

MEDIA RELEASE

DATE 27 SEPTEMBER 2023

CADB SUSPENDS THE REGISTRATION OF NEW SOUTH WALES AUDITOR

The Companies Auditors Disciplinary Board (CADB) has ordered the 12 month suspension of the registration as a company auditor of Mr Rocco (Roy) Luciano Spagnolo. CADB has made this order on the application to it by the Australian Securities and Investments Commission (ASIC).

Mr Spagnolo was registered as a company auditor on 19 January 2016. Since 30 June 2016, he was a director of Corporate Audit & Advisory Services Pty Ltd ACN 142 211 247 (CAAS), an authorised audit company under s1299C Corporations Act 2001 (Cth). CAAS was appointed as auditor of an Australian Financial Services licensee, Alliance Insurance Brokering Services Pty Ltd (now Alliance Management Group Pty Ltd ACN 095 376 882) (AIBS) on 21 June 2012.

As a registered company auditor Mr Spagnolo was required to carry out any audit duties to the standard of professional competency required by s1292(1)(d)(i) of the Corporations Act.

Mr Spagnolo, acted as lead auditor under s 989CA(2) of the Act in the 2019 and 2020 Audits and was required by that sub-section to perform these audits in accordance with the Auditing Standards.

CADB was satisfied on the evidence presented by ASIC, that Mr Spagnolo failed to carry out or perform adequately and properly his duties as an auditor under ss1292(1)(d) of the Corporations Act.

CADB found that Mr Spagnolo failed to gather sufficient appropriate audit evidence, failed to exercise professional scepticism, failed to implement policies and procedures to identify and evaluate circumstances and relationships that create threats to independence, and having identified matters of concern, failed to fulfil his reporting obligations to ASIC.

CADB has ordered that Mr Spagnolo's registration as an auditor be suspended for a period of 12 months and ordered him to provide undertakings (for education and peer review oversight) to address the gaps in his auditing knowledge identified by these proceedings. The full reasons for CADB's decision have been published on its website (<https://www.cadb.gov.au>).

CADB is a statutory body established under Pt 11 of the ASIC Act to act as an independent tribunal with powers under Pt 9.2 Division 3 of the Act including power to hear and determine professional disciplinary matters with respect to registered auditors under s1292 of the Corporations Act and to order sanctions with respect to registered company auditors when necessary.