



2018-19 ASIC Business Plan Summary by Sector Financial Reporting and Audit

Key projects	Project Status	Focus
Change behaviours to drive good consumer and investor outcomes		
Financial reporting guidance	Ongoing	Provide guidance to preparers of financial reports, directors of listed entities and other public interest entities through media releases, presentations, audit committee forums, information sheets, articles, and stakeholder meetings.
Audit guidance	Ongoing	Publish audit firm inspection report on findings and future focuses assist audit firms in identifying areas to improve audit quality.
Updated guidance	New project	<ul style="list-style-type: none"> ◆ Update guidance on the Operating and Financial Review and on Impairment of Non-Financial Assets to refer to risks such as digital disruption, Brexit and climate. ◆ Update guidance on the use of non-IFRS financial information to provide some additional guidance on the presentation of proforma information in transaction documents.
Act against misconduct to maintain trust and integrity in the financial system		
Financial reporting quality	Ongoing	<ul style="list-style-type: none"> ◆ Reviewing financial reports of listed and other public entities to promote useful and meaningful information for investors and the market ◆ Focuses will continue to include asset valuation and impairment of non-financial assets, including any impact of digital disruption, and revenue recognition, as well as the impact of new accounting standards.
Audit quality	Ongoing	<ul style="list-style-type: none"> ◆ Inspecting audit firms, including reviewing selected quality control areas at large audit firms, and reviewing the effectiveness of action plans for improving audit quality at the six largest firms ◆ Focuses include audit firm culture, behaviours, risk appetite, governance, accountability and quality control. Audit quality supports financial reporting quality.



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Self-Managed Super Fund Auditors	Ongoing	Assess referrals from the ATO and decide whether to deregister, suspend or impose conditions, where appropriate.
Promote strong and innovative development of the financial system		
Superannuation financial reporting and audit	New project	<ul style="list-style-type: none"> Promote need for regulation of financial reporting and audit for APRA superannuation funds by following up on submissions to Government and others, as well as raising stakeholder awareness and seeking support.
Digital financial reporting	Ongoing	<ul style="list-style-type: none"> Encouraging Australian listed entities with mandatory digital financial reporting requirements in the United States and Europe to voluntarily lodge digital financial reports with ASIC Exploring opportunities for the adoption of digital financial reporting in Australia
International engagement and alignment	Ongoing	<ul style="list-style-type: none"> Engage with other international financial regulators on IFRS (International Financial Reporting Standards) application and surveillance through IOSCO IFRS and Accounting Subcommittees, including survey of financial reporting regulators. Engage with the large audit firms globally on firm audit quality initiatives through IFIAR. Contribute to IOSCO and IFIAR on guidance for audit committee best practices in supporting audit quality, improvements in accounting and auditing standards, consistent interpretation and application of standards, international cooperation and information sharing, supervisory colleges, and audit enforcement practices.
Help Australians to be in control of their financial lives		
Financial reporting and audit	Ongoing	Review of financial reports and audits (and other activities) to promote useful and meaningful information for investors and other users of financial reports.