and managed consistently across the globe, using forward-looking techniques and capabilities. It also offers opportunities to enhance their technical and professional skillsets and competencies. For example, the following skills become amplified – enhanced data analytics, project management, critical thinking, communication, enhanced professional judgement, and the application of accounting and auditing principles to work more effectively and deliver high-quality engagements.

Not only does Deloitte deliver value in more areas, but as capabilities and skillsets are enhanced, we build greater confidence and become ever-better evaluators of risk.

Deloitte has made substantial investments in talent and learning strategies and transformed the technical audit curriculum to build the refreshed skillsets and proficiency required by level:

- At the core, Deloitte has a single, global, mandatory audit technical learning curriculum for auditors (supplemented for Australian requirements as needed), targeting learning by level, using a dynamic blend of live instructor-led, digital on-demand courses, and on-the-job activities.

- We have a comprehensive onboarding program which includes mandatory audit technical, accounting technical, and independence onboarding curriculum by level, for all new joiners, to equip them with the right skills and knowledge required for their audit engagements.
- All client service professionals are required to complete at least 20 hours of continuing professional development (CPD) each year and at least 120 hours every three years (i.e. an average of 40 hours per year), through structured, formal learning programs, such as internal or external courses, seminars, or e-learning covering all areas of the competency model (e.g. shared competencies, function-specific technical competencies, and competencies in areas of specialisation).
- All client service professionals have clearly defined role expectations and global Talent Standards outline the capabilities required of practitioners at each level.

Deloitte also has specific learning requirements for specialists working on audit engagements to support their knowledge and understanding of the audit process.

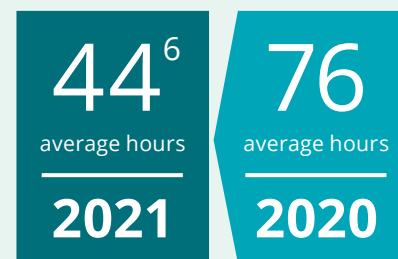
Enhanced project management, a key capability for executing audit engagements, has been included in annual development programs, providing a blend of technical and soft skill learning development. The objective of the Deloitte Australia professional development program is to help partners and practitioners maintain and enhance their professional competence and leverage from the consistency of audit execution.

To supplement on-the-job development, Deloitte Australia provides formal continuing professional development programs in relevant subject areas consistent with the Deloitte Global Audit & Assurance curriculum.

Our NPPD, supported by the Audit & Assurance Quality & Risk, Accounting Technical, and Independence teams, present regular (at least monthly) updates to the partner, principal, director, senior manager, and manager (PPDM) group on changes to regulatory, accounting, and auditing methodologies as well as 'hot topics' and focus areas given the changing environment.

Due to the ongoing impact of COVID-19, facilitator-led learning programs were delivered virtually during the Transparency Reporting Year allowing our professionals to complete the required learning in a timely manner.

Audit partner, principal, director, senior manager, and managers completed structured training in financial reporting, audit, and ethics:



<sup>6</sup> The decrease in hours is due to a 2.5 day (20 hour) facilitator-led Audit Quality Boot Camp held in 2020 and fewer changes in accounting standards in 2021. The average hours attending the NPPD regular updates are not included in 2021 or 2020.

### Diversity, equity and inclusion

Diversity, equity, and inclusion are pillars upon which we build and sustain our internal culture. We see diversity as a business imperative and competitive advantage, given the significantly better client solutions and outcomes that result from more diverse thinking. We also want everyone at Deloitte Australia to feel supported, enhanced and encouraged within our Firm – and by doing so, to be able to bring their ‘best selves’ to work. We encourage this by fostering an inclusive culture that is built on a foundation of respect and appreciation for diversity in all its forms.

Deloitte’s global ALL *IN* commitment is to achieve gender parity at all levels of our organisation and we continue to make progress towards this goal.

ALL *IN* starts with the tone set at the top by leadership and includes programs to support women in developing and growing their careers, through initiatives like our iconic Inspiring Women program.

During the Transparency Reporting Year we welcomed a new cohort to our ‘Return to Work’ program, which supports people who have been out of the workforce for a substantial period with training and a path back into employment with Deloitte Australia.

For the 19<sup>th</sup> consecutive year, we were delighted to receive an Employer of Choice for Women citation by the Workplace Gender Equality Agency. We were also thrilled to be recognised for the third year in a row as a Gold Employer by the Australian Workplace Equality Index for our LGBTI+ inclusion and market-leading StandOUT program (previously known as GLOBE).

Deloitte Australia gender diversity insights:

As at 30 June 2021	Total	Total female	Female %
Audit & Assurance employees	2,070	1,103	53%
Audit & Assurance partners	193	64	33%
National Executive	11	4	36%
Board	10	4	40%

During the Transparency Reporting Year	Total	Total female	Female %
New Audit & Assurance partners	15	5	33%



### Audit & Assurance Leadership appointments

Audit & Assurance Leadership roles are clearly defined. A role profile and key performance indicator framework provide a basis for consistent leadership appointment and evaluation across the Deloitte Audit & Assurance network and align member firm and Deloitte Global Audit & Assurance strategic objectives. Deloitte has introduced globally consistent standards for member firm Audit & Assurance leaders, including Audit & Assurance Business Leaders, Audit & Assurance Quality Leaders, and Audit & Assurance Risk Leaders through clearly defined roles, responsibilities, and expected success outcomes. These inform objective-setting and evaluation processes and reinforce Deloitte's culture of quality and excellence. Robust monitoring of succession planning is in progress to ensure Deloitte is developing and appointing the appropriate individuals with the capabilities to achieve these consistent standards.



### Partner remuneration

In accordance with global policies, Deloitte Australia's partners are evaluated on an annual basis and, depending on the outcome of the evaluation, the remuneration of partners may increase or decrease.

Audit quality is a key consideration in determining partner compensation, with our global and local policies requiring that both positive and negative quality outcomes be factored into compensation decisions.

Specifically, partner evaluations take the following factors into account:

- Demonstrating a strong commitment to quality, risk management, and the stewardship of our reputation
- Achieving performance and living our culture, personally and in teams
- Serving our clients with distinction
- Recruiting, motivating, inspiring, and developing our people
- Developing personal networks that are shared with colleagues
- Supporting and contributing to firm-wide initiatives.

Metrics related to the sale of non-audit services to audit clients are prohibited by Deloitte policies when evaluating or compensating audit partners.

Our partner performance management and remuneration process creates a strong link between audit quality and partner remuneration. Partners receive a quality and risk rating (Quality Rating) as part of their performance management, which includes granular feedback relating to audit quality.

Findings from ASIC inspections are an important input into a partner's Quality Rating and are considered among a variety of other quality measures. In considering ASIC inspections findings we have regard to the nature and severity of the ASIC findings. We also consider whether the findings are indicative of an issue which requires a broader firm response or whether they are unique to the engagement or partner.

There have been financial consequences for partners in relation to poor Quality Ratings. Financial penalties have included reduction in base remuneration, reduction of annual remuneration adjustments, and removal of annual remuneration adjustments. We have also imposed non-financial penalties in relation to poor Quality Ratings.

We have other formal and informal disciplinary options available. There are multiple inputs to any such actions depending on severity, including internal and external inputs (which may include regulatory findings).

Partner remuneration is approved by the CEO and the Board to validate that our processes have been followed, contributions are properly recognised, and our values have been maintained.

# The role of company directors in achieving high-quality financial reporting

In an environment of increasing scrutiny, we recognise that company directors are primarily responsible for the quality of financial reporting and play an important role in supporting the audit process. Company directors can meet these responsibilities by:

- Challenging whether the company has systems, processes and controls, as well as appropriately skilled personnel responsible for financial reporting and a culture that values quality and transparency. The final report issued by the Parliamentary Joint Committee on Corporations and Financial Services into the Regulation of Auditing Australia included two recommendations that impact on control frameworks:
    - The Corporations Act be amended to require companies, that are audited under the Corporations Act, to establish and maintain an internal control framework for financial reporting and that management annually report on the effectiveness of the internal control framework. This management assessment would then be subject to auditor reporting.
    - The Financial Reporting Council should oversee a formal review of the sufficiency and effectiveness of reporting requirements in relation to the prevention and detection of fraud and management's assessment of going concern. Detailed reporting would likely include assessment and disclosure of controls in relation to the fraud prevention and detection and management's process to assess going concern.
  - Having the requisite skill mix and a thorough understanding of the business model to be able to critically evaluate information, anticipate and manage risks, and engage in frank and open dialogue with the auditor.
  - Challenging the appropriateness of the accounting policies and judgements exercised by management in preparing the financial statements and making disclosures in financial reports.
  - Maintaining an open dialogue with the auditor on matters affecting the financial report, the audit, and audit quality.
  - Understanding the cause of observations and findings from the auditor and ensuring management responds appropriately.
  - Setting audit fees that support the delivery of a high-quality audit.
  - Considering the independence and effectiveness of the external audit process.
- At this point, the Australian Government has not formally responded to the recommendations of the Parliamentary Joint Committee; however, it may be prudent to assume these recommendations may progress in some form as has happened, or is happening, in other jurisdictions such as the UK and the US. Offshore experience is that the process of building towards an internal control framework that is sufficiently robust to satisfy formal audit requirements can require a multi-year focus.

Guidance on the role of company directors in financial reporting is provided by ASIC in Information Sheet 183 *Directors and financial reporting* and Information Sheet 196 *Audit quality – The role of directors and audit committees*.

### Reporting matters

The following statistics relating to year-end audits of listed entities performed during the Transparency Reporting Year reinforce the commitment by Deloitte Australia to protect the interests of capital markets and the investing community:



# External and internal audit quality monitoring

## Audit Quality Monitoring & Measurement (AQMM)

A continued focus on audit quality is of paramount importance to the Deloitte brand. It is critical that a Deloitte audit is consistently executed and of high quality, wherever in the world it is performed.

The objectives of the Deloitte Global AQMM program are to:

- Transform the way audit quality is monitored and measured and audit deficiencies are resolved
- Enhance the internal system of quality control which all Deloitte network firms follow.

The AQMM program is focused on driving:

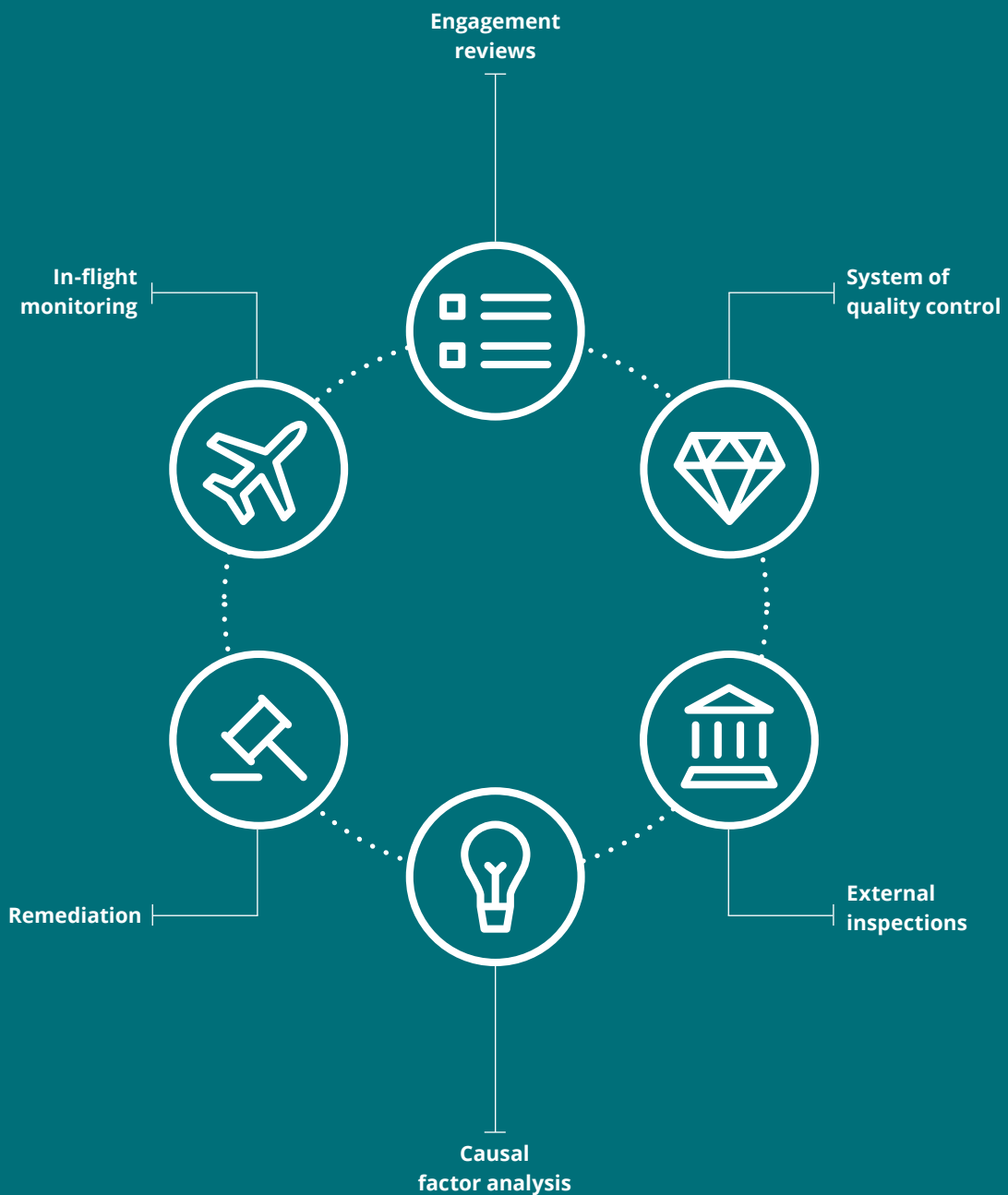
- Continuous, consistent, and robust monitoring of completed and in-flight engagements
- Fundamental understanding of deficiencies and timely execution of corrective actions by all member firms consistently
- Greater transparency and consistency in reporting key measures of audit quality.

Identifying opportunities for improvement and embedding these in future audits is key to consistently performing high-quality audits.





# Audit Quality Monitoring & Measurement





### In-flight monitoring

Continuous audit quality monitoring by Deloitte Australia drives a faster response to audit issues on in-flight engagements, driving identification, timely solutions, and real-time corrective actions achieved by:

- Deployment and monitoring of a series of core diagnostics, enabling engagement partners and teams, as well as Deloitte Australia audit quality leaders, to continuously monitor audit quality and take immediate action
- A program of subject matter specific 'health checks' to assist Deloitte Australia audit quality leaders in assessing progress and identifying potential issues on in-flight engagements
- Real time reviews of in-flight engagements by specialised quality reviewers in the form of coaching which allows any quality issues to be proactively identified and remediated throughout the audit.

In-flight monitoring results are evaluated overall to determine whether additional communication and support is needed for audit engagement teams with respect to adherence to the audit methodology or updates thereto.



### Engagement reviews

Key components of engagement reviews (internal practice reviews) include:

- Risk-based engagement selection and consideration of all major industries served by Deloitte Australia
- Assessment by a moderation panel to drive consistency in findings and engagement ratings
- External partners and deputies who oversee practice reviews to drive global consistency
- Identifying appropriate resources (from within Deloitte Australia as well as from other Deloitte geographies) with the right experience and industry knowledge, including establishing central review teams.

Every audit partner is reviewed at least once every three years. In addition, partner candidates are reviewed prior to their promotion to partner. Engagement files of 30 percent (2020: 32) of our audit partners were subject to review in the 2021 practice reviews.

A total of 8,300 hours (2020: 7,000) were spent performing the 2021 practice reviews and we continue to uplift our expectation of what is expected beyond the International Standards on Auditing. The most recent practice review program was completed in September 2021.

Partners with an engagement file that receives a non-compliant rating are subject to causal factor analysis to understand why the audit deficiencies occurred and to identify any quality measures, including specific training, coaching and supervision, that are required. Additional quality measures are incorporated into and monitored via an approved, partner-specific quality improvement plan. Partners with an engagement file that receives a non-compliant rating are also subject to review in the next practice review period.



### System of quality control (SQC) review

SQC review includes numerous elements such as documenting key areas of the SQC processes and controls and performing procedures to test the operating effectiveness of the SQC, including execution of a comprehensive SQC testing program. During 2021, 780 hours (2020: 820) were spent completing the SQC testing program. Consistent with 2020, key areas were selected for testing, including several impacted by COVID-19, rather than testing all SQC processes and controls.

Deloitte Australia's SQC complies with the Australian Standard of Quality Control issued by the Australian Auditing and Assurance Standards Board. Deloitte is also preparing for the future by focusing on readiness activities for monitoring related to implementation of ISQM1. These preparations are further advancing quality control processes and the approach to monitoring, and continually strengthening our culture of continuous improvement.

Audit Quality Indicators (AQIs), used in conjunction with other metrics, further assist Deloitte Australia in developing and monitoring audit quality action plans and reporting on our progress in the audit quality journey. AQIs are integrated with ongoing AQMM activities.

In addition, proper timing and sequencing of audit activities, including timely reviews of work performed and the resolution of matters identified, are closely associated with high-quality audits. Audit Quality Milestones (AQMs) are intended to drive consistency of engagement teams in project management, timing of when work is done, and necessary focus on engagement staffing, including sufficiency and the skills, knowledge, or experience of assigned resources. AQMs are applicable to audits of public interest entities and engagement teams are monitored and measured on their compliance with AQM requirements.



### Causal factor analysis and remediation

Continuous improvement is essential to Deloitte's culture of quality and excellence. Understanding why audit deficiencies occur is critical to the design of effective actions to remediate findings. Further, actions are taken when audit deficiencies are identified during the performance of an audit engagement, including an approved quality improvement plan to address the deficiencies and the retrospective or prospective remediation of audit documentation where required. Engagement level remediation is imperative to drive continuous improvement in audit quality and avoid future similar findings.

An Audit Quality Plan (AQP) is prepared by Deloitte Australia and provides for effective implementation and monitoring of key audit quality priorities. The governance framework for the AQP is underpinned by the Deloitte Australia Audit Quality Steering Committee, responsible for the implementation of the AQP, and the Audit Quality Oversight Committee (including the Deloitte Asia Pacific NPPD and Deloitte Asia Pacific Audit & Assurance Leader), which provides governing oversight.



### External inspections

In addition to Deloitte Australia's own monitoring of audit quality, we are subject to external reviews by regulators. We recognise the important role of regulators and we share a common goal of achieving high-quality external audits of financial reports in order to protect the public interest and support the capital markets.

#### Australian Securities & Investment Commission

ASIC has responsibility for the oversight of auditors in Australia. ASIC monitors compliance with the requirements of the Corporations Act as it relates to auditor independence and audit quality. In 2014, ASIC introduced a continuous inspection process for the largest firms. Deloitte has been subject to ongoing engagement file reviews throughout the Transparency Reporting Year.

Periodically, ASIC publicly reports on its audit inspection program, summarising the scope and overall findings of inspections (see <http://asic.gov.au> for the report covering the 12 months to 30 June 2020, issued on 22 December 2020).

ASIC's reviews of audit files of the largest six firms completed in the 12 months to 30 June 2020 found that, in its opinion, in 24 percent of the key audit areas it reviewed the relevant auditor did not obtain reasonable assurance that the financial report as a whole was free from material misstatement (compared to 26 percent in the 12-month period to 30 June 2019).

ASIC's inspection of seven Deloitte audit files in this period included findings in nine of the 26 key audit areas inspected (or 35 percent). This is compared with the six audit files inspected in the 12 month period to 30 June 2019, which included findings in six of the 19 key audit areas inspected (or 32 percent). ASIC adopts a risk-based approach to its inspections, which means they inspect listed and other public interest entities with complex issues, which often require significant judgement.

During the 12-month period to 30 June 2020, ASIC also completed risk-based reviews of 45 financial reports audited by Deloitte as part of the ASIC financial reporting surveillance program, which resulted in four financial reports (8.9 percent) requiring material changes to net assets or profits. This is compared with 43 financial reports reviewed by ASIC in the 12-month period to 30 June 2019, none of which required a material change to net assets or profits.

The Deloitte Australia Audit Inspection Report for 2019–20 issued in December 2020 is available on our website.<sup>7</sup>

ASIC has stated a need for audit firms to “work on improving audit quality and significantly reducing the number of instances where auditors do not obtain reasonable assurance that a financial report is free of material misstatement”:<sup>8</sup> We unequivocally agree and are committed to doing this.

We also note ASIC's Audit quality measures, indicators and other information 2019–20 report, which outlines a range of metrics that assist in a broader evaluation of audit quality.

We value the ASIC inspection and financial reporting surveillance programs and benefit from the extensive dialogue we have with ASIC during, and as a result of, both processes. We believe that the inspection process serves an important role in improving audit quality, and we value the insights it brings to both entities and the audit profession. We continue to engage with ASIC on measures to improve audit quality and will play our part to enhance confidence in financial reporting even further.

We consider all of ASIC's findings in relation to each audit they review. Our response to each finding is dependent on the nature and significance of the ASIC inspection finding. Depending on the nature and severity of the ASIC finding and our assessment of the causal factors, we will consider if there is a need to revise our policies, processes, and guidance, or to deliver additional training to our audit practitioners. Where we consider it necessary, we remediate our audit engagement files.

Our audit partners and staff learn from these interactions by incorporating ASIC's feedback into continuous improvement and audit quality programs. A senior member of the Audit & Assurance Quality & Risk team participates in meetings with ASIC on the findings from each file review undertaken by ASIC to obtain detailed knowledge of the nature and severity of each ASIC finding. Our objective is that the audit partner and team learn from the ASIC inspection process, consider what they could have done differently (including a root cause analysis) and, where appropriate, revise their approach on subsequent audits.

<sup>7</sup> See [Inspection report 2020](#).

<sup>8</sup> See [20-336MR/ASIC reports on audit inspection findings for 12 months to 30 June 2020](#).



### Chartered Accountants Australia and New Zealand (CA ANZ)

CA ANZ has a Quality and Practice Review Program to monitor whether its members have quality control policies and procedures in place to comply with professional standards and legal requirements.

The most recent review of Deloitte involved using an online quantitative audit quality survey to assess partner and staff perceptions of our commitment to audit quality. The survey was conducted in the year to 30 June 2012.

Each year, CA ANZ summarises its overall findings on its Quality and Practice Review Program in a public report (see [www.charteredaccountantsanz.com](http://www.charteredaccountantsanz.com)).

### Foreign regulators

As we are registered to audit entities that are publicly accountable in foreign jurisdictions, a number of foreign regulators are also authorised to inspect Deloitte (when applicable) as outlined below:

Regulator	Date and comment
Public Company Accounting Oversight Board, United States	The PCAOB inspected Deloitte in October 2020 and we are awaiting the final report. The previous inspection was in November 2011. The PCAOB publishes a report on its website in relation to each firm inspected (see <a href="http://www.pcaobus.org">www.pcaobus.org</a> ).
Financial Reporting Council (FRC), United Kingdom	No inspection to date. The FRC publishes an annual report on its website in relation to its audit inspection findings (see <a href="http://www.frc.org.uk">www.frc.org.uk</a> ).
Canadian Public Accountability Board (CPAB)	No inspection to date. CPAB publishes an annual report on its website in relation to its audit inspection findings (see <a href="http://www.cpab-ccrc.ca">www.cpab-ccrc.ca</a> ).
Financial Markets Authority (FMA), New Zealand	No inspection to date. The FMA publishes an annual report on its website in relation to its audit inspection findings (see <a href="http://www.fma.govt.nz">www.fma.govt.nz</a> ).

**Deloitte Australia's commitment to audit quality**

**Our key audit quality priorities are:**

	<b>Creating capacity and workforce planning</b>	<b>Reward, recognition, and learning</b>	<b>Real time reviews</b>	<b>Process simplification</b>	<b>System of quality control</b>
<b>What we are doing</b>	Continuing, ongoing rationalisation of our partner audit client portfolios through our portfolio risk reviews and increasing our partner to staff ratios.	Refreshing and realigning our remuneration strategies as well as our other reward and recognition strategies.  Continuing to enhance learning programs for partners and professionals.	Increasing the frequency of real time reviews of in-flight engagements by specialised quality reviewers independent of the audit team.	Continuing to invest globally in our next-generation cloud-based audit delivery platforms (Deloitte Omnia, for the majority of our clients, and Deloitte Levvia, for our very small audits).  Accelerating the adoption of The Deloitte Way, a globally consistent way of executing audits.	Increasing the frequency and coverage of engagement file reviews across partners, and continuously improving the way we perform and oversee audits.
<b>How it improves quality</b>	Continuing focus on lifting the already significant involvement of partners and other senior team members as businesses become more complex is critical to allow focus on the riskiest aspects of the audit and key to consistently performing high-quality audits.	Attracting, developing, and retaining the very best people are key to consistently performing high-quality audits.	Real time feedback from specialised quality reviewers while an audit is in progress increases the consistency of quality across the audit client portfolio and enables engagement teams to incorporate improvements into the audit prior to the issuance of our audit opinion.	The consistent application of audit methodology through standardised audit processes and an audit delivery platform which tracks and identifies departures from our audit methodology on a timely basis are key to consistently performing high-quality audits.	Identifying opportunities for improvement and embedding these in future audits is key to consistently performing high-quality audits.

**Statement on the effectiveness of the functioning of the internal quality control system**

Deloitte Australia confirms that we are satisfied that our internal quality controls and systems are robust, operate effectively, and allow us to readily identify any areas of potential enhancement. We continually seek to refine all aspects of our business and we use the findings of the practice review, other internal reviews, and external regulatory reviews to enhance our system of quality control.



# Independence, ethics, and additional disclosures

## Deloitte Global independence



Sets **independence policies and procedures** based upon the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and, where applicable, the independence standards of other jurisdictions such as the US Securities and Exchange Commission and the Public Company Accounting Oversight Board.

Performs full reviews of independence quality controls on a three-year cycle; provides an annual focused review program to be performed by member firms as part of their Audit Practice Review for the off-cycle years; and performs in-depth follow-up reviews as needed.



Performs **ongoing monitoring** activities of firms – enabling continuous enhancements to global policies, quality controls, tools, and practice support activities.



Delivers **global systems** to provide professionals with entity information to support compliance with personal and professional independence requirements, including financial interests and scope of service approvals.



Supports **independence awareness** across the Deloitte network through active engagement with independence and business leadership groups, periodic communications and alerts, and development of guidance, learning and instructions.

### Deloitte Australia independence

Deloitte Australia has policies and procedures designed to address compliance with applicable professional standards that relate to independence. These policies and procedures are based on the Deloitte Global Independence policy and are supplemented, as appropriate, to reflect additional national or regional requirements that may be more restrictive than Deloitte Global policies.

Deloitte Australia's leadership team reinforces the importance of compliance with independence and related quality control standards, setting the appropriate tone at the top and instilling its importance into the professional values and culture of Deloitte Australia. Strategies and procedures to communicate the importance of independence to partners, other professionals, and support staff have been adopted, emphasising each individual's responsibility to understand and meet independence requirements. The Director of Independence is responsible for overseeing independence matters within the member firm, including the design, implementation, operation, monitoring, and maintenance of the system of quality control related to independence.

The key elements of the system of quality control that Deloitte Australia has implemented in accordance with global independence policies include the following:

- Engagement acceptance and monitoring.
- Monitoring long association of partners and professionals with audited entities.
- Business relationship assessments and monitoring.
- Use of independence business process tools, including the Deloitte Entity Search and Compliance (DESC) system, the Service Request Monitoring (SRM) application, and the Global Independence Monitoring System (GIMS).
- Procedures to identify and analyse non-compliance with independence requirements and apply related disciplinary measures and actions.
- Independence-related learning and communications.
- An Inspection & Testing program and annual and special purpose independence confirmations to monitor individual compliance with independence requirements. During 2020, 34 percent of partners were selected for independence compliance testing.
- Consultation processes including the identification of individuals who are to be contacted for independence matters.



### DESC

#### Deloitte Entity Search and Compliance

Global, searchable database containing specific entity information relevant in determining personal and professional independence restrictions.



### SRM

#### Service Request Monitoring

Application integrated with DESC that provides a standard business process workflow for submitting and reviewing pre-approval requests to provide services to clients.



### GIMS

#### Global Independence Monitoring System

Application that contains financial relationship data with relevant independence compliance indicators.

### Non-audit services

The final report issued by the Parliamentary Joint Committee on Corporations and Financial Services into the Regulation of Auditing Australia included recommendation for the establishment of defined categories and associated fee disclosure requirements in relation to audit and non-audit services.

We agree the market would benefit from better defined categories of services and increased transparency in listed entity financial reports. The market would have more consistency in presentation than currently exists and therefore improve its consideration of audit-related and other assurance services and fees separately from other non-assurance services and fees. This will allow investors, shareholders, and regulators to better evaluate the independence of the auditor.

Deloitte policies require every potential engagement to be reviewed to determine whether we have an existing audit relationship with the entity or any of its affiliates and to assess whether the proposed services can be provided without impairing independence.

We continue to encourage entities to adopt a transparent approach to the disclosure of audit fees in their financial statements.

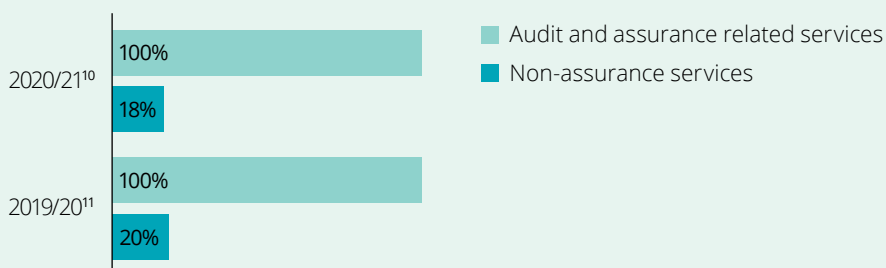
### Long association requirements of audit partners and professionals

Rotation of engagement partners, EQCRs, and other key audit partners helps provide a fresh perspective and reduce familiarity and self-interest threats to independence.

Our rotation policies require the engagement partner and the EQCR for the audits of listed entities and Australian Prudential Regulation Authority (APRA)-regulated entities to be rotated after five consecutive years of service. For other key audit partners involved in the audits of listed entities and other public interest entities, the rotation requirement is seven years. Following rotation, these audit partners are not permitted to be involved in the audit engagement or undertake other client-specific roles for a period of two, three, or five years, depending on their role.

Engagement teams record the years of service of engagement partners, EQCRs, and other key audit partners. This is validated against a database maintained by Audit & Assurance Quality & Risk that tracks the number of years of audit partner involvement to facilitate succession planning and monitor compliance with rotation requirements.

Non-assurance services fees as a percentage of audit and assurance related services fees for ASX 300<sup>9</sup> listed entities audited by Deloitte Australia:



<sup>9</sup> Based on a listing of ASX 300 listed entities as at 31 March 2021 and 2020, respectively

<sup>10</sup> For years ended 1 April 2020 to 31 March 2021

<sup>11</sup> For years ended 1 April 2019 to 31 March 2020

## Ethics

All Deloitte professionals are expected to act with integrity in accordance with the high ethical standards described in the Deloitte [Global Principles of Business Conduct](#) (Global Code).

The Global Code is embedded into each member firm's Code of Conduct and defines the commitments that all Deloitte professionals make regarding ethical standards, as well as explaining each individual's responsibilities to their clients, colleagues, and society.

In addition to the Global Code, other foundational elements of Deloitte's ethics program include global policies, a program of training and communications, and established reporting channels supported by defined incident management protocols. For continuous improvement, regular program assessments and reviews are conducted and feedback is collected from Deloitte professionals through an annual ethics survey.

Ethics at Deloitte is led by the Deloitte Global Chief Ethics Officer at the global level, the Asia Pacific Conduct Leader at an Asia Pacific member firm level and for Deloitte Australia, the Ethics and Conduct Leader, Leanne Karamfiles from 1 June 2021 (previously Gary McLean). The Deloitte Global, Asia Pacific member firm and Deloitte Australia ethics leaders work together to continually monitor risk and to reinforce compliance with the Global Code.

Deloitte Australia maintains policies and procedures that build on global policies and are designed to provide reasonable assurance that its professionals comply with relevant ethical requirements.

The ethical requirements for audit and related assurance services provided by Deloitte Australia are set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (APES 110) issued by the Accounting Professional & Ethical Standards Board.

Deloitte Australia also complies with Deloitte Global policies and procedures, which align with the requirements and guidance set out in the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, a standard-setting body of the International Federation of Accountants. When APES 110 is more restrictive than the Deloitte Global policies and procedures, Deloitte Australia follows APES 110.

Deloitte Australia reinforces its commitment to ethics and integrity through communication tools, learning programs (including onboarding for all new starters, an integrated first year e-learning journey for all levels, additional leadership training for managers to partners, and biennial refreshed e-learning for the entire firm), compliance processes, and measurement systems. In addition, Deloitte Australia requires all partners, other professionals, and support staff to confirm annually that they have read and comprehended the member firm's Code of Conduct and our ethics policies, and understand that it is their responsibility to comply with them.

Highlights of the 2020 Deloitte Australia Audit & Assurance Ethics Survey as it relates to the responses for Audit & Assurance:

98%

of Audit & Assurance staff understand their responsibility to report unethical conduct. (2019: 98%)

97%

feel encouraged to consult when faced with an ethical dilemma. (2019: 94%)

95%

feel Deloitte is an ethical place to work. (2019: 95%)



### Privacy and confidentiality

Maintaining privacy and client confidentiality is of the utmost importance to Deloitte.

The Deloitte Policy Manual includes specific requirements in relation to client confidentiality, privacy, insider trading, and information security. In addition, access to individual client engagement files is restricted to engagement team members.

Deloitte Australia maintains and regularly updates a privacy policy that sets out how we handle the personal information we collect, both from our clients and from our staff. We have a Privacy Officer, supported by a dedicated privacy team, who work together to handle any privacy inquiries or complaints and promote privacy awareness.

### Client service assessment and complaints

Providing feedback mechanisms for our clients is part of our commitment to professional excellence.

#### Client service assessment

Deloitte is committed to providing excellent client service. An essential part of delivering, sustaining, and improving our service is obtaining regular and structured feedback from our clients.

Following the completion of select engagements, Deloitte partners who are independent of the engagement and/or client relationship conduct structured face-to-face interviews with key contacts at the client organisation. The engagement team is given specific feedback from these interviews and takes action to continuously improve service delivery.

### Complaints and Whistleblower policies

To allow the Firm to retain its strong reputation, we have publicly available [Complaints Handling and Whistleblower Policies](#).

The Complaints Handling Policy provides guidance for external parties to complain about products and services of Deloitte Australia and how we manage complaints made against the Firm, its partners, and its employees. The policy is supported by a procedures manual to help resolve external complaints in an efficient, effective, and professional manner.

Eligible whistleblowers also have the option to make a complaint in accordance with the [Whistleblower Policy](#).

Our process includes appointing a Complaints Officer and designating communication channels to manage complaints. Complaints are documented and analysed by the relevant Business Unit Risk Leader and communicated as necessary to the Complaints Officer. Remedial action, including changes to the system of quality control, is taken to address concerns raised where necessary.

# Deloitte Global Ethics

Deloitte is committed to conducting business with honesty, distinctive quality, and high standards of professional behaviour.

The Global Code outlines Deloitte's ethical commitments as a network and expectations for Deloitte's approximately 345,000 people, giving a strong, principled foundation. The foundations of the network's ethics program is comprised of the following elements:



# Shaping the future of the audit profession

Deloitte is proactively engaging with a range of stakeholders – including policy makers, regulators, investors, company directors, audit committee chairs, and industry bodies – to help to ensure audit and the corporate governance and reporting regime continues to evolve to meet the needs of society and to serve its purpose in promoting confidence and trust in the capital markets. All of these stakeholders play a critical role in supporting the provision of relevant information in the public interest. The drive to bring innovation to the audit reflects Deloitte’s commitment to enhance the audit of today as well as establish a long-term vision for the future of audit.





# Appendix A: Financial information

The breakdown of the Deloitte Australia's revenue for the year ended 30 June 2021 (A\$m):

Revenue	2021	2020
Audits of financial statements <sup>12</sup>	299	305
Non-audit services to audit clients	108	126
Non-audit services to non-audit clients	1,933	2,071
<b>Total</b>	<b>2,340</b>	<b>2,502</b>

<sup>12</sup> Includes revenue derived from audits of financial statements. Other related assurance services are classified as non-audit services.



# Appendix B: Public interest entities

Deloitte Australia completed audits<sup>13</sup> of the following entities during the year ended 30 June 2021:

## Listed companies and registered schemes

Accent Group Limited	Boyuan Holdings Limited	Elanor Investors Group (Stapled Securities)
Accent Resources NL	BSA Limited	Elanor Retail Property Fund (Stapled Securities)
AGL Energy Limited	Bubs Australia Limited	Electro Optic Systems Holdings Limited
Ai-Media Technologies Limited	Byron Energy Limited	Elmo Software Limited
Andromeda Metals Limited	Capitol Health Limited	Embelton Limited
APA Group (Stapled Securities)	Capral Limited	Emeco Holdings Limited
APN Convenience Retail REIT (Stapled Securities)	Carbon Revolution Limited	EML Payments Limited
APN Industria REIT (Stapled Securities)	Cash Converters International Limited	Energy Metals Ltd
APN Property Group Limited	Cashrewards Limited	EQT Holdings Limited
Apollo Consolidated Limited	CD Private Equity Fund I	Essential Metals Limited
Apollo Minerals Limited	CD Private Equity Fund II	Evans & Partners Asia Fund
Ariadne Australia Limited	CD Private Equity Fund III	Evans & Partners Global Disruption Fund
Aspen Group (Stapled Securities)	Centrepoint Alliance Limited	FAR Ltd
Atomos Limited	CIMIC Group Limited	Fidelity Global Emerging Markets Fund (Managed Fund)
Audinate Group Limited	City Chic Collective Limited	Fitzroy River Corporation Ltd
Audio Pixels Holdings Limited	Clearview Wealth Limited	Freedom Foods Group Limited
Austal Limited	Cluey Ltd	Frontier Digital Ventures Ltd
Auswide Bank Ltd	Coda Minerals Ltd	Gale Pacific Limited
Autosports Group Limited	Concentrated Leaders Fund Limited	Global Value Fund Limited
Big River Gold Ltd	Cromwell Property Group (Stapled Securities)	Golden Rim Resources Ltd
Big River Industries Ltd	CSR Limited	GR Engineering Services Ltd
BikeExchange Limited	Dalrymple Bay Infrastructure Limited	Greenland Minerals Limited
Bingo Industries Limited	Domino's Pizza Enterprises Limited	HGL Limited
Bionomics Ltd	Duxton Broadacre Farms Limited	HUB24 Limited
Black Rock Mining Limited	E&P Financial Group Limited	IDP Education Limited
Blackmores Limited	Eagers Automotive Limited	IDT Australia Limited
Bluechiip Limited	Elanor Commercial Property Fund (Stapled Securities)	Imdex Ltd
Boart Longyear Limited		

<sup>13</sup> Audit means an audit conducted for the purpose of the Corporations Act and includes a half-year review of a financial report.



## Listed companies and registered schemes continued

Incitec Pivot Limited	iShares S&P Small-Cap ETF	Prospa Group Limited
Infomedia Ltd	iShares S&P/ASX 20 ETF	QANTM Intellectual Property Limited
Invitrocue Limited	iShares S&P/ASX Dividend Opportunities ETF	Ramelius Resources Limited
IPH Limited	iShares S&P/ASX Small Ordinaries ETF	ReadyTech Holdings Limited
IRESS Limited	iShares Treasury ETF	Reckon Limited
iSentia Group Limited	iShares Yield Plus ETF	Regional Express Holdings Limited
iShares Asia 50 ETF	JB Hi-Fi Limited	Resimac Group Ltd
iShares China Large-Cap ETF	Keybridge Capital Limited	RMA Global Limited
iShares Core Cash ETF	KKR Credit Income Fund	Saunders International Limited
iShares Core Composite Bond ETF	Lark Distilling Co. Ltd	SDI Limited
iShares Core Corporate Bond ETF	Little Green Pharma Ltd	Seafarms Group Limited
iShares Core Global Corporate Bond (AUD Hedged) ETF	MA Financial Group Limited	Servcorp Limited
iShares Core MSCI World All Cap (AUD Hedged) ETF	Matrix Composites & Engineering Ltd	Seven Group Holdings Limited
iShares Core MSCI World All Cap ETF	Medical Developments International Limited	Shopping Centres Australasia Property Group (Stapled Securities)
iShares Core S&P/ASX 200 ETF	Megaport Limited	Shriro Holdings Limited
iShares Edge MSCI Australia Minimum Volatility ETF	Mincor Resources NL	Sigma Healthcare Limited
iShares Edge MSCI Australia Multifactor ETF	MMA Offshore Limited	Simonds Group Limited
iShares Edge MSCI World Minimum Volatility ETF	MoneyMe Limited	SIMS Limited
iShares Edge MSCI World Multifactor ETF	Mortgage Choice Limited	Sovereign Metals Limited
iShares Enhanced Cash ETF	NAOS Emerging Opportunities Company Limited	Spark Infrastructure Group (Stapled Securities)
iShares Europe ETF	NAOS Ex-50 Opportunities Company Limited	Stone Resources Australia Limited
iShares Global 100 (AUD Hedged) ETF	NAOS Small Cap Opportunities Company Limited	Strike Energy Limited
iShares Global 100 ETF	Neometals Ltd	Superloop Limited
iShares Global Consumer Staples ETF	Netwealth Group Limited	Tassal Group Limited
iShares Global Healthcare ETF	New Century Resources Limited	Terragen Holdings Ltd
iShares Global High Yield Bond (AUD Hedged) ETF	New Energy Solar Limited	Tigers Realm Coal Limited
iShares Government Inflation ETF	New Hope Corporation Limited	Trimantium GrowthOps Limited
iShares J.P. Morgan USD Emerging Markets Bond (AUD Hedged) ETF	Northern Star Resources Ltd	Uniti Group Limited
iShares MSCI EAFE ETF	NRW Holdings Limited	US Masters Residential Property Fund
iShares MSCI Emerging Markets ETF	Odyssey Gold Ltd	VGI Partners Limited
iShares MSCI Japan ETF	Onevue Holdings Limited	VitalHarvest Freehold Trust
iShares MSCI South Korea ETF	Opthea Limited	Wameja Limited
iShares MSCI Taiwan ETF	OreCorp Limited	Webjet Limited
iShares S&P 500 (AUD Hedged) ETF	Ovato Limited	Woolworths Group Limited
iShares S&P 500 ETF	Pacific Current Group Limited	WPP AUNZ Ltd
iShares S&P Mid-Cap ETF	Paringa Resources Limited	Yowie Group Ltd
	Pental Limited	Zip Co Limited
	Piedmont Lithium Limited	
	Pioneer Credit Limited	

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**Authorised deposit-taking institutions**


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86 400 Ltd	Cuscal Limited	Victoria Teachers Limited
Australian Settlements Limited	Defence Bank Limited	Volt Bank Limited
Auswide Bank Ltd	Members Equity Bank Limited	
Bank of Sydney Ltd	Police Bank Ltd	

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**General insurance and life insurance entities regulated by APRA<sup>14</sup>**


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AMP Life Limited	Domestic & General Insurance PLC	Pacific Life Re (Australia) Pty Limited
Ansvar Insurance Limited	Futurity Investment Group Limited	QInsure Limited
AssetInsure Holdings Pty Limited	General Reinsurance Australia Ltd	Resolution Life NOHC Pty Ltd
AssetInsure Pty Limited	General Reinsurance Life Australia Ltd	RGA Reinsurance Company of Australia Limited
Avant Insurance Limited	Hollard Holdings Australia Pty Ltd	RLNM Limited
Berkshire Hathaway Specialty Insurance Company	Integrity Group Holdings Limited	The Hollard Insurance Company Pty Ltd
ClearView Life Assurance Limited	Integrity Life Australia Limited	
ClearView Wealth Limited	MetLife General Insurance Limited	
Compagnie Francaise D'Assurance Pour Le Commerce Exterieur	MetLife Insurance Limited	
	NobleOak Life Limited	

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<sup>14</sup> Includes the following bodies regulated by APRA: A general insurer, authorised non-operating holding company (NOHC) or subsidiary of a general insurer or authorised NOHC, within the meaning of the *Insurance Act 1973* and a life company that is registered under section 21 of the *Life Insurance Act 1995* or a registered NOHC within the meaning of the Act.

# Connect with us



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