

Manage your Financial Reporting, Auditing and Governance Risks



Consulting





Complex and ever-changing GAAP

Financial reporting is complex due to the nature of business structures and transactions, and their interaction with over 2000 pages of AASB Standards, Application Guidance, Basis for Conclusions, and Interpretations ('GAAP'). In preparing financial reports there is the ever changing composition and interpretation of GAAP, Corporations Act, and the requirements of other financial reporting mandates. These need to be understood, interpreted and implemented with the assistance of independent experts, *GAAP Consulting*, led by Colin Parker FCA, a member of the AASB.

Significant and ongoing challenges in financial reporting exist for directors, preparers and auditors of listed and other profit seeking entities, not-for-profit entities, and public sector entities. There are adverse market and regulatory consequences, as well as business costs, for inadequate or poorly understood reporting practices. Like other business risks, GAAP must be understood, analysed and effectively managed in your specific circumstances.

The application of GAAP to individual transactions requires detailed consideration, well in advance of financial report preparation, i.e.:

- Accounting staff need to be trained on the detail of individual accounting developments
- The Chief Financial Officer must make decisions on the financial report, internal accounting policies, and on the design of the financial reporting information system
- The Board needs to be briefed on key financial reporting issues, and their business implications, and
- Assurance needs to be provided to the Board and CFO as to compliance with GAAP, and the reasonableness of positions taken, particularly with significant financial reporting issues.

Independent advice and training from independent experts, such as *GAAP Consulting*, is increasingly valued by directors, senior management and CFOs; and is a means of easily complying with independence rules under the Corporations Act and the internal and external codes of conduct.

GAAP solutions

Independent expert advice

- Advice on AASB Standards and Interpretations, as well as IASB Standards and IFRIC Interpretations for overseas entities
- Advice to directors, audit committees, CFOs, accountants, and external auditors on the implications of contemporary financial reporting and governance issues for annual, interim and prospectus reporting
- Independent reviews of complex transactions, structures, and financial reports for compliance with GAAP
- Reviews of financial reporting systems, including assistance with precedents and internal accounting policies
- Review of corporate governance policies, procedures, and reporting
- Expert opinions to independent directors, lawyers and regulators

Professional and tailor-made in-house training

- Tailor-made training for directors, audit committees, accounting staff and accounting firms
- Topics include new accounting standards, 'refreshers' on existing accounting standards, annual reporting updates, and workshops
- Mentoring finance directors, CFOs and key accounting staff on financial reporting issues
- Briefing on contemporary issues

Advocacy and representation services

- Representing your interests before standard-setters, legislators, regulators and accounting bodies
- Preparation of submissions on financial reporting issues
- Independent board and audit committee members

Litigation support

- Independent expert opinions on GAAP and GAAS
- Assistance with review of the work of other experts
- Assisting lawyers understand the accounting and auditing context



Consulting

'Excellence in Financial Reporting'



Our people, names you know and trust

Our *GAAP Consulting* team has extensive experience in standard-setting, regulation, practice, and training in the private and public sectors. We provide a unique blend of financial reporting, auditing and corporate governance skills to meet your needs. Importantly, we provide independent GAAP and GAAS solutions. All our team members are partner equivalents.



Colin Parker, Principal, is an expert in financial reporting, auditing and related governance issues, and is a member of the Australian Accounting Standards Board. He has held senior positions with CPA Australia, Ernst & Young, RSM Bird Cameron, and the Australian Accounting Research Foundation. Colin provides advice on financial and auditing standards, expert evidence in litigation support engagements, and briefing directors, CFO and auditors on contemporary issues. He undertakes in-house training for listed entities, significant public sector entities, and accounting firms, in conjunctions with his colleagues.



Jim Dixon, Associate, is an expert in financial reporting with specific expertise in public sector issues. Jim was previously Assistant Auditor-General with the Victorian Auditor-General's Office (VAGO), a senior policy adviser with the National Australia Bank, and has held senior positions with CPA Australia and Pitcher Partners. Jim assists Colin with advice on financial standards, expert evidence engagements, and undertakes training engagements on accounting standards.



Justin Reid, Associate, is an expert in auditing standards with specific expertise in CaseWare audit software. He was previously a senior manager with WHK Group Ltd, and was responsible for professional and technical standards, quality control policies and procedures, and training. Justin assists Colin with advice on GAAS and ethical standards, quality assurance reviews, preparing for an ASIC inspection, and undertakes training engagements on auditing standards, ethics, and CaseWare.



David Sauer, is a member of the GAAP Consulting Network, and specialises in providing advice and training to accounting firms and small-to-medium enterprises. David is Principal, David Sauer, Chartered Accountant, and was previously a senior manager (technical) with Moore Stephens. He is a registered company auditor, and is well known for his presentations on financial reporting and auditing for accounting bodies and seminar organisations.



Stephen LaGreca, is a member of the GAAP Consulting Network, specialising in providing an implementation resource to companies on new and revised accounting standards. He was previously Chairman of the Accounting and Audit Committee of BDO, the Australian representative to its international technical committee, and an audit partner. Stephen undertakes long-term consulting engagements on implementing GAAP and related accounting assignments for the listed entities.



Greg Pound, is a member of the GAAP Consulting Network, and specialises in auditing standards. He is a member of the Australian Auditing and Assurance Standards Board. Greg was previously Chief Accountant with the Australian Securities and Investments Commission, and Assistant Auditor General of VAGO. Greg assists with briefings on contemporary issues, in-house training on auditing standards, and audit-related engagements.



Prescriptive and enforceable GAAS

Auditing is complex due to the nature of the clients, the differing mandates that auditors report under, and the accounting standards applied. There are various audit, review, and ethical standards that apply in individual engagement circumstances. These need to be understood, interpreted and implemented with the assistance of independent experts, *GAAP Consulting*.

Auditing Standards have legal-backing for Corporations Act audits; there are criminal sanctions for breaches by auditors. Auditing standards also have implications for governance and management; such implications need to be understood and managed.

Audit firms must monitor and analyse GAAS developments; and implement new and revised auditing and ethical standards, and continually manage risk. Internal policy positions need to be researched and documented; manuals, programs, checklists, precedents updated; and auditors trained. Compliance systems need to be developed and assured. On matters of interpretation regarding GAAP or GAAS, second opinions will need to be sought.

Independent advice and training is being increasingly valued by audit partners and staff as means of having ready access to the GAAP Consulting experts in financial and auditing.

GAAS solutions

Independent expert advice

- Advice on ASA Standards and Guidance
- Advice on contentious issues such as accounting standards, qualified audit opinions, independence and other ethical standards
- Advice on risk management and litigation support
- Preparation of policies, procedures and checklists on auditing and ethical standards
- Auditing and quality assurance research
- Assistance with internal risk management engagement for clients
- Review of firms' quality control systems and engagement files

Professional and tailor-made in-house training

- Tailor-made training for partners and staff on new and revised auditing standards, 'refreshers' on existing auditing standards, annual auditing updates, and workshops
- Mentoring audit partners on auditing and financial reporting issues
- Advanced training for partners, managers and staff on CaseWare
- Briefings on contemporary issues
- Key note speakers at internal training sessions and partners' conferences

Advocacy and representation services

- Representing your interests before standard-setters, legislators, regulators and accounting bodies
- Preparation of submissions on auditing and related issues
- Assistance with audit tender preparation and presentation training



GAAP

'Excellence in Financial Reporting'

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Information services – independent and authoritative

To keep you up-to-date on the latest financial reporting, auditing and other related developments, we have newsletters, checklists and annual publications to meet your needs. These include:

GAAP



GAAP Alert is a 'head's up', FREE fortnightly e-mail newsletter that alerts you to major AASB and IFRS financial reporting and other developments

Australian GAAP is an annual publication that summarises 2000+ pages of accounting standards and related legislation, and describes the major financial reporting developments in one publication (500 plus pages)

e-GAAP Update is a premium e-mail subscription service that provides a value-added, in-depth understanding of individual accounting developments

GAAS

Australian GAAS 'Auditing Standards Checklists' provides 22 checklists, and the SME version of 12 checklists

GAAS Insight is a premium e-mail subscription service that provides a value-added, in-depth understanding of auditing developments; includes checklists, policies, and precedents.

Visit www.gaap.com.au

Our web site www.gaap.com.au is designed to meet your information needs and includes:

- Search facility
- What's New Page
- Password access facility to our subscription-based products e-GAAP Update, auditing checklists, GAAS Insight, and also includes archive access
- More information on our consulting services (independent expert GAAP and GAAS advice; representation services; tailored in-house training, briefings and speaker availability, and litigation support), our clients, and recent engagements to help you select the consulting services to meet your need
- More information on the GAAP names, and our colleagues
- More information on our information products (our FREE GAAP Alert, e-GAAP Update, Australian GAAP, auditing checklists, GAAS Insight) to help you select the independent and authoritative information services to meet your needs
- Improved links to accounting and related websites
- Improved contact us facility, and
- A secure payment facility.





Consulting



Colin Parker, FCA,
Member of the AASB

Vision

To be recognised as the pre-eminent provider of independent financial reporting solutions that enhance economic decision-making and accountability by those charged with governance, preparers, auditors, regulators and users.

The expanding arch in our logos represents your journey from uncertainty to a solution through the use of our consulting services and products. Our core values are: independence, integrity and 'Excellence in Financial Reporting'.

Mission

Our mission is to reduce your financial reporting risk (accounting standards, auditing, corporate governance) by:

- Providing independent expert advice, value-added information, and personalised training to directors, CFOs, auditors, regulators and users
- Contributing to the development and understanding of financial reporting, and
- Delivering good corporate governance and on the objectives of your entity.

Clients

Our clients include listed entities, regulators, professional organisations, Auditors'-General, audit and legal firms, not-for-profit, and public sector entities. For further information visit www.gaap.com.au.

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