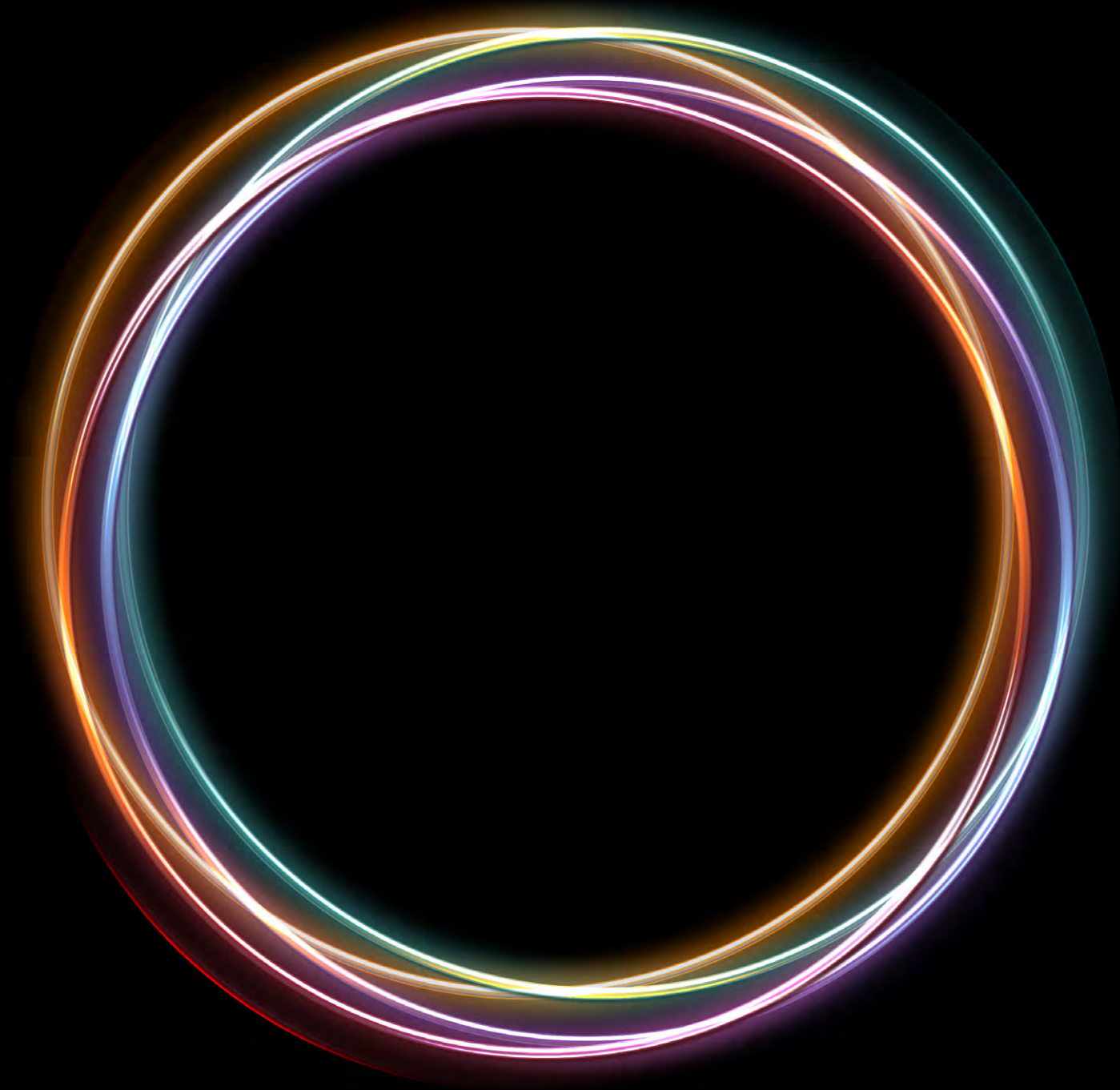


Deloitte.



Transforming audit
Transparency Report 2017

Audit & Assurance ●

**Our purpose
defines us**

**We serve our clients with
quality and distinction**

Making a measurable and
attributable impact

**We inspire our people
to deliver value**

Mentoring and developing future
leaders and colleagues for life

We contribute to society

Building confidence and
trust, upholding integrity and
supporting the community

**We are leaders
in the profession**

Challenging ourselves to
deliver innovative ideas that
reflect unique capabilities

Transformation. Quality. Impact.

We are continually seeking to transform the way we deliver audits to enhance audit quality and provide meaningful insights to clients.

Contents

Making an impact that matters	i
Quality control effectiveness statement	ii
Leadership and governance	01
Our commitment to audit quality	02
Ethics, privacy and independence	03
Learning, measuring and refining	04
External monitoring	05
Appendix	A
Financial information	
Deloitte Network and legal structure	
Deloitte audit clients	
Glossary	
Contacts	

Context: This Transparency Report is prepared in accordance with the requirements of Section 332 of the *Corporations Act 2001* (Corporations Act).

This Transparency Reporting Year is from 1 July 2016 to 30 June 2017.

Deloitte refers to the Australian partnership of Deloitte Touche Tohmatsu.

Introduction

Making an impact that matters

Deloitte's commitment to quality and integrity underpins everything we do – end-to-end – as we seek to make an impact that matters for clients, our people and our communities.

Confidence

At Deloitte, we recognise the important role that audit plays in contributing to market confidence and integrity. The impact of our work extends far beyond the audit itself. Attesting on financial statements provides investors the confidence to make sound business decisions. It shows clients where they stand today, so that they can respond appropriately for tomorrow. In conjunction with directors, who have their own responsibilities for high quality financial reporting, we can improve the outcome for all.

Agility

We recognise today's business environment is constantly evolving at a rapid pace, and in response we are continually seeking to transform the way we deliver audits. The investments we have made and are continuing to make in innovation and emerging technologies, audit processes and policies, and our system of quality control are enhancing the quality of our audits.

Innovation

Transformational change is at the top of our agenda. This is about doing things smarter and experimenting with new, cutting-edge and disruptive approaches to revolutionise the audit and its impacts.

Integrity

Making an impact that matters is a choice we make each and every day. As leaders, we live our

purpose by what we do and how we do it, driven by our will to be the best and inspired by what we know to be right. These shared values ensure that both quality and integrity guide the way we behave, to make a positive and enduring impact.

This report provides you with an insight of our Firm, along with demonstrating our commitment to audit transformation and quality.



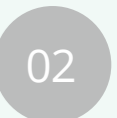
Cindy Hook
Chief Executive Officer



Tom Imbesi
Chairman



Richard Deutsch
Managing Partner,
Assurance and Advisory



Introduction

Quality control effectiveness statement

The system of quality control that supports the Deloitte Assurance Practice is designed to provide reasonable assurance that:

- a. Assurance engagements comply with Australian Auditing and Assurance Standards, relevant ethical requirements, and applicable legal and regulatory requirements
- b. Reports issued are appropriate in the circumstances.

Our monitoring programs provide evidence of our compliance with the application of Deloitte policies and methodologies, as well as pinpointing areas for improvement where consistent application is not achieved.

Our most recent Practice Review Program was completed in September 2016. It enables us to conclude that, overall, our system of quality control is operating effectively.



Cindy Hook
Chief Executive Officer



Richard Deutsch
Managing Partner, Assurance and Advisory



i

ii

01

02

03

04

05

A

Leadership and governance

High quality audits are fuelled by a strong leadership framework and robust governance structures.



i

ii

01

02

03

04

05

A

Establishing the right tone

Our Purpose



Our culture is driven by our Chief Executive Officer (CEO) and fully endorsed by our Board of Partners and National Executive. Our strategy is guided by our Purpose, and the Firm's culture is captured in seven 'Signals' that enable us to deliver on our promise of professional excellence at all times – our foundation for achieving consistently high audit quality.

Cindy Hook, our CEO, is an auditor by trade and understands the importance and value of a quality audit. Richard Deutsch, our Managing Partner Assurance and Advisory (A&A), leads the audit quality agenda and is accountable for creating, cultivating and supporting a business model and culture that allows practitioners to conduct high-quality audits. In addition Jody Burton, our Chief Risk Officer (CRO), also an auditor, is a member of the National Executive team, increasing governance in relation to audit quality.



Deloitte's seven Signals



Recruit and retain the best

We seek to attract the best talent in the market with the right skills and experience so we can serve our clients well and deliver high-quality solutions and output.



Empower and trust

We empower our people to take personal responsibility for delivering high-quality work to clients.



Play to win - think globally

We encourage our people to approach every client engagement with the right team drawn from the capabilities of the entire Australian firm and, where needed, the DTTL Network, to support the highest quality output.



Talk straight

Through a culture of talking straight, our people are encouraged to voice their ideas and challenge each other. Constructive, two-way communication is viewed as a way to achieve the right quality outcome for our teams and clients.



Aim to be famous

We encourage our people to become market leaders by developing specialist skills, gaining recognition and building extensive networks they can draw on to enhance quality and insight in their work.



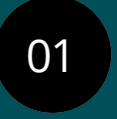
Continuously grow & improve

Through an ongoing commitment to learning and development our people have the necessary skills to consistently deliver high-quality outcomes.



Have fun and celebrate

We believe that when our people enjoy what they do and are recognised for their accomplishments, they are inspired to deliver to the highest standards.



Governance structures

The leadership and management of the Firm are underpinned by strong governance structures, including a quality and risk function that provides oversight of the Assurance Practice.

The Board of Partners

Our 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 ensures the Firm has an appropriate structure for corporate governance and has specific oversight of quality and risk. The Board comprises the elected CEO and between seven and ten elected partners.

Our governance structure includes specific terms around the length of service for Board members. Our newly elected Chairman is Tom Imbesi. The separation between the roles of Chairman and CEO provides a strong measure of accountability. The Board has established five committees to support its objectives.

The Chief Executive Officer

Our CEO has full executive authority for managing the Firm. The CEO is nominated by a Board-appointed committee of between four and eight partners, and elected by the partners for a four-year term. Unless approved by an ordinary resolution of partners, the maximum overall period for the CEO is eight years.

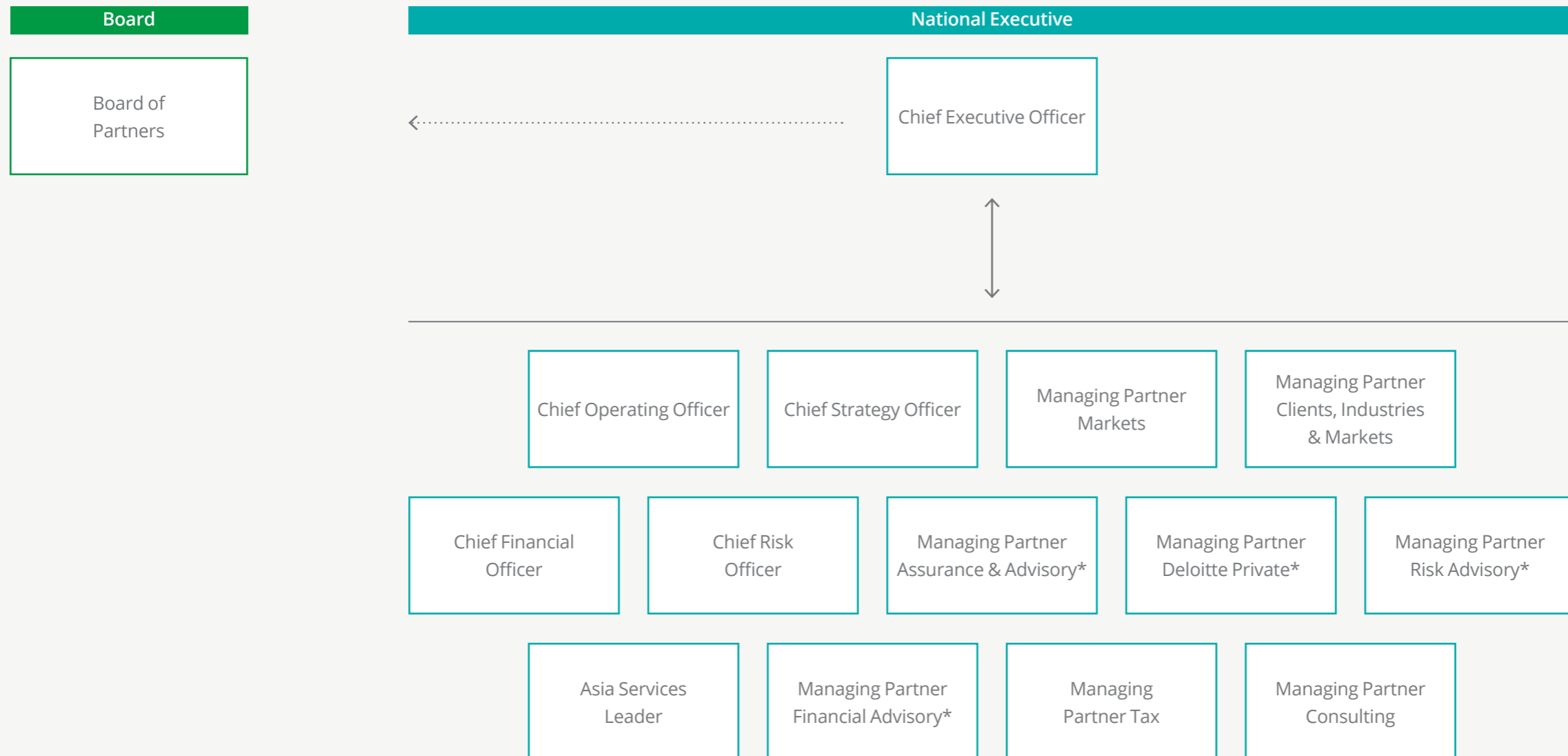
The National Executive

The CEO appoints the National Executive, which manages the Firm's day-to-day activities. The National Executive comprises the CEO, the Chief Operating Officer (COO), the Chief Strategy Officer, the Managing Partner Markets, the Managing Partner Clients Industries & Markets, the Chief Financial Officer, the CRO, the Asia Services Leader and the six business managing partners for Assurance and Advisory, Consulting, Deloitte Private, Financial Advisory, Risk Advisory and Tax.



01 Leadership and governance

Figure 1: Deloitte Australia organisation chart



* Assurance services are provided by Partners and staff within these businesses



01 Leadership and governance

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

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

Assurance Practice Leadership

The Managing Partner A&A and the A&A Executive are responsible for delivering on the Assurance Practice's business objectives and are accountable for its compliance with quality standards. The Managing Partner A&A appoints members of the A&A Executive after consultation with the CEO. The A&A Executive meets monthly, and audit quality is regularly on the agenda.

The A&A Quality & Risk and Accounting Technical functions

The A&A Quality & Risk and Accounting Technical functions are led by Jamie Gatt. Jamie is the Assurance Practice's Risk Leader and National Professional Practice Director (NPPD). As the Assurance Practice's Risk Leader he has operational responsibility for the system of quality control and oversees the A&A Quality & Risk Team and the Accounting Technical Team. As the NPPD he is responsible for all decisions relating to the interpretation of accounting and auditing matters. He is also a member of the A&A Executive.

What is the role of the quality and risk functions? They significantly contribute to Deloitte's prosperity and the execution of strategy in a commercial and sustainable manner – while protecting the Firm and its people.



01 Leadership and governance

The A&A Quality & Risk Team is responsible for implementing the quality agenda, establishing function-specific policies and procedures, audit technical training, monitoring and risk mitigation, and supporting engagement teams on a day-to-day basis on audit technical and risk matters.

The National Accounting Technical Team is responsible for providing accounting technical support, including training, to the Assurance Practice and clients. It specialises in accounting standards and interpretations, including Australian International Financial Reporting Standards (A-IFRS), and the financial reporting requirements of the Corporations Act.

Audit Quality Network

We have an Audit Quality Network of partners and staff within geographic or market segments of our Assurance Practice. The network helps the A&A Quality & Risk Team reinforce key messages, raising awareness of quality and risk matters and helping us be more agile in responding to new developments.

Global and external contribution

Deloitte Touche Tohmatsu Limited (DTTL) is a UK private company (limited by guarantee) that all Deloitte member firms are members of. Panos Kakoullis, the Managing Director Global Audit & Assurance Business Leader, and Cal Buss, the Managing Director Global Audit Quality, actively set the tone about audit quality through all member firms.

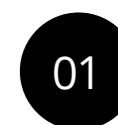
These global leaders are supported by member firm leaders participating in global forums. Australia is an active member of the quality forums depicted in [Figure 2](#). Through our participation we significantly influence the strategic direction of our global audit programs and oversee implementation, execution and monitoring thereof.

We are also proud that our Firm is actively involved in driving and shaping the future of accounting and auditing through the involvement of our partners with international and Australian standards-setting bodies and professional associations. Our teams benefit from these partners' access to global expertise and being at the very forefront of professional developments.



Figure 2: External and DTTL contribution

Name	Partners contributing to the accounting and auditing landscape through membership of:	Partners are active participants of DTTL quality forums:
Richard Deutsch, Managing Partner, Assurance and Advisory	Accounting and Auditing Standing Committee	Global Audit & Assurance Leadership Team
Jamie Gatt, NPPD and Assurance Risk Leader		Global Audit Quality Board
Caithlin McCabe, Audit Quality and Regulatory Partner	Australian Auditing and Assurance Standards Board (until December 2016) Chair of the Australian Auditing and Accounting Public Policy Committee	Global Audit Technical Advisory Board Regulatory Leadership Advisory Board
Gareth Bird, Partner Assurance and Advisory Quality & Risk	Australian Auditing and Assurance Standards Board (from January 2017)	
Jody Burton, Chief Risk Officer		Global Risk Executive
Anna Crawford, Partner Accounting Technical	Australian Accounting Standards Board (until December 2016)	Global IFRS Leadership
Marisa Orbea, Independence Partner		Global Independence
John Leotta, Audit Partner	International Accounting Standards Board's Consultative Group for Rate Regulation	
Tara Hill, Audit Partner		Global Audit Learning Council (until May 2017)





The role of directors in achieving high quality financial reporting

We recognise that directors are primarily responsible for the quality of financial reporting and play an important role in supporting the audit process. 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
- Having the requisite skill mix and 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 quality audit
- Considering the independence and effectiveness of the external audit process.

Our commitment to audit quality

We put a spotlight on quality at every single stage. From the mindset of the auditor to the specific capabilities, tools, methods and standards we apply in conducting audits and managing our Assurance Practice – our commitment to audit quality is paramount.



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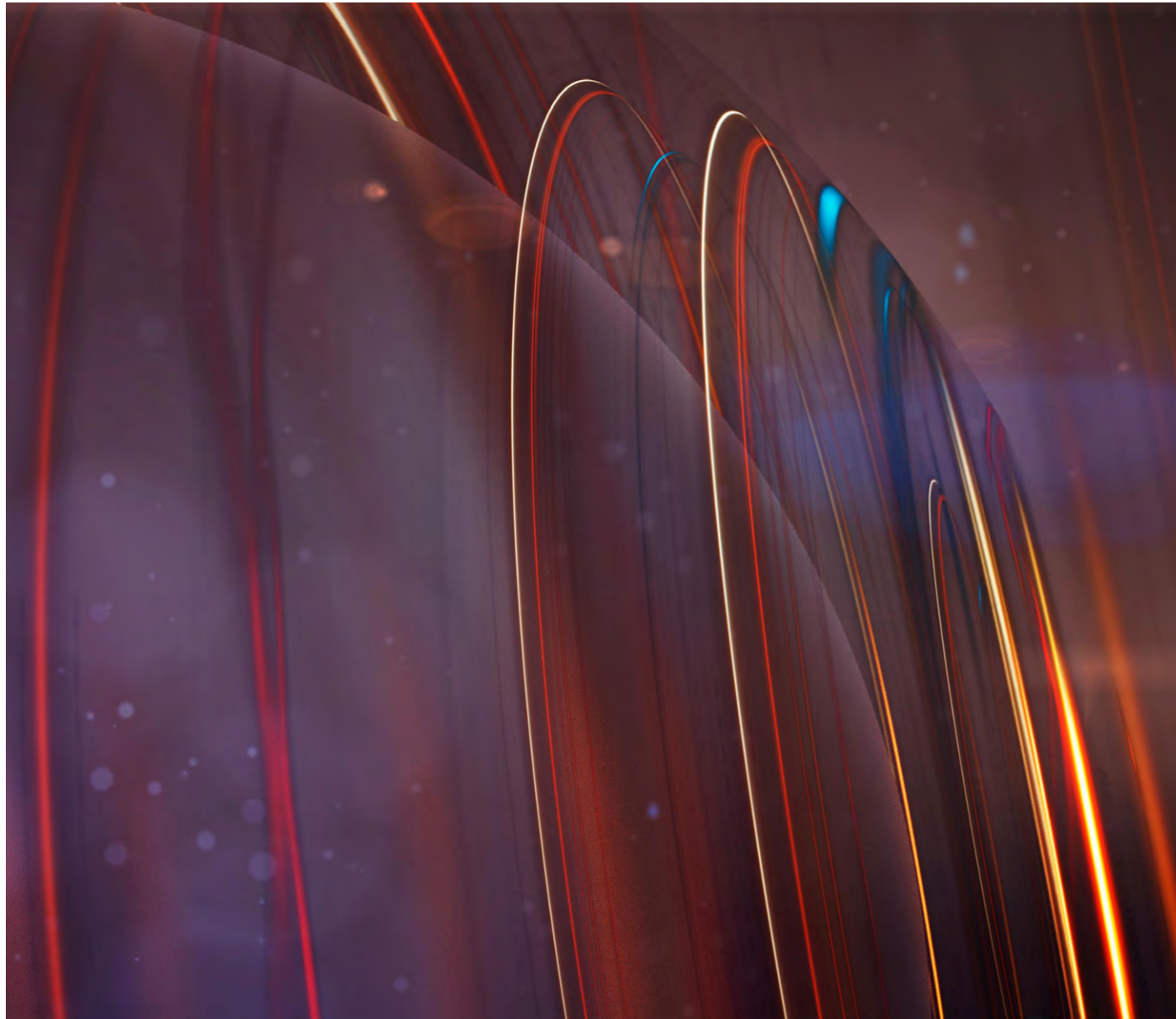
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02 Our commitment to audit quality

Our approach to quality is holistic and multifaceted



We are aware of our obligation to deliver audits in compliance with professional and regulatory standards. We are committed to doing more than simply meeting these requirements.

Our desire is to be seen as the industry standard of excellence for the profession as articulated in our global audit aspiration *'to be the world's most trusted audit provider'*. Our audit aspiration is underpinned by an Audit Quality Framework with clear strategic objectives as depicted in [Figure 3](#).

To keep us focused, accountable and continually moving forward we have an Audit Quality Plan, structured around our Audit Quality Framework, which includes specific measurable actions. The Audit Quality Plan is updated regularly to remain current and responsive, and we are accountable to DTTL to deliver on the planned actions.



Figure 3: Audit Quality Framework

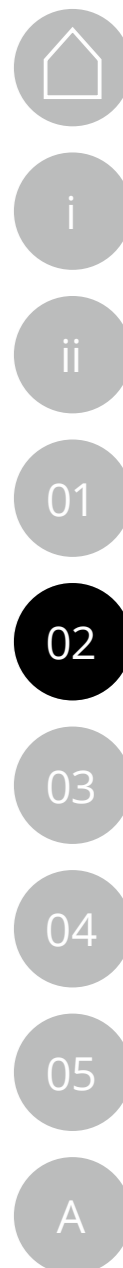
Strategic objectives



Figure 4: Audit Quality Framework

Strategic implementation activities

Recognise We are a regulated profession with unwavering focus on exceeding stakeholders' expectations	Audit Quality Plan		Deloitte position on emerging issues	
	<u>Leadership tone</u>		Regulator engagement	
Execute Deliver the highest quality audits and value to all stakeholders	<u>Global audit imperatives</u>	<u>Deloitte Audit implementation</u>	<u>Methodology enhancements</u>	Audit project management
	Extended auditor reporting	<u>Analytics</u>	<u>Internal Controls Program</u>	<u>EQCR/Partner review</u>
Improve Continuously measure, learn, and drive to achieve the highest quality audits	<u>Practice Review and External Inspection Monitoring</u>		Audit Quality Indicators	<u>Causal Factor Analysis</u>
	<u>Deloitte Audit Diagnostics</u>			<u>Mandatory learning</u>



Client acceptance and continuance

From the very start we incorporate quality across all of our client engagements. It is all about accepting the right clients, understanding their risks and formulating an appropriate audit response to address them.

We have rigorous policies, procedures and approval processes in place for accepting prospective clients and engagements, and assessing engagement risk. This includes a documented evaluation of the client’s risk profile and information regarding the client and its management. The client and engagement risk is classified as normal, greater than normal, or much greater than normal.

In this process, we focus on confirming that we have the capacity and capability to act, that we can comply with relevant ethical and independence requirements, and that we have considered the integrity of the client.

Our Firm’s engagement risk assessment procedures provide a basis for tailoring the audit approach to address engagement-specific risks. For higher-risk engagements, additional risk management safeguards are applied, such as assigning a more experienced partner as the Engagement Quality Control Reviewer (EQCR), assigning a Special Review Partner in addition to the EQCR to much greater than normal engagements, involving experts or requiring a

review by a national panel of experienced audit partners.

Our engagement risk assessment begins at the client acceptance process. We perform an annual continuance assessment to determine if the Firm should continue providing services. In addition, any time an entity changes significantly (for example, a change in ownership) the Firm considers whether to continue the relationship.

Figure 5: Client and engagement acceptance and continuance considerations

Risk	Consideration
Client risk	<ul style="list-style-type: none"> Management characteristics and integrity Organisational and management structure The nature of the business The business environment Financial results Business relationships and related parties Prior knowledge and experience of client.
Service risk	<ul style="list-style-type: none"> The nature of the engagement Team competence to handle the technical aspects of the specific engagement The availability of a competent team.
Engagement risk	A function of both client risk and service risk.
Independence	<ul style="list-style-type: none"> Financial and other relationships Non-audit services Other threats: self-interest, self-review, advocacy, familiarity or intimidation.



Engagement team selection and expertise

The selection of the engagement team is key to developing and executing a high-quality audit. Every audit engagement is led by a partner, and our engagement partners are fully responsible for the services they provide. The engagement partner is responsible for ensuring that the professionals assigned to an engagement have the required competencies.

The right engagement team is key to audit quality

Considerations for engagement team selection include:

- The size and complexity of the entity's business
- The applicable financial reporting framework used in preparing the financial statements
- Applicable independence considerations
- Any possible conflicts of interest
- The qualifications and experience of professional staff, including industry credentials
- The availability of staff to commit time to the engagement.

Our audit partners also collaborate in cross-service line industry groups, which are led by senior partners with deep industry knowledge and expertise. These groups share their understanding of market developments, risk assessments and emerging trends. They bring this expert knowledge to bear on audit engagements to perform their role more effectively and share this knowledge with their engagement team.



02 Our commitment to audit quality

Executing with the right behaviours and a focus on professional scepticism

We believe that creating the right culture and focusing on the right mindset and practices is key to achieving high-quality audits. We continue to reinforce the fundamental importance of demonstrating the right behaviours through our Audit Imperatives, which we believe are vital to a quality audit and for us to deliver on external stakeholder expectations. The Audit Imperatives are a list of core actions requiring audit team focus.

We continually emphasise the importance of our role as evaluators. This is reflected in many aspects of our methodology, processes, procedures and training. We also create audit working environments that take a 'design' approach to issue identification and problem solving. When reporting to those charged with governance, we include discussions on areas of significant professional judgement to make it clear how we have exercised scepticism in reaching our conclusions.

Given the increasingly complex nature of our clients' businesses, engagement teams often also involve specialists from across the Firm with expertise in areas such as economics, valuation, tax, actuarial services, analytics and information technology. This informs how we exercise our judgement and brings the best of Deloitte to the audit.

Audit Imperatives

1. Act as an independent evaluator with a professional auditor mindset
2. Focus on the importance of auditing internal control
3. Optimise audit execution
4. Use specialists' expertise effectively
5. Drive continuous improvement of work of component auditors
6. Pursue continuous professional development
7. Tailor risk assessments and audit responses
8. Demonstrate professional excellence



02 Our commitment to audit quality

Shaping the audit of the future

Our dedicated journey to shape the audit of the future continues, with a significant investment in training and implementation, to embed quality improvements. We have implemented methodology enhancements that focus on fact based risk assessments, incorporating information obtained through analytics and an enhanced understanding of client's business processes.

Intensive training for partners was held to introduce the enhancements to our audit methodology and to provide the tools to lead the implementation of these changes on audit engagements. Subsequently, partners and staff attended specific and practical training on the methodology enhancements and the effective use of audit tools and resources available to improve audit quality.



02 Our commitment to audit quality

Shaping the audit of the future

A new angle on audit execution



- **Audit technology** Our audit platform is a trusted source for documenting our audits, accessing leading tools and driving greater collaboration.
- **Methodology** Through a systematic approach and fact based risk assessments, we drive smarter and more effective audits.
- **Monitoring and measurement** A focus on being nimble and agile through an increasingly robust monitoring program.
- **Analytics for all** By infusing a data-driven and insightful approach, our analytics brings concepts and solutions to life.
- **People** We develop auditors for today and tomorrow, building advanced skills and critical thinking for the future.
- **Internal controls** We gain a deep understanding of our clients through a deeper understanding of internal controls.



i

ii

01

02

03

04

05

A

Audit technology and methodology

Our risk-based audit methodology requires us to develop an understanding of the client's business and risks, and apply this to the design and execution of our audits. Methodology enhancements focus on fact based risk assessments to ensure the most effective audit response to risks are identified.

Magnia is our advanced global audit delivery platform, designed to support our methodology and deliver comprehensive, focused and streamlined audits. Magnia enables the performance and documentation of our work in accordance with auditing standards and applicable professional, regulatory and legal obligations. Magnia includes the Deloitte Audit Approach Manual and provides links to guidance developed globally and locally to enhance quality and consistency across all audits.

The Deloitte Audit Approach Manual complies with International Standards on Auditing. In Australia, Deloitte supplements the global methodology with material to reflect local obligations, including the Corporations Act, professional and ethical standards, and differences between Australian and International Standards on Auditing.

Engagement teams are further supported by a wealth of other resources delivered via the global intranet to assist teams in delivering professional excellence. This includes our policies, industry information, templates, tools, practice aids and answers to frequently asked questions.

The A&A Quality & Risk and Accounting Technical Teams issue regular communications to maintain focus on audit quality and inform or remind partners and staff about matters in accounting and auditing, including clarifications on aspects of the Deloitte Audit Approach Manual, new policies, developments in financial reporting, or to convey findings from monitoring processes.

Having robust resources is critical. Our practitioners have access to a wealth of materials to support an unwavering focus on quality.



Transforming the Deloitte Audit

Our Audit Transformation program is systematically redesigning the way in which a Deloitte Audit is delivered to, and experienced by, our clients.

At the heart of a transformed Deloitte Audit is our focus on continuing to enhance the quality of the audits we deliver, and constantly and consistently providing our clients with exceptional client service.

We use human-centred design techniques to carefully consider how best to embed market-leading data analytics and technology driven approaches within the way we deliver an audit for our clients. We continue to evolve and enhance the capabilities of our people, allowing them to harness these technological advances in a way that enables them to provide our clients with value through the quality of our audit and delivery of insights that are relevant to our clients and their business.

Our partners and staff use Cognia, a global audit portal with tailored local content, providing a full suite of world class tools to support our goal of transforming the way we deliver audits, through the use of innovative technology. This platform enables us to continually drive consistency, quality, and impact throughout the audit by providing access to tools such as data analytics, project management tools and collaboration solutions. One new collaboration solution is a crowd support platform where staff can ask and answer questions about auditing, which helps to build a culture of sharing solutions and better practice.



Analytics

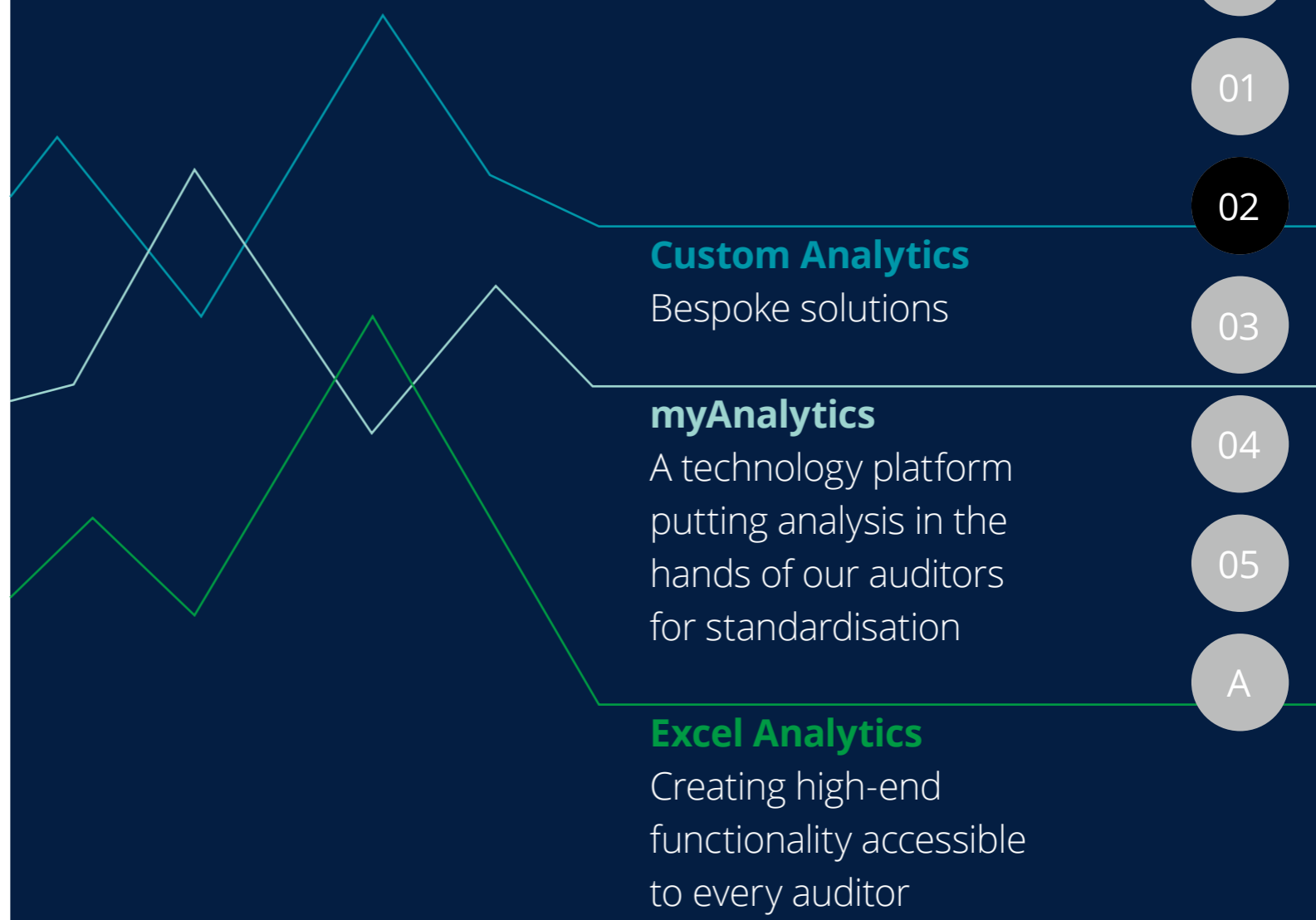
Data analytics is a foundation of a transformed Deloitte Audit.

Our continued investment in market-leading data analytics has allowed us to apply more sophisticated and comprehensive audit techniques on selected audit engagements to dive deeper into risk assessment and audit testing.

We have also made analytics accessible to all Auditors through Excel Analytics and myAnalytics. This has enabled our people with data analytic capability at their fingertips; helping them be more efficient and better analyse data, enhancing the quality of the audit they deliver and insights they provide to our clients.

Our point of difference

Layers of analytic capability



02 Our commitment to audit quality

Leading edge use of technology

The Deloitte Audit is at the forefront of major technological advancements. Through our Audit Transformation program we have embedded process automation, robotics and machine learning into our audit processes.

These technologies enable highly repetitive and often complex tasks to now be completed by computers – further enhancing the quality of these audit activities and enabling our people to focus on the things that matter most to the quality of the audit and our audit clients.



Focus on internal controls

At the centre of our audit approach is developing a deep understanding of the clients we audit, so we can appropriately identify and respond to risks of material misstatement in the financial statements. This includes the internal control environment of our clients.

We continue to focus on our expertise in auditing internal controls to shift more of our audits from a substantive approach to one with greater controls reliance where appropriate. This allows for a greater tailoring of risks and reduced substantive procedures as well as an ability to provide insights to management on improving their internal controls environment and on emerging trends.

What are clients looking for? It's a focus on new ideas, practical insights and sustainable solutions.

In today's environment where there is an increasing use of technology, IT is at the cornerstone of every internal controls environment. We have driven specific initiatives to embed IT as a core component of internal controls assessment.



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 our policies and professional standards. The overall supervision of each audit engagement is the responsibility of the engagement partner.

[Figure 6](#) summarises the Firm's policies and procedures in relation to engagement reviews. A number of the reviews, including Panel or Special Reviews, illustrates how our system of quality control goes beyond legal and professional requirements.



02 Our commitment to audit quality

Figure 6: Deloitte's review policies and procedures for audit engagements

Type of review	Required on	Performed by	Review objective
Working paper reviews			
Detailed review	All engagements	A more experienced member of the engagement team	To consider whether: <ul style="list-style-type: none"> The work has been completed appropriately Any significant matters have been raised for further consideration
Primary review	All engagements	Manager, director, principal or partner	<ul style="list-style-type: none"> Appropriate consultations have taken place and the resulting conclusions have been appropriately documented There is a need to revise the nature, timing and extent of planned audit procedures The evidence is sufficient to support our opinion The objectives of the engagement procedures have been met.
Overriding review	All engagements	Partner	
Engagement quality control reviews			
Engagement Quality Control Review	Public interest and high risk entities	Partner	To consider whether: <ul style="list-style-type: none"> The conclusions reached on significant judgements made by the engagement team are appropriate
Engagement Quality Control Review	Other entities, based on risk criteria	Partner, principal or director	<ul style="list-style-type: none"> 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 appropriately documented The engagement team has made an appropriate evaluation of independence The opinion is appropriate after reviewing the financial statements Appropriate matters have been considered for reporting to those charged with governance.



02 Our commitment to audit quality

Type of review	Required on	Performed by	Review objective
Specialist reviews			
Special Review	Entities assessed as much greater than normal risk	Partner	To challenge the key elements of the engagement.
Key Audit Matters (KAMs)	Enhanced auditor's reports for listed entities	Partner	To support the determination of KAMs, and consider the KAM documentation included in the auditor's report.
Panel Review	All engagements where we are considering a modified opinion, material uncertainty related to going concern, or a restatement	Partner	To consider the appropriateness of the type of audit opinion to be issued and the wording of the modification or material uncertainty related to going concern.



Consultation

While each partner is empowered to make appropriate decisions for their engagements, we encourage our engagement teams to consult whenever they need additional information, perspectives or specialised knowledge on accounting, auditing, legal, regulatory, or other issues.

We have a dedicated group of accounting specialists that provides support to engagement teams on financial reporting matters under a formal and documented consultation process. This team also provides disclosure coaching to selected engagements to assist teams assess financial statements compliance with the relevant financial reporting framework. In addition, we have a dedicated group specialising in quality and risk management who provide first-line audit technical and risk support to our engagement partners and teams.

The management, visibility and consistency of consultations has been enhanced by the introduction of a new query management portal which facilitates the consultation process with specialists.

Differences of opinion

An audit requires professionals to exercise judgement, which can result in differences of opinion. When these arise, either among members of the engagement team or between members of the engagement team and consultants, we use resolution policies and procedures. These include escalation procedures to resolve differences and requirements for documenting outcomes.



Engagement documentation and security

Maintaining 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 Magnia files is restricted to engagement team members.

Firm policy requires audit files to be archived in accordance with relevant requirements, and archiving is closely monitored. Non-compliance with the archiving policy affects partner performance and our Practice Office Review Program rating. All work papers supporting our audit reports are retained for seven years from the date of our report, as required by the Corporations Act.



Talent development

As a professional services leader, we understand that our success depends on developing talented and motivated practitioners who can deliver world-class audit services. Our comprehensive talent programs start at the time of recruitment and continue throughout each career experience with Deloitte.

Recruitment

Our attraction and selection methodology is designed to recruit highly talented, well-rounded team members with strong technical capabilities and who demonstrate exceptional client service, commercial acumen and innovative thinking.

Career experience

To deliver high quality audits to our clients, we continue to evolve our strengths based coaching culture; focusing on rewarding and recognising exceptional performance and creating high performing and agile teams. Our goal is to bring out the best of each and every person and the best of every team, and measure the impact on our business using reliable, consistent, and real-time data. A strong coaching culture is at heart of this experience – engaging in more frequent, practical and meaningful conversations to drive the performance of our people and teams and playing to people’s strengths.

Professional development

Our continuing professional development programs focus on both technical and non technical topics. The learning approach is designed to:

- Provide the right skills, at the right time, to provide both quality outcomes for clients and rewarding career experiences for our people
- Keep partners and staff at the forefront of new developments in the accounting, auditing and regulatory environment
- Embed the Firm’s quality and risk imperatives in the Deloitte culture and its leadership.



02 Our commitment to audit quality

Assurance partners are required to fulfil minimum learning requirements to maintain their Deloitte accreditation to sign audit opinions. Partners who sign audit opinions for other jurisdictions (such as the US) undertake additional mandatory training.

We require our assurance professionals to obtain a minimum of 20 hours of comprehensive mandatory audit learning and development per annum and 120 hours in every three-year period.

Partner remuneration

Partner remuneration is based on achieving individual partner plans, which are aligned to firm-wide and business strategy. A strong contribution is expected from all partners in the following areas:

- Achieving performance and living our culture, personally and in teams, as articulated in the 'Signals'
- 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
- Demonstrating a strong commitment to quality, risk management and the stewardship of our reputation.

Our partner performance management and remuneration process creates a strong link between audit quality and partner remuneration. Partners receive a 'partner quality dashboard' as part of their performance management, which includes granular feedback relating to audit quality.

Assurance partners are prohibited from earning or receiving compensation, bonuses and other direct financial incentives for selling products or services to their audit clients.

Deloitte's partner appointment process is thorough and robust. It is based on a detailed business case that incorporates compliance with the Firm's quality and risk management practices as a key consideration. All business cases for partnership include feedback from the relevant Risk Leader, are endorsed by the Managing Partner for the relevant business and are approved by the National Executive.

Both partner remuneration and partner appointments are approved by the CEO and the Board of Partners to validate that Firm processes have been followed, contributions are properly recognised and the Firm's values have been maintained.



Ethics, privacy and independence

Deloitte's commitment to quality and integrity underlies everything we do, as we seek to make an impact that matters for clients, our people, and our communities. It is expected that all our employees will act with integrity, ethics, and maintain their independence in accordance with the Firm's policies.



i

ii

01

02

03

04

05

A

Ethics and privacy

Our expectations of partners and staff are documented in our Principles of Business Conduct (our Code), which captures how our vision, shared values and Principles of Business Conduct work together. The Code reminds our people that certain skills are fundamental to ethical decision making, and that each of us is personally responsible for our decisions and actions.

Deloitte has an Ethics Officer who promotes the importance of ethical behaviour and who is supported by Ethics Advocacy Officers in each office. The Ethics Officer formally reports to the CEO and the Board on an annual basis.

The Firm reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes and measurement systems, including the provision of ethics training, and an annual ethics survey to gauge understanding of our ethics program. The Firm also has an anonymous 24 hour ethics hotline to report ethics issues.

Closely related to this, is our commitment to protecting the privacy of people whose personal information we hold. An important part of this commitment is about being open and transparent about the way we handle personal information. Therefore, we maintain and regularly update an external privacy policy that sets out in easy to understand language how we handle the personal information that we collect, both from our clients and from our staff. We also have a Privacy Officer, supported by a dedicated privacy team, who work together to handle any privacy inquiries or complaints and promote privacy awareness. We also have a privacy hotline.

Culture is at the heart of what we do. We consider it fundamental that all partners and employees do their part in continuing to cultivate a culture that aligns to our Code.



Principles of Business Conduct

- Integrity
- Quality
- Professional behavior
- Objectivity
- Competence
- Fair business practices
- Confidentially, privacy and data protection
- Respect, diversity and fair treatment
- Professional development and support
- Anti-corruption
- Responsible supply chain
- Social responsibility

What do we stand for? Our commitment to independence and objectivity is the essence of our brand and the foundation on which we have built our reputation for integrity and quality.



i

ii

01

02

03

04

05

A

Independence

We assess our independence for each client and on each assurance engagement. Our commitment to independence is demonstrated by the tone set by our leaders, and is reinforced by carefully and consistently implementing and monitoring comprehensive independence policies and procedures.

Marisa Orbea, our Independence Partner, is supported by experienced and dedicated independence specialists who are responsible for communicating independence policies and procedures, providing consultation support, implementing and monitoring independence quality controls, designing and conducting independence training, and monitoring compliance with independence requirements.

Independence policies

To establish clear guidance for partners and staff, Deloitte's independence policies include the auditor independence requirements of the Corporations Act, APES 110 Code of Ethics for Professional Accountants and, where applicable, the independence rules of other jurisdictions such as the US Public Company Accounting Oversight Board, and US Securities and Exchange Commission.

The policies include restrictions on the financial, employment or business relationships that can be entered into with audit clients, as well as guidance on the non-audit services and fee arrangements that, if provided to audit clients, may impair independence. The policies require partners and staff to notify the Independence team promptly if they become aware of any independence breaches.

The independence policies and related guidance are available to all partners and employees on Deloitte's intranet.

Restricted entity list

The restricted entity list is accessed online and includes all Deloitte Network audit clients and their affiliates that are listed companies or other Public Interest Entities (such as financial institutions and insurance companies, registered schemes or retail superannuation funds). Deloitte Australia has also included all its non-public interest audit clients on the restricted entity list. The entity information provided in the restricted entity list is continuously updated to help ensure its accuracy and completeness, including periodic validation processes performed by engagement teams and/or the DTTL member firms.



03 Ethics, privacy and independence

Monitoring of financial interests

Professionals are required to search the restricted entity list before acquiring a financial interest or other financial product. To support compliance with the financial and investment restrictions placed on our professionals, we use an automated independence monitoring system to track personal financial holdings. All Deloitte partners and management-level client service professionals are required to record and update their investments and those of their immediate family members in their individual accounts in the monitoring system. During 2017 we implemented a Financial Institution Data Import Program that enables partners to authorise their investments to be automatically imported into their account, as well as a service centre that assists in answering their questions about personal independence requirements.

To allow for the timely resolution of any potential independence issues, the monitoring system is linked to the restricted entity list, so the system can automatically email users when a potential exception may need to be addressed due to a change in restriction.

Scope of services for audit clients

Deloitte engagement acceptance policies require the partner leading a potential engagement to undertake a process designed to identify entities from which we must maintain independence. This includes determining whether Deloitte has an audit relationship with the potential client or any of its affiliates and, if so, our policies require us to obtain and document approval from the lead client service partner prior to accepting any new engagements.

Business relationships and alliances

Business relationships and alliances with third parties can impair auditor independence. Therefore, all proposed marketplace business relationships require evaluation and approval by the Independence Group and are then maintained and monitored in a central database of approved relationships.

Deloitte has processes and procedures for engaging independent contractors, including the centralised management of contractors through a single third-party service provider. This allows for potential independence issues to be identified and assessed before entering into arrangements, and includes a due diligence process to assess and mitigate the corruption risk posed by certain non-client third parties.



03 Ethics, privacy and independence

Independence training

All partners and professional employees are required to complete training in relation to the Firm's independence policies when they join Deloitte.

Ongoing training incorporates updates to the independence policies and case studies. The Independence Group and the DTTL Global Independence Group issue regular policy updates and independence alerts to promptly communicate changes in the global regulatory landscape and new policies or interpretations to all of our people.

Independence confirmations and internal monitoring

All partners and employees are required to submit an annual written confirmation that they have read, understood and complied with Deloitte's independence policies. The Independence Group carefully monitors the confirmation process, and any exceptions are evaluated and resolved.

In addition, all professionals who are assigned to provide services to an audit client are required to confirm their independence of the audit client through an automated process.

Deloitte has implemented an ongoing program to test the accuracy and completeness of the independence confirmations and the financial information in the automated independence monitoring system. During 2016, 41% of partners were selected for independence compliance testing (2015: 46%).



03 Ethics, privacy and independence

Disciplinary process

Deloitte's leaders take a zero-tolerance approach to non-compliance with the Firm's independence policies. Our partners and employees are subject to disciplinary action if they violate these guidelines. Depending upon the severity of the violation, sanctions include written warnings, financial penalties and potentially termination of employment or removal from the partnership.

Review of independence practices and monitoring

The Firm performs an annual internal review of independence quality controls, which is overseen by an individual nominated by DTTL. An external review of our independence quality controls is undertaken at least every three years and the results are communicated to the CEO. The most recent review was an external review undertaken during March 2015. In addition to the external review, independence is an element of the system of quality control which is assessed annually as part of the Practice Review discussed in [Chapter 4](#).

Audit partner rotation

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

Our rotation policies require that the engagement partner and the EQCR for the audits of listed entities and APRA-regulated entities are 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 for a period of two years.

Deloitte maintains a database that tracks the number of years of audit partner involvement to facilitate succession planning and monitor compliance with rotation requirements.

We have a comprehensive and multi-layered independence framework.



Learning, measuring and refining

Learning never stops. We use 'inflight' and 'after-the-fact' reviews as part of a framework for continuous improvement. We also continue to look at ways to be more agile and nimble.



i

ii

01

02

03

04

05

A

Monitoring of quality-control policies and procedures

Our monitoring initiatives complement our policies, procedures and tools we have in place to drive audit quality, enabling us to continually improve.

Completed engagements

Our annual Practice Review Program is a key component of the Firm's overall system of quality control. This inspection and monitoring mechanism provides evidence of compliance with, and consistency in, the application of Deloitte Network policies and methodologies.

The Practice Review Program assures that our system of quality control complies with Auditing Standard ASQC 1 and is operating effectively. The findings and recommendations resulting from the practice reviews are presented to the Firm's CEO and form the basis for future improvement initiatives.

In-flight engagement reviews

Our 'Health Check' Program for selected engagements focuses on specific topics and is designed to improve our responsiveness to Practice Review and inspection findings, as well as to assess the effectiveness of actions we have previously put in place. These audit 'Health Checks' are conducted throughout the year and are intended to be short, deep-dives on a topic. They are performed on 'live' engagements and themes are communicated back to the practice when applicable. Engagements are identified on a risk basis, using diagnostic data.

Our Audit Quality Coaching Program for selected engagements is used to embed the Firm's audit approach and methodology enhancements, and the focus areas set out in our Audit Quality Plan.

Rather than formal 'after the fact' reviews, 'Health Check' reviewers and coaches work with the engagement teams to reinforce our methodology, challenge teams and provide timely advice that can be acted on immediately during the engagement.



Practice Review Program: key features

- The program is led by the Firm's Practice Review Director.
- The Practice Review plan, process and results are reviewed and concurred on by a partner from another DTTL Network firm.
- The Practice Review includes a review of our system of quality control and a selection of engagement files.
- Engagement selections are risk-based and all major industries served by the Firm or practice office are considered.
- Every audit partner is reviewed at least once every three years. In addition, partner candidates are reviewed prior to promotion to partner. Engagement files of 42% of our Assurance Practice partners were subject to review in FY 2017 (38% in FY 2016).
- IFIAR and ASIC focus areas are emphasised.
- Reviewers are chosen from international pools or from other practice offices within the Firm.
- The Firm communicates any deficiencies that were noted and recommendations for remedial action as a result of the review to the relevant partner or staff member. Findings are incorporated into partner performance assessments, and poor performing partners may be sanctioned depending on the severity of the findings.
- If partners are rated below a certain level, an additional number of their engagements will be reviewed and they will be automatically listed for review the following year.
- Causal factor analysis is performed on all common findings and poor rated files, in order to more effectively identify the cause of deficiencies and determine an appropriate response.
- A mid-year assessment monitors the impact of the prior year's action plan on addressing Practice Review findings so that adjustments can be made where actions have not resulted in clear improvement to engagements and/or our system of quality control.
- Each year, the Firm also communicates the results of the Practice Review Program, and ongoing consideration and evaluation of its system of quality control, to its partners and other appropriate individuals within the Firm.

38%
FY 2016

42%
FY 2017

Percentage of our Assurance Practice partners subject to review



i

ii

01

02

03

04

05

A

Client Service Assessment and Complaints

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

Client Service Assessment Program

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.

At the end of a selection of 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 policy

To allow the Firm to retain its strong reputation, we have a publicly available Complaints Handling Policy. This provides guidance on the manner in which Deloitte receives and manages complaints made against the Firm, its partners and its employees. The policy is supported by a procedures manual to help staff resolve complaints in an efficient, effective and professional manner.

Our process includes appointing a Complaints Officer and designating communication channels to manage complaints. Complaints are documented and analysed by the Complaints Officer to determine if any action, including changes to the system of quality control, should be taken to address specific problems.



External monitoring

We recognise the important role of regulators and we share a common goal of achieving high-quality financial reporting.



i

ii

01

02

03

04

05

A

05 External monitoring

Given the important role of auditors in the financial markets, our profession and Deloitte are subject to external oversight by regulators. Deloitte recognises the important role the Australian Securities & Investments Commission (ASIC) plays in Australia and through its membership of the International Forum of Independent Audit Regulators (IFIAR) in promoting high-quality external audits of financial reports.

Australian Securities & Investments Commission

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

ASIC reports inspection findings in a private report to each individual firm. Periodically, ASIC publicly reports on its audit inspection program, summarising the scope and overall findings of inspections (see www.asic.gov.au for the report on the 2015-16 audit inspection program issued on 29 June 2017).

Matters raised by ASIC both in our private report and the public report are analysed to determine root causes and develop strategies to rectify problems and improve processes. Where we deem it necessary, we remediate our audit engagement file for ASIC observations.

Chartered Accountants Australia and New Zealand (CAANZ)

CAANZ has a Quality 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 the Firm's commitment to audit quality. The survey was conducted in the year to 30 June 2012.

Each year, CAANZ summarises its overall findings in a public report on its Quality Review Program (see www.charteredaccountantsanz.com).

Foreign Regulators

As we audit a number of entities that are publicly accountable in a foreign jurisdiction, a number of foreign regulators are also authorised to inspect Deloitte as outlined in [Figure 7](#).



05 External monitoring

Figure 7: Foreign regulators authorised to inspect Deloitte

Name of regulator	Date of last inspection	Comment
Public Company Accounting Oversight Board, United States (PCAOB)	Nov 2011	The PCAOB publishes a report on its website in relation to each firm inspected (see www.pcaobus.org).
Financial Reporting Council (FRC), United Kingdom	No inspection to date	The FRC previously advised Deloitte that it will not be separately inspecting Deloitte as it will rely on ASIC's inspection program.
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 www.cpab-ccrc.ca).
Financial Markets Authority, New Zealand	No inspection to date	Their approach to overseas auditors that are already regulated in their home country is to place some reliance on the home regulator.



Appendix



i

ii

01

02

03

04

05

A

Financial information

Deloitte provides audit, tax, consulting, financial advisory, and risk advisory services to public and private clients in many industries.

Globally, the Deloitte Network's revenue was US\$36.8 billion for the year ended 31 May 2016 (2015: US\$35.2 billion). It employs approximately 245,000 professionals worldwide across a globally connected network of member firms operating in more than 150 countries.

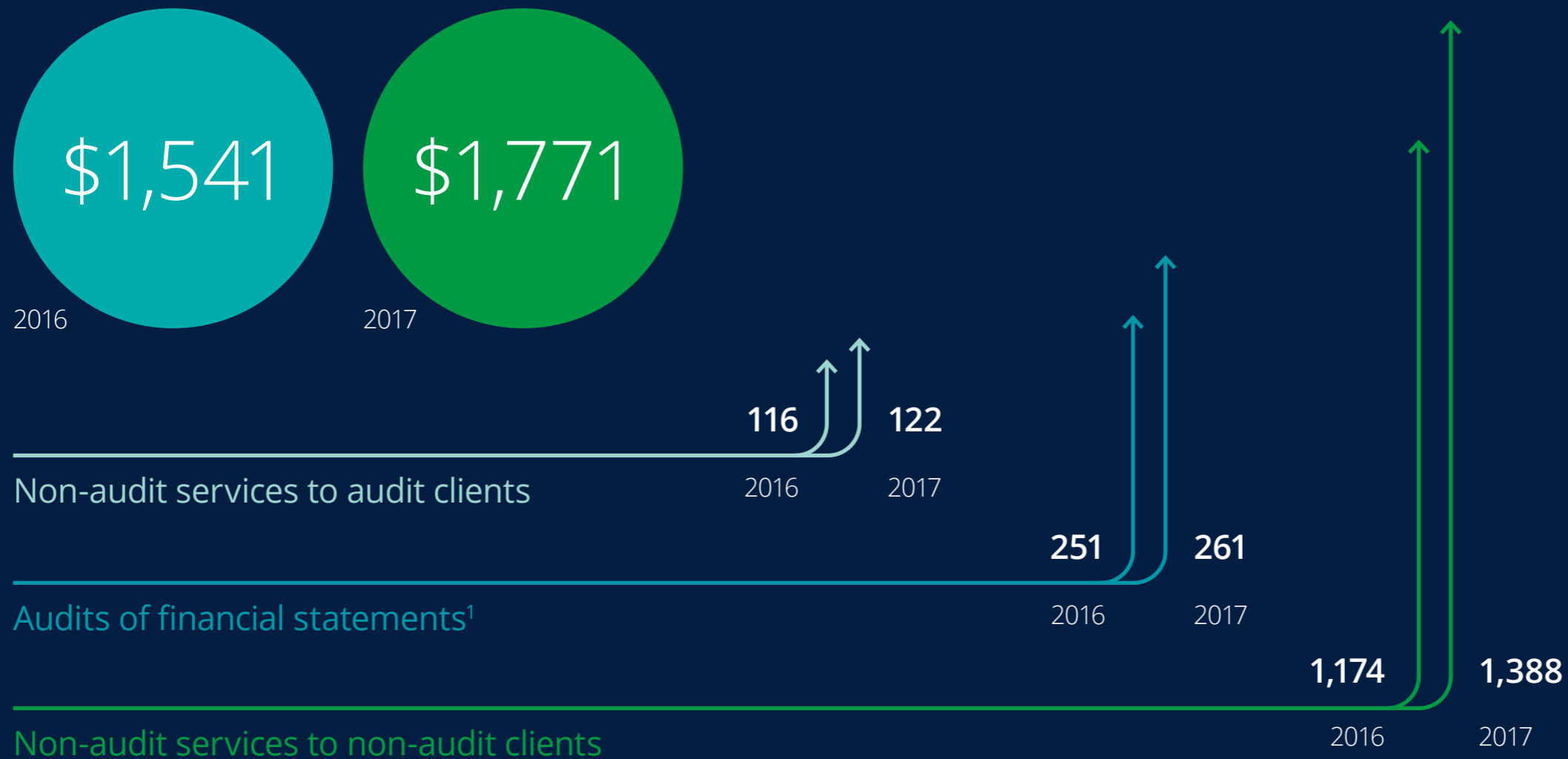
In Australia, Deloitte recorded revenue of A\$1.76 billion for the year ended 31 May 2017 (2016: A\$1.53 billion). It employs over 6,000 people in 15 offices.

The Corporations Act prescribes the Transparency Reporting Year as a period of 12 months starting on 1 July. This differs from our financial year, which commences on 1 June. For this Transparency Reporting Year to 30 June 2017, our revenue from audits of financial statements was A\$261 million (2016: A\$251 million).



Figure 8: Deloitte audit and other revenue in Australia for the year ended 30 June

Total revenue for the 12 months ended 30 June (A\$m)



1. Includes revenue derived from audits of financial statements. Other related assurance services are classified as non-audit services.

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Deloitte Network and legal structure

'Deloitte' is the brand under which more than 245,000 dedicated professionals in independent firms in more than 150 countries collaborate to provide audit, consulting, financial advisory, risk advisory and tax services to selected clients.

The independent firms are a network of firms (Deloitte Network) and each is a member firm of Deloitte Touche Tohmatsu Limited (DTTL), a UK private company limited by guarantee. Each member firm provides professional services in a particular geographic area and is subject to the laws and professional regulations of the particular country or countries in which it operates. In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu.

DTTL does not itself provide services to clients, or direct, manage, control or own any interest in any member firm. Further, member firms are not subsidiaries or branch offices of DTTL. DTTL and each DTTL member firm are separate and distinct legal entities, which cannot obligate each other. DTTL and each DTTL member firm are liable only for their own acts or omissions and not those of each other. Each DTTL member firm is structured differently in accordance with national laws, regulations,

customary practice and other factors, and may secure the provision of professional services in its territory through subsidiaries, affiliates and/or other entities.

Each member firm has voluntarily become a member of the Deloitte Network with a primary purpose to coordinate their approach to client service, professional standards, shared values, methodologies, and system of quality control and risk management. DTTL has adopted certain policies and protocols in each of these areas in an effort to establish a consistently high level of quality, professional conduct and service in all member firms. This structure confers significant strengths, combining high quality standards and methodologies with a deep understanding of local markets and a sense of responsibility and initiative among professionals who have a direct stake in the integrity and growth of their respective practices.

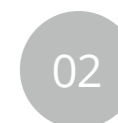


There are governance and management structures at both the DTTL and member-firm levels. At the DTTL level, the DTTL Board of Directors has adopted certain resolutions, policies and protocols regarding the governance of DTTL, professional standards and methodologies, and systems of quality control and risk management in an effort to establish a consistently high level of quality, professional conduct and service in all member firms. Member firms are responsible for applying these policies as well as for setting their own policies and exercising professional judgement to allow compliance with applicable professional standards and local laws and regulations.

The DTTL Board is the highest governing body of DTTL. Our Chief Strategy Officer, John Meacock, is Vice-Chairman of the DTTL Board. DTTL's highest management body is the DTTL Global Executive Committee, which is led by the global CEO. Our CEO, Cindy Hook, is a member of the DTTL Global Executive Committee. Jody Burton, our CRO, represents Australia on the DTTL Global Risk Executive.

The Global Audit & Assurance Leadership Team comprises the audit leaders of the 12 largest member firms and is responsible for setting global audit strategy and overseeing implementation plans. Richard Deutsch, our Managing Partner, A&A, represents Australia on the Global Audit & Assurance Leadership Team. In addition, a number of other partners are active participants of DTTL forums as outlined in [Chapter 1](#).

Further, DTTL sets the standards for what high-priority programs look like, such as the implementation of Deloitte Audit, the Audit Imperatives and the Audit Quality Plan. This is in addition to the Practice Review Program described in [Chapter 4](#).



Deloitte audit clients

Listed companies and listed registered schemes

Deloitte completed statutory audits² of the following listed entities during the year ended 30 June 2017.

A.P. Eagers Limited
Aberdeen Leaders Limited
Accent Resources NL
AGL Energy Limited
Aguia Resources Limited
Altona Mining Limited
Andromeda Metals Limited
Angas Securities Limited
APA Group (Australian Pipeline Trust and APT Investment Trust)
APN Property Group Limited
APN Regional Property Fund
Apollo Consolidated Limited
APT Pipelines Limited
Ariadne Australia Limited
Asian Masters Fund Limited

Audio Pixels Holdings Limited
Aurora Absolute Return Fund
Aurora Dividend Income Trust
Aurora Global Income Trust
Aurora Property Buy-Write Income Trust
Australian Finance Group Limited
Australian Masters Corporate Bond Fund No 5. Limited
Australian Masters Yield Fund No. 1 Limited
Australian Masters Yield Fund No. 2 Limited
Australian Masters Yield Fund No. 3 Limited
Australian Masters Yield Fund No. 4 Limited
Australian Vintage Limited
Auswide Bank Ltd
Autosports Group Limited
Baby Bunting Group Limited
Bass Oil Limited
Bionomics Limited
BioTech Capital Limited
Black Rock Mining Limited
Blackmores Limited
Bluechiip Limited
Boart Longyear Limited

Boyuan Holdings Limited
Brookfield Prime Property Fund
BSA Limited
Byron Energy Limited
Capral Limited
Cash Converters International Limited
Centrepont Alliance Limited
CIMIC Group Limited
Clarius Group Limited
Clearview Wealth Limited
Coal of Africa Limited
Crusader Resources Limited
CSR Limited
Dawine Ltd
Dominos Pizza Enterprises Limited
eChoice Limited
Elanor Investors Group (Stapled security)
Elanor Retail Property Fund
Electro Optic Systems Holdings Limited
Embelton Limited
Emeco Holdings Limited
EML Payments Limited
Energy Metals Limited



2. Audit means an audit conducted for the purposes of the Corporations Act and includes a half-year review of a financial report.

Appendix

Equity Trustees Limited
eServGlobal Limited
FAR Ltd
Fitzroy River Corporation Ltd
Folkestone Limited
Freedom Foods Group Limited
Funtastic Limited
Gale Pacific Limited
Generation Healthcare REIT
GLG Corp Ltd
Godfreys Group Limited
Golden Rim Resources Ltd
GPS Alliance Holdings Limited
GR Engineering Services Ltd
Greenland Minerals and Energy Limited
Havilah Resources Limited
Healthscope Limited
HGL Limited
Hillgrove Resources Limited
Homeloans Limited
HUB24 Limited
IDP Education Limited
IDT Australia Limited

Ikwezi Mining Limited
Imdex Ltd
Incitec Pivot Limited
Industria REIT
Infomedia Ltd
Invitrocue Limited
IPH Limited
IRESS Limited
Isentia Group Limited
iShares Core Composite Bond EFT
iShares Core Global Corporate Bond (AUD Hedged) ETF
iShares Core MSCI World All Cap (AUD Hedged) ETF
iShares Core MSCI World All Cap ETF
iShares Core S&P/ASX 200 ETF
iShares Global 100 AUD Hedged ETF
iShares Global High Yield Bond (AUD Hedged) ETF
iShares Government Inflation ETF
iShares J.P. Morgan USD Emerging Markets Bond (AUD Hedged) ETF
iShares S&P 500 AUD Hedged ETF

iShares S&P/ASX 20 ETF
iShares S&P/ASX Dividend Opportunities ETF
iShares S&P/ASX Small Ordinaries ETF
iShares Treasury ETF
JB Hi-Fi Limited
Keybridge Capital Limited
Kore Potash Limited
Mareterram Limited
Matrix Composites & Engineering Ltd
Medical Developments International Limited
Megaport Limited
Mineral Deposits Limited
MMA Offshore Limited
Moly Mines Limited
Mortgage Choice Limited
Motorcycle Holdings Limited
Multiplex SITES Trust
Murray River Organics Limited
NAOS Absolute Opportunities Company Limited
NAOS Emerging Opportunities Company Limited
Navitas Limited
Neometals Ltd



Appendix

New Hope Corporation Limited	Resource Generation Limited	Strike Energy Limited
Northern Star Resources Limited	Respiri Limited	Sundance Energy Australia Limited
NRW Holdings Limited	Retail Food Group Limited	Sundance Resources Limited
Odyssey Energy Limited	Rubicor Group Limited	Superloop Limited
Oil Basins Limited	Saunders International Limited	Swick Mining Services Limited
Opthea Limited	Scottish Pacific Group Limited	Tag Pacific Limited
OreCorp Limited	SDI Limited	Tap Oil Limited
Pacific Current Group Limited	Seafarms Group Limited	Tasmania Mines Limited
Panorama Synergy Limited	Servcorp Limited	Tassal Group Limited
Paringa Resources Limited	Seven Group Holdings Limited	The PAS Group Limited
Pental Limited	Seymour Whyte Limited	Tigers Realm Coal Limited
Pepper Group Limited	Shopping Centres Australasia Property Group	Troy Resources Limited
Pioneer Resources Limited	Shriro Holdings Limited	US Masters Residential Property Fund
PMP Limited	Sigma Healthcare Limited	US Select Private Opportunities Fund
Primary Health Care Limited	Simonds Group Limited	US Select Private Opportunities Fund II
Primary Opinion Limited	SIMS Metal Management Limited	Vocus Group Limited
Programmed Maintenance Services Limited	SIV Asset Management Limited	Warrnambool Cheese and Butter Factory
QANTM Intellectual Property Limited	SMS Management & Technology Limited	Company Holdings Limited
QRxPharma Limited	Sovereign Metals Limited	WCP Resources Ltd
R3D Global Limited	Spark Infrastructure Group (Stapled Securities)	Webster Limited
RCG Corporation Limited	Specialty Fashion Group Limited	Woolworths Limited
RCR Tomlinson Limited	Stellar Resources Limited	WPP AUNZ Ltd
Reckon Limited	Stone Resources Australia Limited	Yowie Group Limited
Regional Express Holdings Limited	Stonewall Resources Limited	ZipMoney Limited



Authorised deposit-taking institutions (ADIs)

Deloitte completed statutory audits of the following ADIs during the year ended 30 June 2017.

Arab Bank Australia Limited
Auswide Bank Ltd
Banco Santander, S.A.
Bank of Baroda
Bank of Sydney Ltd
BNP Paribas
BNP Paribas Security Services
Cuscal Limited
Defence Bank Limited
Mega International Commercial Bank Co., Ltd
Members Equity Bank Limited
Police Credit Union Limited
The Bank of Tokyo-Mitsubishi UFJ, Ltd

Insurers

Deloitte completed statutory audits of the following general insurance and life insurance entities³ regulated by APRA during the year ended 30 June 2017.

Allied World Assurance Company Limited
Ansvar Insurance Limited
AssetInsure Pty Limited
Atradius Credit Insurance N.V.
Australian Scholarships Group Friendly Society Limited
Berkshire Hathaway Speciality Insurance Company
ClearView Life Assurance Limited
Compagnie Francaise D'Assurance Pour Le Commerce Exterieur
General Reinsurance Australia Ltd

General Reinsurance Life Australia Ltd
Hollard Holdings Australia Pty Limited
MetLife General Insurance Limited
MetLife Insurance Limited
NobleOak Life Limited
Optus Insurance Services Pty Limited
Pacific International Insurance Pty Limited
Pacific Life Re (Australia) Pty Limited
Rapid Solutions Holdings Pty Ltd
RGA Reinsurance Company of Australia Limited
The Hollard Insurance Company Pty Ltd

3. 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.



Glossary

Term	Description
A&A	Assurance and Advisory
ADI	Australian deposit-taking institution
A-IFRS	Australian International Financial Reporting Standards
Assurance Practice	The Assurance Practice referred to in this report comprises the audit practitioners, partners and staff of Deloitte
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities & Investments Commission
Board of Partners	Board of Partners of Deloitte
CAANZ	Chartered Accountants Australia and New Zealand
CEO	Chief Executive Officer
COO	Chief Operating Officer
Corporations Act	<i>Corporations Act 2001</i>
CPAB	Canadian Public Accountability Board
CRO	Chief Risk Officer

Term	Description
Deloitte	The Australian partnership of Deloitte Touche Tohmatsu which is a member firm of DTTL
Deloitte Network	Individual independent member firms of the DTTL Network of member firms
DTTL	Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee
EQCR	Engagement Quality Control Reviewer
FRC	Financial Reporting Council
Firm	Refer to 'Deloitte'
IFIAR	International Forum of Independent Audit Regulators
IFRS	International Financial Reporting Standards
NPPD	National Professional Practice Director
PCAOB	Public Company Accounting Oversight Board
The Board	Refer to 'Board of Partners'
The Code	Ethical Code of Conduct
Transparency Reporting Year	The period 1 July to 30 June



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