

Independent Financial Reporting Support: Over 40 Services to Meet Corporate Needs

Colin Parker FCA, Independent Expert in Financial Reporting and Auditing Standards

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. In addition, the 2nd wave of IFRS comes on stream from 2011.

ASIC recently identified shortcomings in financial reporting including financial instruments, business combinations, classification of debt, special purpose vehicles, segment reporting, alternative profit disclosures, fair value determinations and impairment. The risks of inadequate attention to financial reporting matters are high, including inaccurate information provided to external stakeholders, scrutiny by ASIC, increased audit fees due to overruns, and damage to reputations (both entity and individuals) and credit ratings.

GAAP and financial reporting mandates need to be understood, interpreted and implemented with the assistance of independent experts, GAAP Consulting ('Excellence in Financial Reporting'). GAAP Consulting has a team of acknowledged experts in the financial reporting and utilises our collective knowledge to provide you with tailored, practical, relevant training and advice.



Colin Parker FCA
Principal, GAAP Consulting
Member of the AASB
(2006-2009)

Colin Parker – Principal of GAAP Consulting and team leader of the Network; previously, a member of the AASB and UIG, Chairman of the Audit Advisory Committee to the Board of the ICAA; and a panel member of ASIC's Financial Accounting and Audit Experts' Panel. He has held senior positions with CPA Australia, Ernst and Young, RSM Bird Cameron. Colin leads the advisory and litigation teams within the Network.



Carmen Ridley
Team Leader Corporate
Financial Reporting
Services

Carmen Ridley – an expert in financial reporting who was previously Associate Director in the technical team at Grant Thornton, National Technical Director of William Buck, and author of 'Understanding and Implementing the Reduced Disclosure Regime', and leads Corporate Financial Reporting Services team.

GAAP Consulting provides a one-stop technical shop to enhance the financial reporting services available to you. Our services can be used to support existing in-house resources (e.g. financial accountants) or as an outsourced function. We are not restricted by conflict of interest issues as we are not your auditors, and are independent of audit firms.

40 Technical Value-added Services Delivered by the Experts

Entities can select from 40 financial reporting and other related technical services to meet the specific needs, and draw on the collective knowledge of *eight partner equivalents* in the GAAP Consulting Network: Colin Parker, Susan Orchard, Stephen LaGreca, David Sauer, Jim Dixon, Justin Reid, Carmen Ridley, and Michael Cain.

Independent Expert Advice: Access to Some of Australia's Best

- Advice on AASB Standards and Interpretations, as well as IASB Standards and IFRIC Interpretations for overseas entities, including formal or confirmatory opinions
- Advice to directors, audit committees, CFOs, and line accountants, on the implications of contemporary financial reporting and governance issues for annual, interim and prospectus reporting
- Review of major transactions for accounting impacts, regulatory compliance and business outcomes
- Independent reviews of complex transactions, structures, and financial reports for compliance with GAAP

Financial Statements Assistance: Making Life Easier

- Understanding and implementing new and revised financial reporting requirements
- Preparation of pro-forma financial statements reflecting impacts of new accounting requirements, including the assessment of allowable options
- Updating existing financial statement template, including assistance for newly listed companies in preparation of their first annual report
- Preparation of ASX governance statements
- Review of financial statements prior to presentation to auditors (minimise audit amendments, time, and overrun fees)
- Assistance with the design and development of accounting procedures supporting the accounting policies including the design and development of models and estimates (goodwill impairment models, fair value models, credit loss provisioning)
- Review of Operating and Financial Performance Statement
- Assistance with auditor interaction
- Assistance with ASX pronouncements, and alternative profit measures
- Research, special projects and secondments
- Hot line services
- Help with analyst briefings including preparation of analyst briefing packs

Training (In-house): Tailored and Passionate

- Financial Reporting (Full and RDR GPFs, and SPFSs)
- Tailor-made training for directors, audit committees, and accounting staff
- Topics include new accounting standards, 'refreshers' on existing accounting standards, annual reporting updates, and workshops
- Conference organiser and provision of speakers on financial reporting, governance, and treasury
- Mentoring finance directors, CFOs and key accounting staff on financial reporting issues

Independent Directors: Independence Advice and Assistance

- Expert opinions to independent directors
- Assistance with the development of Charters for the Board of Directors and Board Committees such as Audit and Risk Committees
- Preparation of board briefing papers on impacts of new accounting standards including pro-forma disclosures
- Director briefings on interpreting and analysing the financial statements to allow better informed decisions on whether to approve the financial statements
- Assistance/project management of external/internal audit tenders

Financial Reporting Policies and Procedures: Underpinning the Financial Report

- Independent financial reporting experts to assist with developing appropriate accounting policies
- Maintenance of in-house accounting policies manual and technical library
- Preparation of internal accounting update bulletins
- Assistance with preparation of Board Papers on financial reporting matters

Technical Resources: Proprietary Information and Tools

- Free fortnightly newsletter 'GAAP Alert'
- Subscription based newsletter on GAAP
- RDR implementation guide and checklists
- Access to 'how to implement' new and revised standards

Quality Assurance: Better Risk Management

- Reviews of financial reporting systems, including assistance with precedents and internal accounting policies
- Review of corporate governance policies, procedures, and reporting
- Checking key accounting estimates (impairment, fair value, provisions)
- Financial reporting risk management and litigation assistance

Advocacy and Representation Services: Independent, Recognised and Respected

- Representing your interests before standard-setters, legislators, regulators and the Financial Reporting Panel
- Preparation of submissions on financial reporting and regulatory issues
- Independent board and audit committee members

Alliance Partner Access: Other Technical Services Available

- Treasury risk management and governance training
- Tax training
- Task Audit and Financial Reporting (software, training and advice)
- The Financial Reporting Specialist (software system that produces annual or interim Financial Reports and model financial statements)

The Benefits

There are seven major benefits from using independent outsourced technical services provided by *GAAP Consulting*:

1. Access to a premium one stop technical shop
2. Enhance auditor independence by using independent financial reporting experts and reduce compliance burden of non-audit services reporting
3. Free up corporate resources to meet entity needs and internal priorities
4. Tailor technical services to meet the specific needs
5. Fee for service base, each service is separately costed and controlled to ensure accountability and a value proposition, pay only for services required
6. Better management of financial reporting risks, and
7. Improve Board, management, staff and stakeholder satisfaction with financial reporting.



About GAAP Consulting Network

GAAP Consulting was formed in 2003 to provide independent financial reporting, auditing, quality assurance reviews, and corporate governance solutions to reduce business and regulatory risks. The vision is 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.

A description of the services, clients, and information products are located at www.gaap.com.au. The expanding arch in the logo represents the 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'.

The breadth and depth of technical services is important, the team providing these services has to be authoritative, knowledgeable and have an in-depth understanding of profit seeking (listed and non-listed) and not-for-profit entities dynamics and regulatory environments.

10 Step Engagement Methodology

Our objective is to meet your technical resource needs in accordance with our core values, and professional standards. Our approach to the provision of technical services involves the following process:

1. Before agreeing to the terms of the engagement, conflict of interest and expertise assessments are undertaken
2. Nomination of a primary and secondary *GAAP Consulting* contact
3. Extensive discussions over the contents of the proposed services to ensure clarity in process and expected engagement outcomes
4. Engagements are performed in accordance with ethical requirements of The Institute of Chartered Accountants in Australia, and in particular APES 110 'Code of Ethics for Professional Accountants', and relevant technical standards
5. Services are delivered in accordance with our core values
6. The terms of engagement are agreed
7. Progress on the engagement is regularly communicated
8. Services provided are subject to a second partner-equivalent review
9. Our rates vary depend on the services provided, risks, skills required, and timeframe, and
10. Feedback is sought on our performance as part of our continuous improvement processes.

Contact Us

Should you require any further information about the services provided or our team, please contact:

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