

Haydar Tuncer

From: Government Relations
Sent: Monday, 10 January 2022 4:30 PM
To: Zoe Kakarides; Bruce Meagher
Subject: FW: Response required by COB 17 Nov 2021 | Questions on notice | Senator Nick McKim | SQ21-000796 Annual independence exams | SQ21-000740 ASIC legislative powers [SEC=OFFICIAL]

From: Thea Eszenyi <s 22 >
Sent: Monday, January 10, 2022 5:30:04 AM
To: Douglas Niven <s 22 >; Government Relations <s 22 >
Cc: Greg Yanco <s 22 >; Louise Macaulay <s 22 >; Bruce Meagher <s 22 >; Zoe Kakarides <s 22 >
Subject: RE: Response required by COB 17 Nov 2021 | Questions on notice | Senator Nick McKim | SQ21-000796 Annual independence exams | SQ21-000740 ASIC legislative powers [SEC=OFFICIAL]

Ah – slightly different to the other lol!

Thea Eszenyi

Senior Executive Leader, Registered Liquidators
 Senior Executive Leader, Financial Reporting & Audit

Australian Securities and Investments Commission

Level 7, 120 Collins Street, Melbourne, 3000

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ASIC acknowledges the Traditional Owners of the lands and waters on which we live and work. We pay respect to Elders past and present as the custodians of the world's oldest continuing cultures.



ASIC is committed to [diversity and inclusion](#). ASIC is a place of belonging regardless of difference, where all individuals are accepted, safe and affirmed.

From: Douglas Niven <s 22 >
Sent: Monday, 10 January 2022 3:53 PM
To: Thea Eszenyi <s 22 >; Government Relations <s 22 >
Cc: Greg Yanco <s 22 >; Louise Macaulay <s 22 >; Bruce Meagher <s 22 >; Zoe Kakarides <s 22 >
Subject: RE: Response required by COB 17 Nov 2021 | Questions on notice | Senator Nick McKim | SQ21-000796 Annual independence exams | SQ21-000740 ASIC legislative powers [SEC=OFFICIAL]

Dear Thea

Thanks. Firms do not allow staff to be registered company auditors due to a range of concerns about liability, competition, reputation, independence and communication. However, happy to include '(other than in rare and exceptional circumstances)'. While staff who are to be admitted to partnership would not become registered prior to the formal date for admission to partnership, there might be rare cases where a staff member is registered just before the formal date admission date.

Kind regards

Doug

From: Thea Eszenyi <s 22 >
Sent: Monday, 10 January 2022 1:49 PM
To: Douglas Niven <s 22 >; Government Relations <s 22 >
Cc: Greg Yanco <s 22 >; Louise Macaulay <s 22 >; Bruce Meagher <s 22 >; Zoe Kakarides <s 22 >

Subject: RE: Response required by COB 17 Nov 2021 | Questions on notice | Senator Nick McKim | SQ21-000796 Annual independence exams | SQ21-000740 ASIC legislative powers [SEC=OFFICIAL]

Thanks Doug

Ignorance on my part but is it possible that there would be rare instances where the staff of an audit firm might be a registered company auditor – or example where a retired RCA returns on staff in a [parttime consulting capacity or a staff who has gained registration but isn't yet a partner? I ask because it is rare but not unheard of with my other population.

If that is the case would it be better to moderate the first sentence as follows

“The staff of an audit firm would not be registered company auditors (except in very rare and unique circumstances). ASIC’s remit does not extend to the conduct and behaviours of the staff of an audit firm undertaking a firm’s internal training program.”

Cheers

Thea Eszenyi

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Senior Executive Leader, Financial Reporting & Audit

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From: Douglas Niven s 22 >

Sent: Monday, 10 January 2022 1:11 PM

To: Government Relations s 22 >

Cc: Greg Yanco s 22 >; Thea Eszenyi s 22 >; Louise Macaulay

<s 22 >; Bruce Meagher s 22 >; Zoe Kakarides

s 22

Subject: RE: Response required by COB 17 Nov 2021 | Questions on notice | Senator Nick McKim | SQ21-000796 Annual independence exams | SQ21-000740 ASIC legislative powers [SEC=OFFICIAL]

Dear Emily and Greg

Many thanks.

I suggest replying to Treasury as follows:

“Thank you for the three suggested changes to the last paragraph of the draft response to the questions on notice from Senator McKim (SQ21-000740). In relation to each suggestion:

First sentence - The staff of an audit firm such as KPMG are not registered company auditors. It would be best not to suggest that they are registered company auditors. If it would assist with clarity, the first sentence could be replaced with:

“The staff of an audit firm would not be registered company auditors. ASIC’s remit does not extend to the conduct and behaviours of the staff of an audit firm undertaking a firm’s internal training program.”

2. *Second sentence* - The proposed changes to the second sentence would be appropriate if the first sentence were replaced as noted above. If the first sentence remains as originally drafted, the second sentence should also remain unchanged so as to connect with that first sentence.

3. *Note at end of third sentence* - The role of the accounting bodies is covered in responses to separate questions on notice and is not the subject of SQ21-000740. It is suggested that no addition is made in regard to the role of the accounting bodies. For information only, CPA Australia announced discontinuation of its enquiries of KPMG with no action against any CPA Australia members.”

Greg, do you approve the proposed response to Treasury?

Kind regards

Doug
(Doug Niven, Chief Accountant; mob: s 22; EA – Jennifer Wardell)

FOI 145-2022

From: Government Relations <s 22>

Sent: Monday, 10 January 2022 1:02 PM

To: Zoe Kakarides <s 22>; Douglas Niven <s 22>

Cc: Greg Yanco <s 22>; Thea Eszenyi <s 22>; Louise Macaulay

<s 22>; Bruce Meagher <s 22>; Government Relations

<s 22>

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Hi Greg, Thea, Doug

I'm helping with QoN in Zoe's absence. We received the attached suggested edit from the TO today. Can you please arrange for the team to consider and provide an updated version by COB 17 January (it looks like that is when Greg is back on deck). Please give me a call if you would like to discuss.

Thank you

Emily

From: Zoe Kakarides <s 22>

Sent: Wednesday, 10 November 2021 10:19 PM

To: Douglas Niven <s 22>

Cc: Greg Yanco <s 22>; Thea Eszenyi <s 22>; Louise Macaulay

<s 22>; Bruce Meagher <s 22>; Government Relations

<s 22>

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Hi Doug

We have received the attached questions on notice from Senator Nick McKim.

Can you please arrange for responses to be drafted in the attached templates, approved by Greg Yanco and returned to me by COB 17 November.

For your reference, I have attached the Hansard from the 28 October Estimates hearing. The line of questioning for the QON regarding ASIC legislative powers (QoN SQ21-000740) is on Hansard pages 9 and 10.

The second QON (SQ21-000796) regarding annual independence exams is a further written QoN from Senator McKim.

Please let me know if you require anything further.

Regards

Zoe

Zoe Kakarides

Senior Specialist, Office of the Chair

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