



Australian Government

CADB

Companies Auditors
Disciplinary Board

Annual Report

For the year ended 30 June 2024

Companies Auditors Disciplinary Board

Annual Report
for the year ended 30 June 2024

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26 September 2024

The Hon Stephen Jones MP
Assistant Treasurer
Parliament House
Canberra ACT 2600

Dear Assistant Treasurer

I am pleased to present the Companies Auditors Disciplinary Board's Annual Report for the year ended 30 June 2024 in accordance with section 214 of the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

Section 214(1) of the ASIC Act requires the Board to prepare a report describing its operations during the year and to give a copy of the report to the Minister as soon as practicable after 30 June and before 31 October, each year.

Section 214(2) of the ASIC Act provides that the Minister shall cause a copy of the report to be laid before each House of the Parliament within 15 sitting days of that House after he receives a copy of the report.

Yours faithfully

Howard K Insall SC
Chairperson

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Chairperson’s Review

The Companies Auditors Disciplinary Board (“the Board” or “CADB”) is an independent statutory disciplinary body tasked with hearing applications brought to it by ASIC in respect of the conduct of registered company auditors. The Board characterizes the applications as those which, in broad terms, involve more serious breaches of standards (known as “Conduct Matters”) and those involving more perfunctory failures (“Administrative Matters”).

Applications during the reporting period (July 2023–June 2024)

During the reporting period:

- ASIC made no applications to the Board in respect of Conduct Matters;
- ASIC made two applications in respect of Administrative Matters, but each of these was withdrawn.

As a result, during the reporting period, the Board was not required to hold any hearings in relation to applications which had been brought by ASIC during the reporting period.

The low level of applications is discussed further at page 7.

Applications made prior to the reporting period

As at the commencement of the reporting period, there were five existing applications before the Board.

Two of these were dealt with early in the reporting period, (August and September 2023). Copies of the decisions and reasons in these two matters are published on the Board’s website <http://www.cadb.gov.au>. Copies of the notices which were published in the Commonwealth Gazette relating to these decisions are contained in Appendix 1 to this Report.

Of the remaining three matters before the Board as at the commencement of the reporting period:

- One matter had been stayed by order of the Federal Court of Australia in 2022, pending other legal proceedings. This matter remains subject to the stay. The Board is not in a position to say when it may be heard;
- The second matter was unable to be progressed by the Board for much of the reporting period, as it was subject to a challenge brought by the respondent in the Federal Court of Australia. That challenge was dismissed by that Court in April 2024 and the matter is expected to be dealt with by the Board, on a consent basis, in the near future; and
- The third matter has recently been heard by the Board on a consent basis, having been held up to some extent by the parties negotiating.

Other proceedings involving the Board during the reporting period

In December 2023, proceedings were commenced in the Federal Court of Australia challenging a decision handed down by the Board some five years ago, in December 2018. As is customary, the Board has filed a submitting appearance in the proceedings and ASIC is the active respondent in the matter.

Parliamentary Inquiry involving auditing

During the reporting period, the Board lodged a submission to the Inquiry being conducted by the Parliamentary Joint Committee on Corporations and Financial Services “Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry”. On 3 November 2023, Ms Maria McCrossin, (the then Chairperson of the Board), and Ms Inge Kindermann, (Deputy Chairperson of the Board), appeared before the Committee to give evidence. Subsequently, the Board provided responses to questions on notice from the Committee. Further reference is made to this below at page 7.

Membership of the Board

I was appointed Chairperson of the Board for a three-year term commencing 4 March 2024.

The term of the previous Chairperson of the Board, Ms Maria McCrossin, expired in March 2024. Ms McCrossin was Chairperson of the Board (initially the Companies Auditors and Liquidators Disciplinary Board) for nearly ten years and had been Deputy Chairperson of CALDB prior to her appointment as Chairperson. Through the Panel decisions which she chaired, she made a major contribution to the Board’s body of precedent. She has been a strong advocate for the importance of the work of the Board and worked hard to achieve appropriate support for the Board. The Board and, I am sure, the Board’s stakeholders and the wider commercial community, recognize the outstanding service provided by Ms McCrossin over that period and we express our gratitude for that service.

During the reporting period, the Board welcomed the appointment of Angela Pearsall as a Business Member for a three-year term. Ms Pearsall is a highly regarded member of the legal profession and the Board will be well served by an appointment of this calibre.

I would like to express my gratitude to all Board members for their generous contribution of time, expertise and experience to the work of the Board. The availability of their expertise and experience as Panel members means that the Board constitutes an invaluable resource within the broader legislative framework which operates to maintain professional standards of company auditors.

The Board operated without a full complement of 14 members over the entire reporting period. In particular, the Board only had three accounting members, rather than six over the reporting period. The importance of a full complement of members cannot be overstated. This has been raised in previous Annual Reports. Any deficiency in numbers has the potential to create difficulty for the operation of the Board, especially where particular members are unable to sit on Panels due to conflicts.

Since my appointment, I have received very positive support from Treasury in relation to this issue and I understand it is currently being addressed. The Board looks forward to a full complement of members.

Interaction with ASIC and Treasury

Section 11(2) of the ASIC Act requires ASIC to provide such staff and support facilities to the Board as are necessary or desirable for the performance and exercise by the Board of its functions and powers. On my appointment, ASIC assured me of their full support for the Board. This issue is dealt with further at pages 6-7.

The Board has been in regular contact with Treasury in connection with issues facing the Board, in addition to the question of membership.

I wish to record the Board's appreciation for the support that ASIC provides, and for the assistance provided by Treasury through its regular consultation with the Board.

Registrar

Finally, the Board records its gratitude for the work of the Registrar, whose work underpins much of the work of the Board, particularly its day-to-day operations. Ms Amber McFadyen retired as Registrar in April 2024 after 5 years in the role and was succeeded by Ms Kathy Vaiano. I thank them both for their fine work.

Howard K Insall SC
Chairperson

Overview of CADB’s role and purpose

CADB is a statutory body established under Part 11 of the ASIC Act, but which operates as an independent body from ASIC. CADB’s powers and functions are set out in Part 11 of the ASIC Act and Part 9.2 Division 3 of the Corporations Act.

The statutory scheme established by Part 9.2 of the Corporations Act is designed to limit those who are entitled to be and hold themselves out as being registered company auditors to people who possess the required professional skill and competence and are otherwise fit and proper persons to occupy that position.

The primary role of CADB within this scheme is to act as an independent expert disciplinary tribunal to consider applications for the cancellation or suspension of the registration of company auditors under the provisions of the Corporations Act. CADB has no power to instigate applications. CADB has no investigatory role in relation to auditor misconduct or the performance of auditors’ duties.

Applications may be brought to CADB by ASIC or APRA although CADB has never received an application from APRA.

Where, on such an application, the Board is satisfied that the auditor has failed to perform their duties adequately and properly or otherwise failed to comply with Corporations Act requirements, the Board has the power to cancel or suspend their registration or impose certain other sanctions.

Section 1294 of the Corporations Act provides for CADB to give procedural fairness to respondents in proceedings before it by providing an opportunity to appear at a hearing, to make submissions and to adduce evidence before the Panel of the Board convened to hear their matter. ASIC must also be given an opportunity to appear when a respondent takes that opportunity.

Section 210A(1) of the ASIC Act provides that the Board’s functions and powers in relation to such hearings are to be exercised by a Panel of CADB comprising three or five members, consisting of the Chairperson or Deputy Chairperson, one or two accounting members and one or two business members.

CADB hearings are generally held in private. Under s 1296 of the Corporations Act, the Board is obliged to set out its decisions in writing and give reasons. These are published at the conclusion of a matter if the Board’s decision is to exercise any of its sanction powers under either s 1292(1), (7) or (9) of the Corporations Act.

The primary purpose of the sanction power conferred by s 1292 of the Corporations Act is protection of the public. The published decisions of CADB are a source of guidance to registered company auditors and industry bodies and form an important aspect of the educative role also played by CADB.

Details of the specific procedures adopted by CADB in relation to applications it receives and how it conducts hearings may be found on the CADB website at [Procedures | CADB - Companies Auditors Disciplinary Board](#)

CADB’s capacity to evaluate applications by reference to its own expert knowledge of professional standards places it in a unique position to deal with complex audit matters and provides the option for a hearing without time consuming and costly expert evidence which is often necessary in other tribunals and in the courts.

As an independent disciplinary body with procedures designed to avoid technicality and delay that is subject to a requirement to publish reasons for its decisions, CADB is a forum for expeditious, fair and relatively cost-effective disciplinary outcomes within an independent and transparent framework.

Constitution of CADB and current membership

Section 203(1) of the ASIC Act provides that CADB “consists of”:

- A Chairperson.
- A Deputy Chairperson.
- Six accounting members.
- Six business members.

The Chairperson and the Deputy Chairperson must each be enrolled as a barrister, solicitor, barrister and solicitor or a legal practitioner of the High Court, any Federal Court or the Supreme Court of a State or Territory and must have been so enrolled for a period of at least five years.

Accounting members are required to be a resident of Australia and a member of a professional accounting body, or any other body prescribed by regulation for the purposes of s 203(1B) of the ASIC Act.

Business members represent the business community and have qualifications, knowledge or experience in business or commerce, the administration of companies, financial markets, financial products and services, economics, or law.

All appointments are made by the Minister and are part-time appointments. Appointments are for a term of no more than three years. Appointees are eligible for reappointment.

CADB members during the reporting year:

Name	Role	Appointment date for current term	Expiry date
Howard K Insall SC	Chairperson	4 March 2024	3 March 2027
Maria McCrossin	Chairperson	4 March 2023	3 March 2024
Inge Kindermann	Deputy Chairperson	30 September 2022	29 September 2025

Name	Role	Appointment date for current term	Expiry date
Tony Brain	Accounting member	21 October 2023	20 October 2024
Michael Flynn KC	Business member	3 March 2023	2 March 2026
Adeline Hiew	Business member	21 October 2023	20 October 2024
Kerrie Howard	Business member	4 March 2022	3 March 2025
Tony Marks	Business member	30 September 2022	29 September 2025
Pravin Ramdany	Accounting member	18 February 2022	17 February 2025
Ann-Maree Robertson	Accounting member	18 February 2022	17 February 2025
Naomi Rule	Business member	1 October 2022	30 September 2025
Angela Pearsall	Business member	21 October 2023	20 October 2026

Further details about each member during the reporting period are included in Appendix 2. Each current member fulfils the eligibility requirements for appointment to CADB set out in s 203 of the ASIC Act.

As may be noted from the above table, throughout the reporting year, the Board only had three accounting members, being three members less than prescribed by s 203(1) of the ASIC Act. At the commencement of the period, the Board only had five business members instead of six, but this was remedied by the appointment of Angela Pearsall in October 2023.

The Board has continued to liaise with Treasury in relation to the need for a full complement of members and the Board understands that the issue will be addressed in the near future.

Operational Information 2023-24

Staff Resourcing

CADB operations are supported by a part time Registrar seconded from ASIC pursuant to ASIC's responsibility to provide resources to the Board under s 11(2)(a) of the ASIC Act. The documented arrangements between CADB and ASIC are designed to ensure that CADB's statutory confidentiality obligations and independence are maintained.

In March 2024, ASIC assured the new Chairperson of its full support for CADB operations.

In the past, issues have arisen between CADB and ASIC regarding the appropriate level of staff support. Historically the Board has had the assistance of a full time Registrar with professional accounting qualifications as well as, at times, a full time PA.

However, as at the time of preparation of this report, the Board is faced with the reality that there are few applications before the Board. During the reporting period, ASIC only made two applications, in respect of Administrative Matters, and these were subsequently withdrawn. The present workload does not justify the appointment of a full-time Registrar or additional staff.

There have been periods in the past when the workflow of the Board has been very much greater than it is at present. In such periods, the Board’s requirement for staff support is commensurably greater. The Board has agreed with ASIC that the question of staff support should be put under review, in the expectation that if workflow increases, additional staff support may be required.

Premises

The CADB office is located on level 5, 100 Market Street Sydney.

Applications received by CADB

As discussed above, ASIC (or APRA) did not proceed with any new applications to the Board during the reporting period. Whilst ASIC made two applications to the Board (in relation to the less serious “Administrative Matters”), each of these was withdrawn.

This lack of activity does give rise to a question about whether the Board is being utilized appropriately. The Board’s workflow is entirely dependent upon whether ASIC brings applications to the Board. The Board has no role in instigating applications.

The workflow before the Board and the potential for enhanced utilization of the Board was the subject of submissions and evidence at the inquiry by the Parliamentary Joint Committee on Corporations and Financial Services: “Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry” in late 2023. The Board’s submission (Submission 51) and the transcript of the evidence of the then Chairperson of the Board, Ms Maria McCrossin, and the Deputy Chairperson, Ms Inge Kindermann, which dealt with this topic, is available on the Inquiry website https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/ConsultancyFirms.

At the time of preparing the Annual Report, the Committee’s Report had not been published.

Aside from new applications, the Board dealt with a number of pre-existing matters during the reporting period.

The table below provides a summary of the status of the matters before CADB during the reporting year:

	Conduct	Administrative
New Applications received in 2023–24 year	0	2

	Conduct	Administrative
Uncompleted matters at 1/07/23	6 ¹	0
Matters withdrawn	1	2
Matters dealt with — orders issued	2	0
Uncompleted matters at 30/06/24	3 ²	0

In short, during the reporting year, the Board handed down decisions in two matters. Decisions in two further matters are likely to be handed down in the near future. One other matter remains stayed by order of the Federal Court of Australia.

Hearing days and Board activity related to CADB Applications

The overview in the table below provides data on the number of days CADB members were engaged in the hearing of applications:

Activity	2022–23	2023–24
Hearing days	15 person days	6 person days

Besides the days spent hearing matters, Board activity in respect of which costs are incurred by CADB when an application is filed includes the following:

- Scheduling and management by the CADB Chairperson of timetables for parties' pre-hearing case preparation, including attendance at pre-hearing conferences; (5 pre-hearing conferences were held in the reporting period);
- Appointment of one or two CADB members to conduct mediation if requested by the parties;
- The preparation, issue and service of witness summons to appear at hearings to provide evidence should a party to a matter apply to CADB;
- Determination by the Chairperson of the make-up of a Panel to hear a matter. Panels are constituted as a three or five member panel;
- Preparation for and attendance at the meeting of the Panel, at which the substantive hearing takes place. (Three hearings took place within the reporting period);
- Preparation by Panel Chairperson of a draft written determination after the initial hearing;
- Meetings of the Panel to finalise the written determination and findings

¹ The Board notes that one of these matters had been stayed prior to 1 July 2023.

² The Board notes that one matter has remain stayed throughout the reporting period.

for issue to the parties;

- Attendance by the Panel (usually) at a final further brief hearing for parties to make submissions regarding appropriate sanction, costs, and publicity orders;
- Preparing and finalising the Panel’s decision on sanction, costs and publicity;
- Finalising and issuing to the parties CADB’s final reasons for decision, including final sanction orders;
- Publication and gazettal of CADB’s final decision. (Two decisions were published and gazetted during the reporting period (see the notices which were published in the Commonwealth Gazette relating to these decisions in Appendix 1 to this Report and the reasons published on the Board’s website <http://www.cadb.gov.au>. - [CADB decisions](#));
- Ancillary matters that may arise following a final decision including dealing with the lodgment of an appeal by a party to either the Administrative Appeals Tribunal or the Federal Court of Australia and/or the taxation or assessment of a costs order, which sometimes involves the engagement of external counsel; and
- Administrative tasks associated with the above activities, including correspondence to and liaison with the parties, diary management, hearing and mediation arrangements, travel arrangements and administrative support for decision writing and publication.

Results by nature of sanction

The table below records the outcomes of matters before CADB during the reporting year and the preceding five years, by nature of sanction. CADB may require undertakings to be given in addition to other orders.

Results of application	18–19	19–20	20–21	21–22	22–23	23–24
Registration cancelled	1	-	9	1	-	-
Registration suspended*	-	-	-	1	-	1
Admonition	-	-	-	-	-	-
Reprimand	-	-	-	-	-	-
Undertakings required to be given*	-	-	-	1	-	2
Dismissed	-	-	-	-	-	-
Withdrawn by ASIC	-	-	27	-	1	3

*One matter resulted in both a suspension of registration and undertakings required to be given.

Notification and publication of CADB decisions

Pursuant to s 1296(1) and (2) of the Corporations Act, written notice of a Panel decision either to exercise or refuse to exercise CADB’s powers under s 1292 and the reasons for such decision must be provided to the auditor concerned. A copy of either notice must also be lodged with ASIC.

The notice of decision is available for inspection at ASIC **except** when a Panel has decided to refuse to exercise CADB’s powers under s 1292 of the Corporations Act or has decided that it is not required to make an order under s 1292(7) of the Corporations Act³.

If a Panel decides to exercise any of CADB’s powers under s 1292(1) of the Corporations Act or decides that it is required to make an order under s 1292(7) of the Corporations Act, CADB must, pursuant to s 1296(1) publish in the Commonwealth Gazette a notice setting out the decision. In addition, it may take such steps as it considers reasonable and appropriate to publicise that decision and the reasons for that decision. CADB generally takes the view that it is appropriate to publish its decisions on the CADB website as this provides transparency of its decisions and processes as well as contributing to CADB’s public educative role.

Costs orders by CADB

At the end of a hearing a Panel may make an order for costs against the unsuccessful party. CADB has published a Costs Practice Note on its website. A Panel may also order payment by a party of all or part of CADB’s costs of, and incidental to, a hearing. There is no power conferred on CADB to publish the costs order it makes.

Review/Appeal of CADB decisions

A review/appeal of any decision made under s 1292 of the Corporations Act may be sought before the AAT by the respondent, ASIC, APRA, or any person whose interests are affected by the decision.

A person aggrieved by a decision of CADB may also apply to the Federal Court of Australia seeking an order for review of the decision under the AD (JR) Act.

When a CADB decision is under review, CADB will often be restricted from publishing any notice of the decision by reason of a stay order issued by the reviewing body. Such a restriction may be sought by either of the parties and is most often sought by a respondent on the basis that they will suffer prejudice if CADB’s decision is published and subsequently reversed or altered when reviewed.

³ See Sub-section 1274(2)(a)(iii) of the Corporations Act.

Matters involving challenges to proceedings before the Board during the reporting period are as follows:

- In October 2023, an application was made by a respondent in a matter before the Board seeking orders preventing the Board from proceeding with the matter and making any decision. That application was dismissed by the Federal Court on 22 April 2024. The judgment is on the Board’s website, see [Court decisions involving CADB](#). The matter is now proceeding before the Board; and
- In December 2023, an application was made to the Federal Court of Australia in respect of a decision of the Board handed down and published on the Board’s website more than five years ago. The matter is progressing in the Federal Court and, as is customary, ASIC is the active respondent in relation to the matter.

In addition, developments in a matter challenged prior to the reporting period took place:

- In May 2022, a respondent before the Board commenced proceedings before the Federal Court of Australia seeking a stay of an application before the Board. The Federal Court handed down judgment in December 2022 ordering a stay. That judgment was appealed by ASIC. During the reporting period, in December 2023, the Full Court of the Federal Court of Australia dismissed ASIC’s appeal, confirming the stay. Both judgments are on the Board’s website, see [Court decisions involving CADB](#). Accordingly, the matter remains subject to the stay, pending developments in other proceedings.

CADB’s use of compulsory information gathering powers

Section 217(1) of the ASIC Act confers discretionary power on the Panel Chairperson or a member of a CADB Panel to summon a person to appear at a CADB hearing to give evidence and to produce such documents (if any) as are referred to in that summons, which must be documents relating to the matters that are the subject of the hearing. Either party to proceedings before CADB may request the Chairperson or member of a Panel to issue a summons if that party intends to call the person summonsed to give evidence at a CADB hearing. The procedure for issuing a summons is set out in CADB Practice Note 1 ([PN1](#)) <http://www.cadb.gov.au>.

When deciding whether it is appropriate to exercise CADB’s power to issue a summons, the Panel Chairperson (or member of the CADB Panel) needs to be satisfied that it is likely that the person can give relevant evidence and if documents are sought, that those documents are likely to be relevant. To the extent a summons includes a request for documents, the documents must be adequately identified. CADB takes the view that it does not have power to issue a summons limited to the production of documents. Should a summonsed

witness give evidence at the CADB hearing, the other party will have the right of cross-examination.

A summons may be issued at the request of the parties in contentious Conduct Matters. The table below records the number of times the power to summons witnesses and take evidence under s 217 of the ASIC Act was invoked in the reporting period and the prior reporting period:

Witness summons issued pursuant to Section 217 ASIC Act	2022–23	2023–24
Number of notices	0	0

Financial information for the reporting year

CADB is funded by the Federal Government via the budget allocation to ASIC. Sub-section 11(2)(a) of the ASIC Act provides that a function of ASIC is to provide staff and support facilities to CADB as are necessary or desirable for the performance and exercise by CADB of its functions and powers. Apart from some fixed overhead expenses, CADB's expenditure is primarily linked to the volume of work referred to it, being applications received, and so varies from year to year depending on the number and complexity of the applications made. CADB endeavours to operate within the annual budget allocation made by ASIC, subject to these workflow fluctuations.

CADB operated within the budget allocated in the 2023–24 year. Expenditure for this and the previous financial year (extracted from the accounts of ASIC) was as follows:

	2022-23 (\$)	2023-24 (\$)
Administrative expenses (including staff costs and external legal costs)	116,476.00	149,086.15
Travel and accommodation including allowances	33,393.00	11,926.40
Member fees	306,307.00	284,678.12
Reversal of Superannuation Accrual	-250,000.00	-
Total:	206,176.00	445,690.67

CADB spent \$49,335.69 (2022–23 - \$17,818) for legal representation by Clayton Utz at Federal Court proceedings during the reporting year.

The Annual Report for the 2022-2023 year made reference to a reversal of a superannuation accrual relating to a claim for back payment of superannuation for affected CADB members. The report recorded that there was a dispute between ASIC and CADB in relation to this and that the dispute remained unresolved.

In March of this year, the Board informed ASIC that it would not be pursuing the matter further.

Members of CADB are remunerated in accordance with rates determined by the Commonwealth Remuneration Tribunal. The daily rates applicable in the 2023–24 financial year under the Remuneration Tribunal’s determination for part time members were as follows:

- Chairperson: \$1,603
- Deputy Chairperson: \$1,443
- Member: \$1,283

These daily rates have increased for the 2024-25 reporting year.

Work health and safety and environmental matters

ASIC is responsible for work, health and safety and the working environment for staff seconded to CADB.

The Registrar monitors the workplace environment to ensure the health, safety, and welfare of those who carry out work for CADB. No accidents or dangerous occurrences, or relevant investigations took place during the 2023–24 financial year. When attending hearings and CADB meetings, the Registrar and CADB members are covered either under Comcare or Comcover or have their own arrangements in place.

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires CADB to report on matters relevant to ecologically sustainable development ("ESD"). CADB reports that:

- The only activities relevant to ESD principles concern procurement of goods and services which is arranged via ASIC;
- CADB’s legislative function is not related to ESD principles;
- CADB is a small statutory body with one part-time staff member operating from a single location in Melbourne and so has a limited environmental impact;
- CADB seeks to use minimum energy, water, paper, and other resources necessary to perform its functions and regularly reviews possible measures to reduce its environmental impact;
- Where appropriate, CADB conducts meetings and hearings via virtual enquiry technology so as to minimize travel by members and parties.

FOI Act and Section 13 AD (JR) Act requests

CADB received one application for information under the FOI Act during the reporting period. CADB did not receive any requests for reasons pursuant to

s 13 of the AD (JR) Act during the year.

Applications under the FOI Act and the AD (JR) Act may be made to the Registrar who may be contacted at GPO Box 3731, Sydney NSW 2000.

CADB has updated its website to comply with the Information Publication Scheme under part II of the FOI legislation.

Ethics

The Registrar is bound to observe the Australian Public Service values and code of conduct under the ASIC Act. The requirements of the code of conduct include honesty, care and diligence, courtesy, compliance with the law, avoiding conflicts of interest and proper use of Commonwealth resources and information.

External scrutiny and accountability

In the 2023-24 year, there were two judicial decisions handed down in relation to proceedings before CADB. These are discussed at page 11 above. Copies of these decisions may be found on the Board’s website at [Court decisions involving CADB](#).

In the 2023-24 year, there were no decisions of administrative tribunals or decisions by the Australian Information Commissioner concerning the operations of CADB. There were no reports on CADB’s operations by the Auditor General, any Parliamentary Committee or the Commonwealth Ombudsman and there were no capability reviews undertaken. As discussed on page 7 above, the Board made submissions and the Chairperson and Deputy Chairperson gave evidence at the inquiry by the Parliamentary Joint Committee on Corporations and Financial Services: “Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry”. As at the time of preparing this report, no Report has been published by the PJC in relation to this inquiry.

The PJC issued its report on the Annual Reports of bodies established under the ASIC Act on 11 July 2023. This report dealt with CADB Report for 2021-22 and is discussed at Page 11 of the CADB Annual Report for the year end 23 [cadb-annual-report-2022-2023.pdf](#).

Management of human resources

As noted, there is an ASIC employee seconded to CADB to perform registrar duties equivalent to approximately 30% Full-time equivalent (FTE). Salary and entitlements are linked to the relevant ASIC officer salary scales and entitlements. The CADB Chairperson offers to provide feedback to ASIC annually on staff performance.

Purchasing

All required items are purchased via arrangement with ASIC, which follows the Commonwealth Procurement guidelines. CADB did not have any major capital purchases in 2023–24.

Consultants

During 2023–24, CADB did not enter any consultancy contracts and there are no ongoing consultancy contracts.

Competitive tendering

CADB did not undertake any competitive tendering or contracting during the 2023–24 financial year.

Australian National Audit Office access clauses

CADB has not entered into any contract of \$100,000 or more during the reporting period.

Exempt contracts

CADB has no contracts or standing offers that have been exempted from being published in AusTender on the basis that publication would disclose exempt matters under the FOI Act.

Advertising and market research

CADB does not carry out any advertising or market research.

Discretionary grants

CADB does not administer any discretionary grant program.

Glossary

AAT	Administrative Appeals Tribunal
AD (JR) Act	<i>Administrative Decisions (Judicial Review) Act 1977 (Cth.)</i>
APRA	Australian Prudential Regulation Authority
ASIC Act	<i>Australian Securities and Investments Commission Act 2001 (Cth.)</i>
ASIC	Australian Securities and Investments Commission
Board	The Companies Auditors Disciplinary Board
CADB	The Companies Auditors Disciplinary Board
Corporations Act	<i>Corporations Act 2001 (Cth.)</i>
FOI Act	<i>Freedom of Information Act 1982 (Cth.)</i>
Minister	The Minister responsible for CADB, currently the Assistant Treasurer the Hon Stephen Jones MP
Panel	A panel of CADB Members convened in accordance with Section 210A of the ASIC Act
PJC	Parliamentary Joint Committee on Corporations and Financial Services

APPENDIX 1

Decisions gazetted during the year ended 30 June 2024

NEW SOUTH WALES

Corporations Act 2001

Section 1296(1)(c)

NOTICE OF DECISION

At a hearing held pursuant to section 1294 Corporations Act 2001 (the Act) on 6 June 2023, a Panel of the Companies Auditors Disciplinary Board (Panel) decided that it was satisfied, on an application by the Australian Securities and Investments Commission (ASIC) that Mr Rocco (Roy) Luciano SPAGNOLO, a registered company auditor has failed to carry out or perform adequately and properly the duties of an auditor within the meaning of sub-section 1292(1)(d) of the Act.

On 20 September 2023, the Panel made the following orders

1. Pursuant to sub-section 1292(1) of the Corporations Act 2001 (Cth) (Act), that the registration of Mr Rocco (Roy) Luciano Spagnolo (Mr Spagnolo) as a company auditor be suspended for a period of twelve (12) months.
2. Pursuant to sub-section 1297(1)(a) of the Act, that the order for suspension in paragraph 1 will come into effect at the end of the day on which the Board gives Mr Spagnolo a notice of the decision pursuant to sub-section 1296(1)(a) of the Act.
3. Pursuant to sub-section 1292(9)(b) of the Act, that Mr Spagnolo give undertakings to ASIC, hereby noted by the Board, as set out in Schedule A to these orders.
4. Pursuant to section 223 of the ASIC Act that Mr Spagnolo pay the Applicant's costs in the fixed sum of \$20,000 within twenty-eight (28) days of the date Mr Spagnolo is provided with a notice of this decision pursuant to sub-section 1296(1)(a) of the Act.

A copy of the written decision and reasons dated 20 September 2023 accompanies and forms part of this Notice.

Dated: 20 September 2023

AMBER MCFADYEN Registrar

BPN122950

Corporations Act 2001

Section 1296(1)(c)

Matter No: 01/VIC22

NOTICE OF DECISION

At a hearing held pursuant to section 1294 Corporations Act 2001 (the Act) on 7 August 2023, a Panel of the Companies Auditors Disciplinary Board (Panel) decided that it was satisfied, on an application by the Australian Securities and Investments Commission (ASIC) that Mr James Andrew MOONEY, a registered company auditor has failed to carry out or perform adequately and properly the duties of an auditor within the meaning of sub-section 1292(1)(d)(i) of the Act.

On 30 August 2023, the Panel decided to exercise its powers under sub-section 1292(9)(b) and (c) of the Act by ordering that:

1. Within 7 days of the date of this order, Mr Mooney provide to the Australian Securities and Investments Commission undertakings requiring him to engage in specified conduct, and to refrain from engaging in specified conduct, in the form attached as Schedule A to these orders [and annexed as Schedule A to this decision].

On 30 August 2023, the Panel decided to exercise its power pursuant to section 223 of the Australian Securities and Investments Commission Act 2001 (Cth) by ordering that:

2. Within 28 days of the date of this order, Mr Mooney to pay the Applicant's costs in the fixed sum of \$175,000.

A copy of the written decision and reasons dated 30 August 2023 accompanies and forms part of this Notice.

Dated: 30 August 2023

AMBER MCFADYEN Registrar

BPN122946

APPENDIX 2

Details of members of CADB during the reporting period

Howard K Insall SC (Appointed Chairperson on 4 March 2024)

Howard Insall SC is a senior counsel at the New South Wales Bar, practising in the field of commercial/equity. He was Chairperson of the Companies Auditors and Liquidators Disciplinary Board between 2010 and 2014.

Maria McCrossin (Term as Chairperson expired on 3 March 2024)

Maria McCrossin was appointed as Deputy Chairperson of CADB in August 2013 and was appointed as Chairperson of CADB in December 2015, concluding her term on 3 March 2024. Maria is an experienced lawyer who has held senior roles in private legal practice and within the Australian commercial sector. Maria is a Fellow of the Australian Institute of Company Directors and holds appointment as a member of the compliance panel of an Australian market operator and is a proprietary company director.

Inge Kindermann

Inge Kindermann is a lawyer with more than 25 years' experience in financial services, banking, corporations and insolvency law. She has held senior roles in private legal practice and within the commercial sector. Inge was previously a Business Member of CADB from December 2015 to March 2022, and was appointed Deputy Chairperson in September 2022.

Tony Brain

Tony Brian is a Chartered Accountant with extensive experience, providing audit and other assurance services to various entities, from large corporations, not-for profit entities, managed investments and superannuation funds and trustees, including self-managed superannuation funds. Tony's executive experience also includes nearly 3 years as Head of Risk Management at Australian Super.

In addition to the CADB role, Tony hold or has held various Non-Executive Director Board and Committee appointments across public sector, financial services, health, not for profit and education organisations.

Tony was appointed to CADB as an Accounting member in August 2017.

Michael Flynn KC

Michael Flynn KC is a member of the Victorian Bar specialising in taxation and commercial law. Michael is also a chartered accountant who previously worked in the taxation division of a chartered accounting firm. In 2014 he was president of the Tax Institute. In addition to his CADB role Michael is a member of the Commissioner of Taxation's panel on the exercise of the Commissioner's remedial power and teaches in the post graduate law program at the University of Melbourne.

Michael was appointed to CADB as a Business member in March 2023.

Adeline Hiew

Adeline Hiew is a partner in HWL Ebsworth Lawyers' Corporate and Commercial team, with over 20 years' experience in financial services (superannuation, insurance, funds management and Australian Financial Services Licensing). She was previously a member of The Australian Asia Pacific Economic Co-operation (APEC) Study Centre - Financial Services Advisory Board. She holds a Bachelor of Commerce (majoring in accounting) and a Bachelor of Laws.

Kerrie Howard

Kerrie Howard is a lawyer, experienced governance professional and non-executive director with an extensive background in financial services including in the regulatory sector. In addition to her CADB role, Kerrie holds external non-executive directorships and independent committee memberships across financial services, the public sector, and the not-for-profit community sector. Kerrie was appointed to CADB as a Business member in 2015.

Tony Marks

Tony Marks is an experienced corporate executive with financial, corporate strategy and leadership skills. He has initiated and led major organisation-wide strategic reforms, combining financial, human capital and technology reforms in commercial, government and not for profit organisations, including utilities, construction, science, research and regulatory sectors. Tony holds a Bachelor of Commerce (Accounting), Graduate Diploma in Applied Finance, and Global Executive MBA. He is a fellow of CPA Australia, and a member of the Australian Human Resources Institute and Australian Institute of Company Directors. He is a divisional councillor and former President of CPA Australia's ACT Division.

Pravin Ramdany

Pravin Ramdany is an accountant. His tertiary qualifications in accounting include an MA Commerce (Professional Accounting) (UNE) and a Bachelor of Business Administration (Accounting) RMIT. Pravin has extensive experience in finance, project management, people, and business management. He has over 20 years' experience as a company director in the not-for-profit sector and at the board level has also participated as an Audit and Risk committee member. Pravin is a current member of the Australian Institute of Public Accountants.

Ann-Maree Robertson

Ann-Maree Robertson has a Bachelor of Commerce, is a Fellow of Chartered Accountants Australia and New Zealand and is a registered company auditor and SMSF Auditor.

Commencing her professional career in the audit division of Deloitte, Ann-Maree then joined the taxation and business services division of accounting firm Hungerfords (now KPMG) before taking various senior commercial accounting roles with Amatil Ltd. She then returned to Chartered Accounting joining Robertsons Chartered Accountants (now known as Nexia Brisbane), where she is a Director of their Audit Division. She was recently appointed as Managing Director of Nexia Brisbane and as a Director on the Nexia Australian Board.

In addition to the CADB role, Ann-Maree holds Non-Executive Director and Audit Risk Management Committee Chairman appointments with ASX listed and unlisted companies.

Naomi Rule

Naomi Rule is an experienced executive with global financial, strategic and high performance business partnering and leadership skills. Naomi has initiated and led major enterprise-wide transformative and evolutionary reforms, combining financial, cultural and technology change in high growth technology, infrastructure, manufacturing and defence sectors. Naomi holds a Bachelor of Business (Accounting), an MBA and is a Fellow of CPA Australia and Graduate of the Institute of Company Directors. In addition to the CADB role, Naomi holds Non-Executive Director appointment across private sector development and consulting organisations.

Naomi was appointed to CADB as a Business member in September 2022.

Angela Pearsall

Angela Pearsall is a lawyer with extensive experience in dispute resolution. She specialises in large-scale commercial litigation and class actions, as well as contentious regulatory investigations and litigation. Angela has been a partner in leading national and global law firms for over 15 years.

Companies Auditors
Disciplinary Board

Annual Report
For the year ended 30 June 2024