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*Mary Evans*



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

JOINT COMMITTEE OF PUBLIC ACCOUNTS

REPORT 319

REVIEW OF THE INDEPENDENT AUDITOR -

WATCHING THE WATCHDOG

NOVEMBER 1992

JOINT COMMITTEE OF PUBLIC ACCOUNTS  
SEVENTEENTH COMMITTEE

Hon G F Punch, MP (Chairman)

Senator J O W Watson (Vice-Chairman)

Senator the Hon T Aulich<sup>1</sup>

Mr K J Aldred, MP

Senator B K Bishop

Hon J A Crosio, MBE, MP

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Senator S Loosley<sup>2</sup>

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Senator the Hon M Reynolds

Mr J V Langmore, MP

Mr G B Nehl, MP

Mr L J Scott, MP

Mr P D Shack, MP

Mr A M Somlyay, MP

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**Sectional Committee D**

Hon G F Punch, MP (Chairman)

Senator J O W Watson

Mr K J Aldred, MP

Senator B K Bishop

Mr L J Scott, MP

Mr P D Shack, MP

Inquiry staff: Dr J Carter

Mrs L Brennan

Adviser: Mr S Alford

- 
1. Appointed 6 March 1991
  2. Discharged 6 March 1991

## DUTIES OF THE COMMITTEE

Section 8(1) of the *Public Accounts Committee Act 1951* reads as follows:

- (a) to examine the accounts of the receipts and expenditure of the Commonwealth including the financial statements transmitted to the Auditor-General under sub-section (4) of section 50 of the *Audit Act 1901*;
- (aa) to examine the financial affairs of authorities of the Commonwealth to which this Act applies and of inter-governmental bodies to which this Act applies;
- (ab) to examine all reports of the Auditor-General (including reports of the results of efficiency audits) copies of which have been laid before the Houses of the Parliament;
- (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) to report to both Houses of the Parliament, any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

## PREFACE

In June 1991 the Joint Committee of Public Accounts (JCPA) called for submissions as part of its review of the office of the Independent Auditor. Under the *Audit Act 1901* (Audit Act) the Independent Auditor is appointed by the Governor-General on the advice of the Minister for Finance to undertake audits of the work of the Australian National Audit Office (ANAO). These audit reports are included in an appendix to the Auditor-General's annual report.

Specifically, the Independent Auditor examines the accounts, records, financial statements and efficiency of the ANAO. The Independent Auditor is thus the 'watchdog of the watchdog' and forms an essential part of the Westminster style of government.

Since the ANAO is the auditor of the Commonwealth Government departments, it is vital that the Independent Auditor is not only impartial in his deliberations but is seen to be unbiased.

The provision for the appointment of an Independent Auditor was introduced in 1979 by an amendment to the Audit Act. The first Independent Auditor, Mr Evan Duff Cameron, a partner of the then Peat Marwick Hungerfords accounting firm, served until May 1988 having been reappointed on a three yearly basis. The current occupant, Mr Michael John Sharpe, an audit partner of the firm Coopers & Lybrand, was appointed on 1 June 1988 for an initial three year term, which was subsequently extended until 1991-92.

The role of the Independent Auditor was briefly reviewed by the JCPA in its 1989 report of an Inquiry into the Australian Audit Office: *The Auditor-General: Ally of the People and Parliament*. Acknowledging the critical role of the ANAO the JCPA believed that Parliament's evaluation of the work of the Independent Auditor was appropriate in terms of reassuring both the Parliament, Government agencies and the public that the ANAO was performing in accordance with the highest professional accounting standards and was being evaluated to meet such expectations.

The Committee received sixteen submissions from Commonwealth Government departments, private accountants and State Auditors-General. Overseas contributions came from Canada, New Zealand and the United Kingdom. The Committee subsequently took evidence at a public hearing in Canberra on 8 May 1992.

The Committee noted that it has been past practice for arrangements for the exercise of the powers and the performance of the functions of the Independent Auditor to be documented by memorandum rather than by legislation or regulation.

However, evidence received indicated that there was a preference for an increased role of the Parliament in the appointment process and in interactions with the Independent Auditor.

The JCPA considers that there should be a more formal arrangement between the Independent Auditor and the Parliament, with either an Audit Committee of Parliament or the JCPA being consulted in the appointment of the Independent Auditor and in the formulation of relevant legislation. There should also be more formal contact between the Committee and the Independent Auditor.

There is advantage in bringing to the position a completely independent perspective and enabling a sound comparison to be drawn between the operations of public and private sector audit offices. The current practice of appointing the Independent Auditor from the private sector is endorsed by the Committee.

Possible conflicts of interest are avoided by requiring the Independent Auditor to be precluded from other contracts with the Commonwealth Government. As well, the Committee recommends that secrecy provisions similar to those applying to the Auditor-General and staff of the ANAO should prevail.

The Committee has made several other recommendations to be considered during the drafting of revised legislation. For example, the selection criteria should be broadened and specified in legislation as well as provisions providing appropriate procedures for resignation and removal of the Independent Auditor. The requirements of the Audit Act should also be brought into line with the current auditing practices and standards in Australia.

The Committee is of the view that the Independent Auditor has performed a valuable role in ensuring the ANAO conducts its affairs in a financial and operationally efficient manner and commends the report to the Government for implementation at the earliest opportunity.

I would like to take this opportunity to thank the Committee's Sectional Committee D for its work and the secretariat for its contribution. In particular, I thank Mr Stuart Alford from Ernst & Young for his technical assistance in the inquiry.

Hon G F Punch, MP  
Chairman

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## **RECOMMENDATIONS**

The Committee has made a number of recommendations which are set out below, cross-referenced to their location in the text.

The Committee recommends that:

### **Appointment**

1. The Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts:
  - . be consulted as part of the appointment process to approve the Independent Auditor nominee to be put forward by the Prime Minister to the Governor-General; and
  - . be consulted in making arrangements for exercising the powers and performing the functions of the Independent Auditor. (paragraph 2.6)

### **Selection Criteria**

2. Each of the criteria mentioned in paragraphs 3.1 and 3.2 be considered as relevant selection criteria. (paragraph 3.4)
3. The legislation makes reference to the general criteria of knowledge and experience and provides for the specific selection criteria to be agreed in consultation with the Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts. (paragraph 3.4)

### **Conflict of Interest**

4. The individual appointed as the Independent Auditor not be permitted to hold any other contracts with the Commonwealth Government during the period of appointment. (paragraph 4.5)
5. Secrecy provisions similar to those applying to the Auditor-General and the Australian National Audit Office staff should apply to the Independent Auditor and the Independent Auditor's staff. (paragraph 4.5)



### **Term of Office**

6. The Independent Auditor be appointed for a term of no less than three years and no more than five years. (paragraph 5.2)

### **Definition of Audit Framework**

7. The Gazetted Auditing Standards of the Australian National Audit Office be applied to all audits performed by the Independent Auditor. (paragraph 6.7)

### **Financial Audit**

8. The impact of Auditing and Accounting Standards on the wording of the audit report resulting from financial audits conducted by the Independent Auditor be considered in drafting revised legislation. (paragraph 7.4)

### **Performance Audit**

9. The term 'performance audit', as contemplated by the Accounting Bodies, be adopted in drafting legislation. (paragraph 8.7)
10. The scope of performance audits expected of the Independent Auditor be similar to that expected of the Australian National Audit Office. (paragraph 8.7)
11. The details of areas to be covered by performance audits conducted by the Independent Auditor be developed in consultation with the Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts. (paragraph 8.7)
12. Performance audits should be carried out once every three years. (paragraph 8.10)

### **The Removal or Resignation of the Independent Auditor**

13. The legislation provides appropriate procedures for resignation and removal of the Independent Auditor. (paragraph 9.2)

## **The Relationship of the Independent Auditor with the Parliament**

14. Arrangements made with respect to the Independent Auditor provide for:
- . the Independent Auditor to meet with the Audit Committee of Parliament or, in the absence of such a Committee, with the Joint Committee of Public Accounts; and
  - . the Parliament to publicly respond to reports issued by the Independent Auditor. (paragraph 10.2)

## Chapter 1

### INTRODUCTION

1.1 The Committee's Report 296, *The Auditor General: Ally of the People and Parliament*, released in 1988, included reference to the arrangements relating to the Independent Auditor appointed under the *Audit Act 1901* (Audit Act) to carry out audits of the Australian National Audit Office (ANAO).

1.2 In June 1991 the Committee advertised that it had commenced a review of the role and work of the Independent Auditor and invited interested persons and organisations to make submissions to assist the Committee in its review.

1.3 Sixteen responses were received to this invitation. A list of the respondents is included in Appendix 1. The Committee subsequently conducted a public hearing as part of its inquiry in May 1992. Appendix 2 lists the witnesses who gave evidence at the public hearing.

## Chapter 2

### APPOINTMENT

2.1 Section 48K of the Audit Act provides for the Minister for Finance to make arrangements for the appointment of the Independent Auditor provided the arrangements are subject to the approval of the Governor-General.

2.2 The Committee's Report 296 recommended that the power to appoint continue to reside with the Governor-General but on the advice of the Prime Minister who, in turn, would be advised by the Audit Committee of Parliament.<sup>1</sup>

2.3 The Government has previously indicated that the question of establishing an Audit Committee of Parliament was a question for Parliament. This matter is currently being pursued by the Joint Committee of Public Accounts (JCPA) which is sponsoring a Bill to provide for the Audit Committee.

2.4 Comments regarding the appointment process noted during the Committee's inquiry included:

- preference for Parliament rather than government to arrange appointment of the Independent Auditor to enhance the effectiveness and perceived independence of the role.<sup>2</sup>
- support for use of the Audit Committee of Parliament or a Committee such as the JCPA to arrange appointments.<sup>3</sup>

2.5 The Committee also noted that it has been the practice for arrangements made for the exercise of the powers and the performance of the functions of the Independent Auditor to be documented by way of memorandum rather than for such details to be embodied in the legislation or regulations relating thereto.

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1. Recommendation 72.  
2. Evidence, pp. S9, S104, S133.  
3. Evidence, pp. S26, S73.

2.6

The Committee recommends that:

the Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts:

- be consulted as part of the appointment process to approve the Independent Auditor nominee to be put forward by the Prime Minister to the Governor-General; and
- be consulted in making arrangements for exercising the powers and performing the functions of the Independent Auditor.

## Chapter 3

### SELECTION CRITERIA

3.1 The criteria used to assist in the selection process for the most recent appointment were that the Independent Auditor should:

- . be a member of a leading firm in the field of auditing and consulting and hold a prominent and respected role in the accounting profession;
- . have an appreciation of the role of the Auditor-General and the goals of the Auditor-General's office;
- . have knowledge and experience in the use of modern audit methodologies and techniques;
- . have knowledge and experience in the application of large scale audit project methodologies;
- . have a general knowledge and understanding of the nature of public sector organisations and the Commonwealth's system of financial administration;
- . have the ability to allocate sufficiently skilled and experienced staff and other resources to undertake the independent audit of the ANAO; and
- . not be involved with an audit, examination, inspection or consultancy work which would give rise to a conflict of interest with the performance of his/her functions as Independent Auditor.<sup>1</sup>

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1. Evidence, pp. S142, S143.

3.2 Additional criteria were suggested in submissions. These were that the Independent Auditor should:

- . be a Registered Company Auditor and a member of the Institute of Chartered Accountants in Australia or the Australian Society of Certified Practising Accountants<sup>2</sup>;
- . have previous experience with Government audits or access to such experience within his\her firm<sup>3</sup>;
- . be able to demonstrate by experience or otherwise a sound knowledge of the public sector, particularly in relation to financial accountability<sup>4</sup>; and
- . not be associated with the same professional firm as the outgoing Independent Auditor so that a fresh perspective is provided.<sup>5</sup>

3.3 To the extent that the role of the Independent Auditor involves 'quality assurance' or 'peer review' a number of the submissions contemplated the appointment of a public sector auditor or the involvement of another Auditor-General (either from a state or territory or from overseas) to carry out this aspect of the audit role.<sup>6</sup> However, the benefits of a completely independent perspective and the ability to enable a sound comparison to be drawn between the operations of a public sector audit office with firms in the private sector were viewed as reasons to give preference to a private sector auditor being appointed.<sup>7</sup>

3.4 The Committee recommends that:

- . each of the criteria mentioned in paragraphs 3.1 and 3.2 be considered as relevant selection criteria; and
- . the legislation makes reference to the general criteria of knowledge and experience and provides for the specific selection criteria to be agreed in consultation with the Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts.

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2. Evidence, p. S7.  
3. Evidence, p. S11.  
4. Evidence, p. S24.  
5. Evidence, p. S11.  
6. Evidence, pp. S74, S122.  
7. Evidence, pp. S72, S128, S134.

## Chapter 4

### CONFLICT OF INTEREST

4.1 A potential for conflict of interest and subsequent impairment of independence exists where the individual appointed as the Independent Auditor or the firm of which that person is a partner has contracts with the ANAO for the provision of audit services.

4.2 The Committee's Report 296 recommended that this conflict of interest be avoided by requiring that the Independent Auditor be selected from individuals who do not have current contracts with the Commonwealth Government and that their firms should not have current contracts with the ANAO.<sup>1</sup> The Government regarded this recommendation as unduly restricting the field from which the Independent Auditor might be appointed.

4.3 This issue attracted comment in several submissions.<sup>2</sup> A consensus view would appear to be that the perceived conflict could best be avoided by requiring that the individual appointed not hold any current contracts with the Commonwealth Government. Since the appointment would be of an individual and not the firm, this arrangement appears to be viewed as not being unduly restrictive.

4.4 Another protection considered during the Inquiry was that, on appointment, the Independent Auditor and all support personnel should sign a Secrecy Agreement to ensure that any information obtained by virtue of the appointment was not divulged.<sup>3</sup>

4.5 The Committee recommends that:

the individual appointed as the Independent Auditor not be permitted to hold any other contracts with the Commonwealth Government during the period of appointment; and

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1. Recommendation 71.  
2. Evidence, pp. S7, S12, S19, S134.  
3. Evidence, p. S12.



• **secrecy provisions similar to those applying to the Auditor-General and Australian National Audit Office staff should apply to the Independent Auditor and the Independent Auditor's staff.**

## Chapter 5

### TERM OF OFFICE

5.1 The Committee's Report 296 recommended that the Independent Auditor be appointed for a minimum term of three years and a maximum term of five years. This recommendation received some support from those making submissions to the Inquiry. A term of three years (with re-appointment) has been proposed in Victoria.<sup>1</sup> Appointments of five years would appear to have been the practice in the UK<sup>2</sup> and were suggested as the appropriate fixed term by at least one respondent.<sup>3</sup>

5.2 The Committee recommends that:

the Independent Auditor be appointed for a term of no less than three years and no more than five years.

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1. Evidence, p. S134.  
2. Evidence, p. S103.  
3. Evidence, p. S11.

## Chapter 6

### AUDIT MANDATE

#### Role of the Independent Auditor

6.1 Under subsection 48K(2) of the Audit Act, the functions of the Independent Auditor are to:

- . carry out audits of the accounts and records kept in relation to the ANAO;
- . examine the financial statements prepared by the Auditor-General under section 50 of the Audit Act;
- . examine the accounts of the stores of the ANAO;
- . carry out efficiency audits of the operations of the ANAO; and
- . report the results of audits and examinations.

6.2 'Efficiency audits' are defined in section 4 of the Audit Act to include an examination of the functions and operations of an entity to determine whether they are being carried on in an economical and efficient manner; and examination and evaluation of the procedures followed by an entity to review the efficiency and economy of its operations.

6.3 As viewed by the present Independent Auditor, Mr Michael Sharpe, there are three basic components of the role of the independent audit:

- . the routine financial (compliance) audit of the ANAO;
- . a technical review of the efficiency and effectiveness of the financial and efficiency audits conducted by the ANAO; and
- . an efficiency audit of the ANAO itself.<sup>1</sup>

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1. Evidence, p. S6.

6.4 Submissions to the Inquiry generally supported the need for both financial and efficiency audit roles to be continued. A clear concern was expressed, however, that the audit mandate needs to be redefined to clarify the role of the Independent Auditor.<sup>2</sup> Issues raised were concerned with:

- . definition of the framework within which the Independent Auditor conducts the audit;
- . wording of reports issued for financial statement audits carried out by the Independent Auditor;
- . the Independent Auditor's duties with respect to efficiency audits.

### Definition of Audit Framework

6.5 If the Independent Auditor were a member of one of the Australian Accounting Bodies there would be an expectation that the audit framework adopted by the Accounting Bodies (comprising Statement of Auditing Standards AUS1 and Statements of Auditing Practice (AUPs) issued by the Accounting Bodies) would be applied to all audits performed by the Independent Auditor.<sup>3</sup>

6.6 The Gazetted Auditing Standards of the ANAO are also built on the foundation of the standards set by the Accounting Bodies, but extend them to deal with the wider audit mandate of the ANAO which encompasses public sector accountability involving the issues of the probity and propriety of management's actions and of wider compliance with legislation.<sup>4</sup> Inference was made in several submissions to the need for the legislation to require the Independent Auditor to have regard to such standards.<sup>5</sup>

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2. Evidence, pp. S15, S16, S73.

3. Evidence, p. S129.

4. Evidence, p. S129.

5. Evidence, p. S73.

6.7

**The Committee recommends that:**

**the Gazetted Auditing Standards of the Australian National Audit Office be applied to all audits performed by the Independent Auditor.**

## Chapter 7

### FINANCIAL AUDIT

#### Wording of the Financial Audit Report

7.1 The present wording of the report required by section 48N(1) of the Audit Act does not require reference to be made to the scope of the audit. Such reference would be required if the Auditing Standards referred to in the previous chapter were to be adopted.

7.2 Further, the Audit Act does not require an Independent Auditor to express any opinion 'on the amounts appearing in the financial statements other than that they agree with the accounts and records.'<sup>1</sup>

7.3 If an opinion were to be expressed on amounts, current requirements of the accounting profession would result in an opinion as to 'fair presentation'. If such an opinion were to be required it would be necessary for the legislation also to define the accounting framework against which such presentation would be measured. The adoption of Auditing Standards would also result in the need to address compliance with Australian Accounting Standards and Concepts (as promulgated by the Australian Accounting Standards Board and the Public Sector Accounting Standards Board) with any departure from the accounting framework embodied in those documents giving rise to a qualified audit opinion.<sup>2</sup>

7.4 The Committee recommends that:

the impact of Auditing and Accounting Standards on the wording of the audit report resulting from financial audits conducted by the Independent Auditor be considered in drafting revised legislation.

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1. Evidence, p. S12.

2. Evidence, p. S13.

## Chapter 8

### PERFORMANCE AUDIT

#### Clarification of What is Meant by 'Efficiency Audit'

8.1 The Committee noted from submissions a range of meaning attributed to the term 'efficiency audit'. These include 'economy', 'effectiveness' and 'value for money' auditing, each of which has different objectives and reporting outcomes. The Committee also noted that the Accounting Bodies are now seeking to use the generic term 'performance auditing' to describe the broad aspects of this type of mandate.<sup>1</sup>

8.2 The Committee noted that the definition of 'efficiency audit' in the Audit Act encompasses both 'quality review' and an 'efficiency audit' component of the Independent Auditor's role. The Committee was also advised that efficiency audit reports produced to date by Independent Auditors have tended to evaluate the effectiveness of the ANAO financial audit function rather than address the efficiency and economy of operations of the ANAO.<sup>2</sup>

8.3 It was argued that separating the quality review and efficiency audit functions would better define the Independent Auditor's role and supplement the ANAO's own Quality Control and Assurance Program. Parliament would also have, in separate reports, an opportunity to focus separately on efficiency issues and to determine whether the service intended when the efficiency audit function was included in the audit mandate is being provided.<sup>3</sup>

8.4 It was further argued that the separation of these two roles would also allow for either or both functions to be separately contracted and for the involvement of other parties (eg. other/state territory or overseas Auditors-General) in one or other of the audit functions if this was considered desirable.<sup>4</sup> In this context comparisons were also drawn between the quality control function and the proposal in this area by the accounting profession to subject their members to mandatory quality control.<sup>5</sup>

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1. Evidence, p. S130.

2. Evidence, p. S17.

3. Evidence, p. S19.

4. Evidence, p. S74.

5. Evidence, p. S73.

8.5 The Committee did not consider there was a need to make separate appointments for the conduct of various aspects of the efficiency audit role but did recognize the need for further guidance to clarify this aspect of the Independent Auditor's role.

8.6 In establishing such arrangements the independence of the Independent Auditor needs to be protected by ensuring the discretion remains to extend procedures beyond those prescribed. It is also important to ensure that no power is given to restrict or influence the work and reporting of the Independent Auditor in relation to the duties specified in the Audit Act.

8.7 The Committee recommends that:

- . the term 'performance audit', as contemplated by the Accounting Bodies, be adopted in drafting legislation;
- . the scope of performance audits expected of the Independent Auditor be similar to that expected of the Australian National Audit Office; and
- . the details of areas to be covered by performance audits conducted by the Independent Auditor be developed in consultation with the Audit Committee of Parliament or, in the absence of such a committee, the Joint Committee of Public Accounts.

8.8 The frequency of such audits is presently at the discretion of the Independent Auditor. The previous Independent Auditor reported every three years. The present Independent Auditor is working to a plan to report annually on an efficiency audit program which covers all aspects of the examination over a three year period.<sup>6</sup> Comments and experiences noted during the Inquiry ranged from the need for such audits to be 'regular' without specifying a specific time period to frequencies of every two years,<sup>7</sup> and a suggestion of a cycle approach to cover all aspects over a five year period.<sup>8</sup>

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6. Evidence, p. S8.

7. Evidence, p. S13.

8. Evidence, p. S131.



8.9 Other relevant comments included the view that the ANAO should be subject to a more detailed review than any other part of the public sector because of its critical role in maintenance of accountability, and also because the use of a private sector Independent Auditor would result in continual transfer of improvements and trends from private sector accounting firms.<sup>9</sup> Tempering this view was another that suggested that the period between audits be such that the costs involved do not nullify the benefits obtained.<sup>10</sup>

8.10 The Committee recommends that:

- . performance audits should be carried out once every three years.

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9. Evidence, p. S8.

10. Evidence, p. S73.

## Chapter 9

### THE REMOVAL OR RESIGNATION OF THE INDEPENDENT AUDITOR

9.1 At present the Audit Act determines appointment procedures but does not identify any procedures for the removal or resignation of the Independent Auditor.<sup>1</sup>

9.2 The Committee recommends that:

- . the legislation provides appropriate procedures for resignation and removal of the Independent Auditor.

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1. Evidence, p. S132.

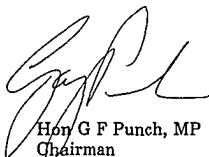
## Chapter 10

### THE RELATIONSHIP OF THE INDEPENDENT AUDITOR WITH THE PARLIAMENT

10.1 Evidence provided through submissions and the public hearing suggested that the accountability and effectiveness of the Independent Auditor might be enhanced by providing for a more formal relationship between the Independent Auditor and the Parliament, including the placement on the public record of the Government's response to the Independent Auditor's report.<sup>1</sup>

10.2 The Committee recommends that:

- arrangements made with respect to the Independent Auditor provide for:
  - the Independent Auditor to meet with the Audit Committee of Parliament or, in the absence of such a Committee, with the Joint Committee of Public Accounts; and
  - the Parliament to publicly respond to reports issued by the Independent Auditor.



Hon G F Punch, MP  
Chairman  
4 November 1992

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1. Evidence, pp. 59, S132.

## APPENDIX A

### SUBMISSIONS RECEIVED

Listed below are the organisations that provided the Committee with submissions.

Office of the Auditor-General - NT (E M Isaacson)  
Auditor-General's Department - SA (K I Macpherson)  
Coopers & Lybrand (M Sharpe - current Independent Auditor)  
Price Waterhouse (W E Small)  
Australian National Audit Office (J C Taylor)  
Office of the Auditor-General - Tasmania (D C Forster)  
Department of the Auditor-General - Queensland (P B Nolan)  
Office of the Auditor-General - Canada (R Dubois)  
Auditor-General's Office - NSW (K J Robson)  
The Audit Office - Wellington New Zealand (J W Cameron)  
National Audit Office - United Kingdom (R N Le Marechal)  
Auditor-General - ACT (J S O'Neill)  
Office of the Auditor-General - WA (D D R Pearson)  
Australian Accounting Research Foundation on behalf of the Joint Accounting  
Bodies (B J Waldron ASPCA; N Burton Taylor ICAA)  
Office of the Auditor-General of Victoria (C A Baragwanath)  
Department of Finance (M S Keating)

## APPENDIX B

### PUBLIC HEARING AND WITNESSES

#### Review of the Independent Auditor

Date of Hearing - 8 May 1992, Parliament House, Canberra

#### Witnesses

JACOBS, Mr Michael John, Deputy Auditor-General, Australian National Audit Office

McPHEE, Mr Ian, First Assistant Secretary, Financial Management Division, Department of Finance

PEARSON, Mr Alan Thomas, Assistant Secretary, Public Administration and Accounting Development Branch, Department of Finance

POUND, Mr Gregory David, Director, Auditing Standards, Australian Accounting Research Foundation, Australian Society of Certified Practising Accountants

ROLLASON, Mr Barrie Milton, Acting Auditor-General, Department of the Auditor-General

TAYLOR, Mr John Casey, Auditor-General, Australian National Audit Office

WALDRON, Mr Brian Joseph, Immediate Past President, Australian Society of Certified Practising Accountants