



ASIC
Australian Securities &
Investments Commission



Australian National Audit Office

Audit surveillance report

1 July 2022 to 30 June 2023

August 2023

About this report

This report sets out our findings from our review of key areas in two audits of financial reports for the year ended 30 June 2022 conducted by the Australian National Audit Office (ANAO).

Introduction

This report summarises our findings from reviews of key areas in two audits of financial reports for the year ended 30 June 2022 conducted by the ANAO. Our reviews were conducted using ASIC's methodology for surveillance of private sector audits with the exception of directly communicating with the directors of the audited entity.

This report:

- › should not be taken to provide assurance that the ANAO's audits and systems, or audited financial reports, are free of other deficiencies not identified in this report; and
- › may be released to the public in full. The report should not be quoted or summarised by the ANAO in any other publication without reference to a website where the full report is publicly available.

The reviews were undertaken by staff in ASIC's Financial Reporting & Audit team who have no involvement in financial reporting by ASIC. These staff reported to the Auditor-General in relation to the reviews, not the Commissioners of ASIC.

Our findings

In our view, the ANAO did not obtain reasonable assurance that the financial report was free of material misstatement in the key audit areas in the audit of one financial report summarised in Table 1. This should not be taken to infer that the financial report was materially misstated, but rather that the auditor did not obtain sufficient evidence to support their opinion.

Table 1: Audit review findings—Risk of material misstatement

Entity	Areas with findings	Findings
Entity A	1 of the 3 key areas reviewed	<ul style="list-style-type: none">• <i>Construction work in progress</i> — The auditor did not perform sufficient audit procedures to support the recognition and measurement of capitalised work in-progress

Table 2: Audit review findings—other

Entity	Findings
Entity A	<ul style="list-style-type: none">› <i>Employee benefits and provisions</i> — The auditor did not substantiate the sufficiency and appropriateness of evidence obtained to support the variances arising from the substantive analytical review.

There were no findings in the audit of the second financial report.

Further information

More information on the matters in table 1 and table 2 is contained in a detailed comment form provided separately to the ANAO. The comment form includes the ANAO's responses to our findings.

Disclaimer

This report does not constitute legal advice. We encourage you to seek your own professional advice to find out how the Corporations Act and other applicable laws apply to you, as it is your responsibility to determine your obligations.