

Public Hearing of the Parliamentary Joint Committee on Corporations and Financial Services into the Regulation of auditing in Australia held on 09 December 2019 – Questions on Notice: PwC Australia

Question 3. (Hansard page 87) per Mr Gorman

Were any PwC staff involved in the 'war room' reported as having been set up by Westpac, sometime between 4 November 2019 (when the audited financial statements were signed) and 20 November 2019 (when proceedings were brought by AUSTRAC)?

PwC Australia is not aware of there being a Westpac 'war room'.

Deloitte UK are the auditors of Glencore plc and have held that role since the company was listed. PwC Australia is not the auditor of any company in the Glencore group.

Question 6 (Hansard page 94) per Senator O'Neill

Did PwC Australia put in a bid for the most recent CPS 220 work for either of NAB or Westpac?

In relation to NAB, PwC Australia put in a proposal for the 2018 CPS 220 engagement.

In relation to Westpac, PwC Australia put in a proposal for the 2017 CPS 220 engagement. We have not put in a proposal for the 2020 CPS 220 engagement.

Question 7 (Hansard page 95) per Senator O'Neill

When was the Ernst & Young CPS 220 report delivered to Westpac on 10 August 2017 made available to the PwC Australia audit team for Westpac?

A copy of the Ernst & Young CPS 220 report delivered to Westpac on 10 August 2017 was made available to the PwC Australia audit team for Westpac in or about September 2017.

Question 8 (Hansard 95) per Senator O'Neill

When did Westpac become aware of the following statement in the Ernst & Young CPS 220 report delivered to Westpac on 10 August 2017:

'Westpac's IT infrastructure has continued to contribute to issues within risk function, including a lack of integrated data, poor data quality, manual workarounds and system performance and capacity issues. A range of interviewees noted a historical underinvestment in critical system, legacy systems and front-office risks systems and dispersed nature of risk data at Westpac. Interviewees highlighted the focus on resources and funding on regulatory related projects.'

PwC Australia is not aware of the date on which Westpac became aware of the statement quoted by Senator O'Neill from the Ernst & Young CPS 220 report delivered to Westpac on 10 August 2017. There is a reference in PwC Australia's 2016 Audit Report for Westpac to the operation of IT systems and controls being a key audit matter.

Question 9 (Hansard page 97) per Senator O'Neill

What is the range of payments made by PwC Australia to retired partners?

The range of payments is broad but the average payment to retired equity partners who meet the eligibility criteria is \$140,384 per annum.