

Question 3

Senator O'NEILL: *Once more for me please, Mr Gatt, explain what 'fight findings' means. What do you do?*

CHAIR: *Senator O'Neill, we're over time. I'm granting you extra time to—*

Senator WHISH-WILSON: *Does it mean dispute their findings, like dispute their audits of you?*

CHAIR: *If there are new areas to question, Senator O'Neill, I'm happy for you to go to those, but revisiting areas—*

Senator O'NEILL: *Can I get an answer to that on notice?*

An audit requires the exercise of significant professional judgement when assessing a company's position on a financial balance, disclosure or matter which may impact the financial report. When ASIC review the auditor's files they focus on particular areas. As part of our interactions with ASIC throughout the inspection process, we act to ensure they have full visibility of all the evidence which we, as auditors, used to form our judgement. This evidence can exist in different areas of the audit file. In some instances it may exist in areas ASIC have not reviewed. If we believe we have obtained sufficient evidence to inform the audit opinion and are subsequently questioned on the sufficiency and adequacy of the audit evidence, we will seek to clarify and understand ASIC's position and how they have arrived at their view.