

Deloitte.



Audit Illuminated
Transparency Report 2016

Audit ●

**Our purpose
defines us**

**We serve our clients with
quality and distinction**

Making a measurable
and attributable impact

**We inspire our people
to deliver value**

Mentoring and developing
future leaders and
colleagues for life

We contribute to society

Building confidence and
trust, upholding integrity
and supporting the community

**We are leaders in
the profession**

Challenging ourselves
to deliver innovative ideas
that reflect unique capabilities

We're focused on illuminating what a high quality audit looks like – raising the bar on client experience and service. We believe in making an impact that matters and aspire with assurance.

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Context: This Transparency Report is prepared in accordance with the requirements of Section 332 of the *Corporations Act 2001* (Corporations Act).

This Transparency Reporting Year is from 1 July 2015 to 30 June 2016.

Deloitte refers to the Australian partnership of Deloitte Touche Tohmatsu.

Introduction

Making an impact that matters

Every day we challenge ourselves to do what matters most – for our clients, people and society.

We contribute to the community as a whole, building trust and confidence in the markets. The independent audit is a central element of the financial reporting system to protect investors and promote the effective functioning of the capital markets. Making sure audit quality keeps pace with emerging economic, business, financial and regulatory conditions is crucial to continuously enhance the overall strength and integrity of financial reporting. Company management and boards also play an important role in this by having a culture that values quality and transparency in financial statement preparation and their approach to corporate governance.

The evolving landscape

This is an exciting and dynamic time to be part of the audit profession. The auditor reporting changes will assist in addressing expectation

gaps by reporting on key audit matters and related audit responses – providing further opportunity for in-depth discussions with audit committees and management on key matters.

In addition, we believe audit is evolving and we are investing heavily in the audit of the future. We have embarked on an ambitious path to elevate the value proposition of the independent audit and we are mobilising globally to achieve our goals. We use design and data analytics to increase our effectiveness and are exploring ways to further leverage technology, such as machine learning and artificial intelligence.

Global reach, local insights

The Deloitte Network is one of the world's largest accounting networks and provider of audit services. Combining our scale and global leadership structure and forums enables us to develop best-practice systems of quality control to support our audit teams. We focus on cultivating world-class capabilities. As a multi-disciplinary firm we have specialists available to

assist our auditors deal with complex challenges and bring the best of Deloitte to solve problems and deliver high-quality audits.

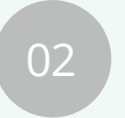
We are passionate about what we do at Deloitte, and our innovative culture will help us meet the challenges ahead. This report provides you with a deeper understanding of our Firm, including demonstrating that audit quality is a priority at Deloitte.



Cindy Hook
Chief Executive Officer



Richard Deutsch
Managing Partner, Assurance and Advisory



Introduction

Quality control effectiveness statement

The system of quality control that supports the Deloitte Assurance Practice is designed to provide reasonable assurance that:

- a. Assurance engagements comply with Australian Auditing and Assurance Standards, relevant ethical requirements, and applicable legal and regulatory requirements
- b. Reports issued are appropriate in the circumstances.

Our monitoring programs provide evidence of our compliance with the application of Deloitte policies and methodologies, as well as pinpointing areas for improvement where consistent application is not achieved.

Our most recent Practice Review Program was completed in September 2015. It enables us to conclude that, overall, our system of quality control is operating effectively.



Cindy Hook
Chief Executive Officer



Richard Deutsch
Managing Partner, Assurance and Advisory

“We respect the trust placed in Deloitte by our clients, regulators and the community. Sustaining this trust by providing high-quality audits is an individual and collective responsibility at every level within our Assurance Practice. We recognise that this starts with the tone set by our Board of Partners.”

Keith Jones, Chairperson



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Leadership and governance

Our focus on delivering high quality audits is built on a solid foundation of strong leadership and governance structures.



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Establishing the right tone

Our six guiding principles



Our culture is driven by our Chief Executive Officer (CEO) and fully endorsed by our Board of Partners and National Executive. Our strategy is guided by six principles, and the Firm's culture is captured in seven 'Signals' that enable us to deliver on our promise of professional excellence – our foundation for achieving consistently high audit quality.

Cindy Hook, our CEO, is an auditor by trade and understands the importance and value of a quality audit. Richard Deutsch, our Managing Partner Assurance and Advisory (A&A), leads the audit quality agenda and is accountable for creating and supporting a business model and culture that allows practitioners to conduct high-quality audits. In addition Jody Burton, our Chief Risk Officer (CRO), is a member of the National Executive team, increasing governance in relation to audit quality.



Deloitte's seven Signals



Recruit and retain the best

We seek to attract the best talent in the market with the right skills and experience so we can serve our clients well and deliver high-quality solutions and output.



Empower and trust

We empower our people to take personal responsibility for delivering high-quality work to clients.



Play to win – think globally

We encourage our people to approach every client engagement with the right team drawn from the capabilities of the entire Australian firm and, where needed, the DTTL Network, to support the highest quality output.



Talk straight

Through a culture of talking straight, our people are encouraged to voice their ideas and challenge each other. Constructive, two-way communication is viewed as a way to achieve the right quality outcome for our teams and clients.



Aim to be famous

We encourage our people to become market leaders by developing specialist skills, gaining recognition and building extensive networks they can draw on to enhance quality and insight in their work.



Continuously grow & improve

Through an ongoing commitment to learning and development our people have the necessary skills to consistently deliver high-quality outcomes.



Have fun and celebrate

We believe that when our people enjoy what they do and are recognised for their accomplishments, they are inspired to deliver to the highest standards.



Governance structures

The leadership and management of the Firm are underpinned by strong governance structures, including a quality and risk function that provides oversight of the Assurance Practice.

The Board of Partners

Our Board of Partners (the Board) is responsible for protecting the interests and reputation of the Firm and its partners, and for overseeing management and operations at a strategic level. The Board ensures the Firm has an appropriate structure for corporate governance and has specific oversight of quality and risk. The Board comprises the elected CEO and between seven and 10 elected partners.

Our governance structure includes specific terms around the length of service for Board members. Our current Chairperson is Keith Jones and the separation of this role from the CEO position provides a strong measure of accountability. The Board has established five committees to support its objectives.

The Chief Executive Officer

Our CEO has full executive authority for managing the Firm. The CEO is nominated by a Board-appointed committee of between four and eight equity partners, and elected by the partners for a four-year term. Unless approved by an ordinary resolution of partners, the maximum overall period for the CEO is eight years.

We're underpinned by strong governance structures.

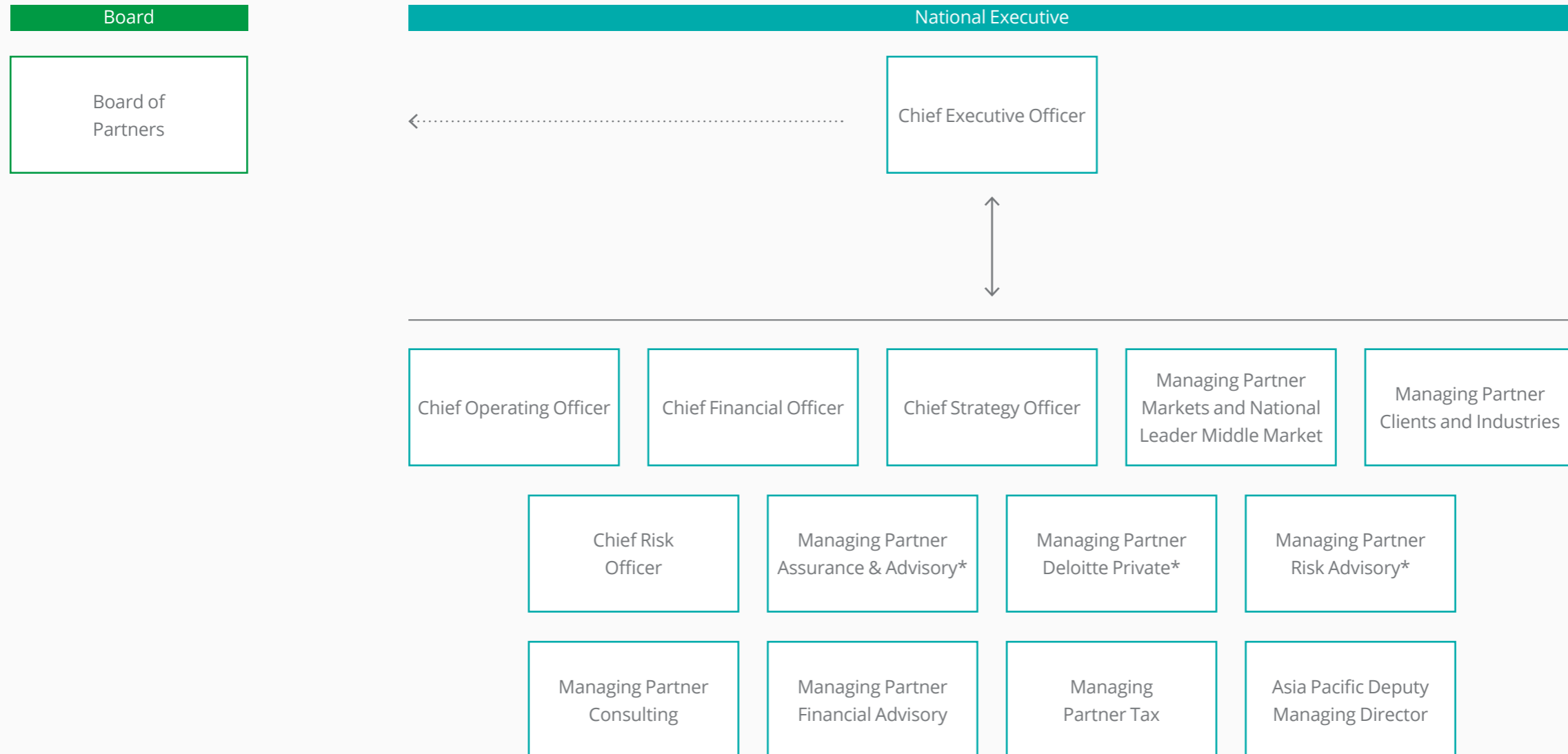
The National Executive

The CEO appoints the National Executive, which manages the Firm's day-to-day activities. The National Executive comprises the CEO, the Chief Operating Officer (COO), the Chief Financial Officer, the Chief Strategy Officer, the Managing Partner Markets and National Leader Middle Market, the Managing Partner Clients and Industries, the Asia Pacific Deputy Managing Director, the CRO and the six business managing partners for A&A, Consulting, Deloitte Private, Financial Advisory, Risk Advisory and Tax.

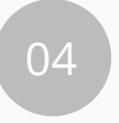
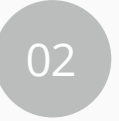


01 Leadership and governance

Figure 1: Deloitte Australia organisation chart



*Assurance services are provided by Partners and staff within these businesses



01 Leadership and governance

The overall responsibility for developing, implementing and monitoring quality policies and procedures and risk-related matters rests with the CEO. Day-to-day responsibility is delegated as follows:

- CRO – enterprise risk framework; ethics and privacy; independence and conflicts; business resilience; compliance, including regulatory compliance; engagement risk, client and engagement acceptance; quality control; confidentiality and security; and complaints handling
- COO – people and performance; legal and professional indemnity insurance.

National Quality and Risk Executive

The National Quality and Risk Executive supports the business in providing professional services to clients. It oversees and advises on national risk management functions, and the business quality and risk functions.

The National Quality and Risk Executive comprises the COO, the CRO, the General Counsel, the Professional Services Risk Partner, and the National Quality and Risk and Independence Partner.

Assurance Practice

Leadership

The Managing Partner A&A and the A&A Executive are responsible for delivering on the Assurance Practice's business objectives and are accountable for its compliance with quality standards. The Managing Partner A&A appoints members of the A&A Executive after consultation with the CEO. The A&A Executive meets monthly, and audit quality is regularly on the agenda.

The quality and risk functions contribute to Deloitte's prosperity and the execution of strategy in a commercial and sustainable manner, while protecting and keeping the Firm and its people safe.



01 Leadership and governance

The A&A Quality & Risk and Accounting Technical functions

The A&A Quality & Risk and Accounting Technical functions are led by Jamie Gatt. Jamie is the Assurance Practice's Risk Leader and National Professional Practice Director (NPPD). As the Assurance Practice's Risk Leader he has operational responsibility for the system of quality control and oversees the A&A Quality & Risk Team and the Accounting Technical Team. As the NPPD he is responsible for all decisions relating to the interpretation of accounting and auditing matters. He is also a member of the A&A Executive.

The A&A Quality & Risk Team is responsible for implementing the quality agenda, establishing function-specific policies and procedures, audit technical training, monitoring and risk mitigation, and supporting engagement teams on a day-to-day basis on audit technical and risk matters.

The National Accounting Technical Team is responsible for providing accounting technical support, including training, to the Assurance Practice and clients. It specialises in accounting standards and interpretations, including Australian International Financial Reporting Standards (A-IFRS), and the financial reporting requirements of the Corporations Act.

Audit Quality Network

We have an Audit Quality Network of partners and staff within geographic or market segments of our Assurance Practice. The network helps the A&A Quality & Risk Team reinforce key messages, raising awareness of quality and risk matters and helping us be more agile in responding to new developments.

Global and external contribution

Deloitte Touche Tohmatsu Limited (DTTL) is an English private company (limited by guarantee) that all Deloitte member firms are members of. Panos Kakoullis, the Managing Director Global Audit Business Leader, and Cal Buss, the Managing Director Global Audit Quality, actively set the tone and drive audit quality through all member firms. These global leaders are supported by member firm leaders participating in global forums. Australia is an active member of the quality forms depicted in [Figure 2](#). Through our participation we significantly influence the strategic direction of our global audit programs and oversee implementation, execution and monitoring thereof.

We are also proud that our Firm is actively involved in shaping the future of accounting and auditing through the involvement of our partners with international and Australian standards-setting bodies and professional associations. Our teams benefit from these partners' access to global expertise and being at the forefront of professional developments.



Figure 2: External and DTTL contribution

Name	Partners contributing to the accounting and auditing landscape through membership of:	Partners are active participants of DTTL quality forums:
Richard Deutsch, Managing Partner, Assurance and Advisory	Accounting and Auditing Standing Committee	Global Audit Leadership
Jamie Gatt, NPPD and Assurance Risk Leader		Global Audit Quality Board
Caithlin McCabe, Audit Quality and Regulatory Partner	Australian Auditing and Assurance Standards Board Chair of the Australian Auditing and Accounting Public Policy Committee	Global Audit Technical Advisory Board Regulatory Leadership Advisory Board
Anna Crawford, Partner Accounting Technical	Australian Accounting Standards Board	Global IFRS Leadership
Marisa Orbea, Independence Partner	International Ethical Standards Board for Accountants (6 years until December 2015)	Global Independence
John Leotta, Audit Partner	International Accounting Standards Board's consultative group for rate regulation	
Tara Hill, Audit Partner		Global Audit Learning Council



Our commitment to audit quality

Quality is at the heart of everything we do. From the mindset of the auditor to the specific capabilities, tools, methods and standards we apply in conducting audits and managing our Assurance Practice – our commitment to audit quality is paramount.



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02 Our commitment to audit quality

Our approach to quality is holistic and multifaceted



We are aware of our obligation to deliver audits in compliance with professional and regulatory standards. We are committed to doing more than simply meeting these requirements.

Our desire is to be seen as the standard of excellence for the profession as articulated in our global audit aspiration 'to be the world's most trusted audit provider'. Our audit aspiration is underpinned by an Audit Quality Framework with clear strategic objectives as depicted in [Figure 3](#).

To keep us focused and continually moving forward we have an Audit Quality Plan, structured around our Audit Quality Framework, which includes specific measurable actions. The Audit Quality Plan is updated regularly to remain current and responsive, and we are accountable to DTTL to deliver on the planned actions.



Figure 3: Audit Quality Framework

Strategic objectives



Figure 4: Audit Quality Framework

Strategic implementation activities

Recognise We are a regulated profession with unwavering focus on exceeding stakeholders' expectations	Audit Quality Plan		Deloitte position on emerging issues	
	<u>Leadership tone</u>		Regulator engagement	
Execute Deliver the highest quality audits and value to all stakeholders	<u>Audit Imperatives</u>	<u>Deloitte Audit</u>	2016 Methodology enhancements	Audit project management
	Extended auditor reporting	<u>Analytics</u>	<u>Internal Controls Program</u>	<u>Design</u>
Improve Continuously measure, learn, and drive to achieve the highest quality audits	<u>Practice Review and External Inspection Monitoring</u>		Audit Quality Indicators	<u>Causal Factor Analysis</u>
	<u>Deloitte Audit In-flight Diagnostics</u>		<u>Mandatory learning</u>	

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Client acceptance and continuance

From the very start we incorporate quality across all of our client engagements. It is all about accepting the right clients, understanding their risks and formulating an appropriate audit response to address them.

We have rigorous policies, procedures and approval processes in place for accepting prospective clients and engagements, and assessing engagement risk. This includes a documented evaluation of the client’s risk profile and information regarding the client and its management. The client and engagement risk is classified as normal, greater than normal, or much greater than normal.

In this process, we focus on confirming that we have the capacity and capability to act, that we can comply with relevant ethical and independence requirements, and that we have considered the integrity of the client.

Our Firm’s engagement risk assessment procedures provide a basis for tailoring the audit approach to address engagement-specific risks. For higher-risk engagements, additional risk management safeguards are applied, such as assigning a more experienced partner as the Engagement Quality Control Reviewer (EQCR), assigning a Special Review Partner in addition to the EQCR to much greater than normal engagements, involving experts or requiring

a review by a national panel of experienced audit partners.

Our engagement risk assessment begins at the client acceptance process. We perform an annual continuance assessment to determine if the Firm should continue providing services. In addition, any time an entity changes significantly (for example, a change in ownership) the Firm considers whether to continue the relationship.

Figure 5: Client and engagement acceptance and continuance considerations

Risk	Consideration
Client risk	<ul style="list-style-type: none"> Management characteristics and integrity Organisational and management structure The nature of the business The business environment Financial results Business relationships and related parties Prior knowledge and experience of client.
Service risk	<ul style="list-style-type: none"> The nature of the engagement Team competence to handle the technical aspects of the specific engagement The availability of a competent team.
Engagement risk	A function of both client risk and service risk.
Independence	<ul style="list-style-type: none"> Financial and other relationships Non-audit services Other threats: self-interest, self-review, advocacy, familiarity or intimidation.



Engagement team selection and expertise

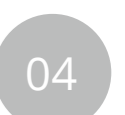
The selection of the engagement team is key to developing and executing a high-quality audit. Every audit engagement is led by a partner, and our engagement partners are fully responsible for the services they provide. The engagement partner is responsible for ensuring that the professionals assigned to an engagement have the required competencies.

Considerations for engagement team selection include:

- The size and complexity of the entity's business
- The applicable financial reporting framework used in preparing the financial statements
- Applicable independence considerations
- Any possible conflicts of interest
- The qualifications and experience of professional staff, including industry credentials
- The availability of staff to commit time to the engagement.

Our audit partners also collaborate in cross-business industry groups, which are led by senior partners with deep industry knowledge and expertise. These groups share their understanding of market developments, risk assessments and emerging trends. They bring this knowledge to bear on audit engagements to perform their role more effectively and share this knowledge with their engagement team.

The right engagement team is key to audit quality.



Executing with the right behaviours and a focus on professional scepticism

We believe that creating the right culture and focusing on the right mindset and practices is key to achieving high-quality audits. We continue to reinforce the importance of demonstrating the right behaviours through our Audit Imperatives, which we believe are vital to a quality audit and for us to deliver on external stakeholder expectations. The Audit Imperatives are a list of core actions requiring audit team focus.

We continually emphasise the importance of our role as evaluators. This is reflected in many aspects of our methodology, procedures and training. We also create audit working environments that take a “design” approach to issue identification and problem solving. When reporting to those charged with governance, we include discussions on areas of significant professional judgement to make it clear how we have exercised scepticism in reaching our conclusions.

Given the increasingly complex nature of our clients’ businesses, engagement teams often also involve specialists from across the Firm with expertise in areas such as economics, valuations, tax, actuarial services, analytics and information technology. This informs how we exercise our judgement and brings the best of Deloitte to the audit.

Audit Quality Imperatives

1. Act as an independent evaluator with a professional auditor mindset
2. Focus on the importance of auditing internal control
3. Optimise audit execution
4. Use specialists’ expertise effectively
5. Drive continuous improvement of work of component auditors
6. Pursue continuous professional development
7. Tailor risk assessments and audit responses
8. Demonstrate professional excellence.



Role of Audit Committees in achieving high-audit quality financial reporting

We believe audit committees play an important role in enhancing audit quality and supporting a high level of transparency and integrity in financial reporting by:

- Challenging whether the company has appropriately skilled personnel responsible for financial reporting and a culture that values quality and transparency
- Having the requisite skill mix and thorough understanding of the business model to be able to critically evaluate information, anticipate and manage risks, and engage in frank and open dialogue with the auditor
- Challenging the appropriateness of the accounting judgements exercised by management in preparing the financial statements and making disclosures in financial reports
- Understanding the cause of observations and findings from the auditor and ensuring management responds appropriately
- Setting audit fees that support the delivery of a quality audit
- Considering the independence and effectiveness of the external audit process.



Audit methodology and tools

Our audit methodology requires us to develop an understanding of the client's business and risks, and apply this to the design and execution of our audits.

Our audit technology platform enables comprehensive planning, performance, documentation and review of our work in accordance with auditing standards and applicable professional, regulatory and legal obligations. It includes the Deloitte Audit Approach Manual and acts as a gateway to guides, practice aids and thought leadership developed globally and locally to enhance quality and consistency across all audits.

The Deloitte Audit Approach Manual complies with International Standards on Auditing. In Australia, Deloitte supplements the global methodology with material to reflect local obligations, including the Corporations Act, professional and ethical standards, and differences between Australian and International Standards on Auditing.

Engagement teams are further supported by a wealth of other resources delivered via the global intranet to assist teams in delivering professional excellence. This includes our policies, industry information, templates, tools, practice aids and answers to frequently asked questions.

The A&A Quality and Risk and Accounting Technical Teams issue regular communications to maintain focus on audit quality and inform or remind partners and staff about matters in accounting and auditing, including clarifications on aspects of the Deloitte Audit Approach Manual, new policies, developments in financial reporting, or to convey findings from monitoring processes.

Our practitioners have access to a wealth of information to support quality.



Analytics

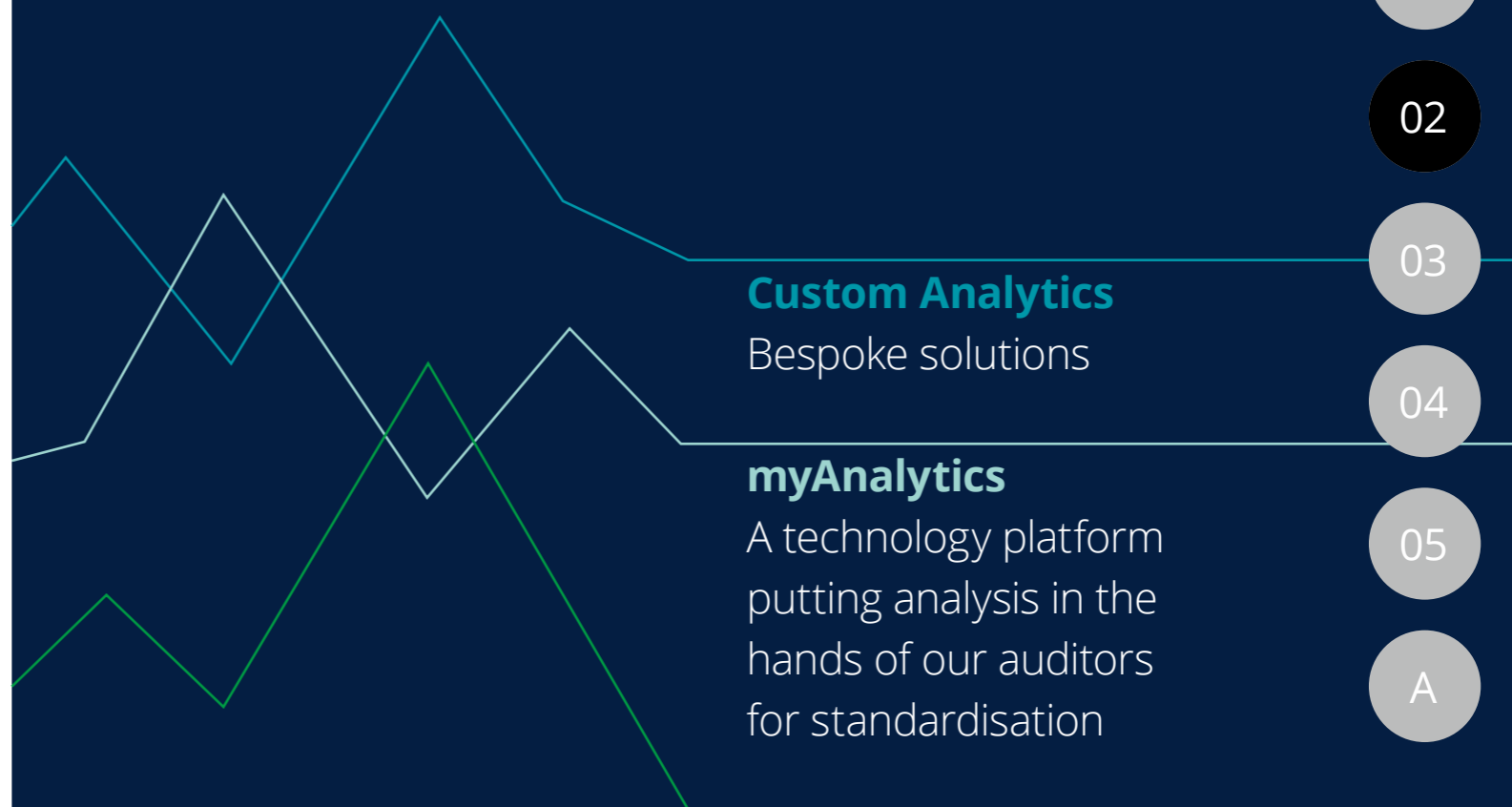
Our continued investment in market-leading data analytics has allowed us to apply more sophisticated and comprehensive audit techniques on selected audit engagements to dive deeper into risk assessment and audit testing.

We have also made analytics accessible to all practitioners by introducing Excel Analytics and myAnalytics in 2015 which provides every auditor with analytic capability at their fingertips to help them be more efficient and better analyse data to deliver audit insights. The application of data analytics involves the integration of our understanding of our clients' business and industry with the power of data.

We have been using analytics in our audits for many years, and continue to evolve and improve our tools to support auditors enhance their effectiveness.

Our point of difference

Layers of analytic capability



Custom Analytics

Bespoke solutions

myAnalytics

A technology platform putting analysis in the hands of our auditors for standardisation

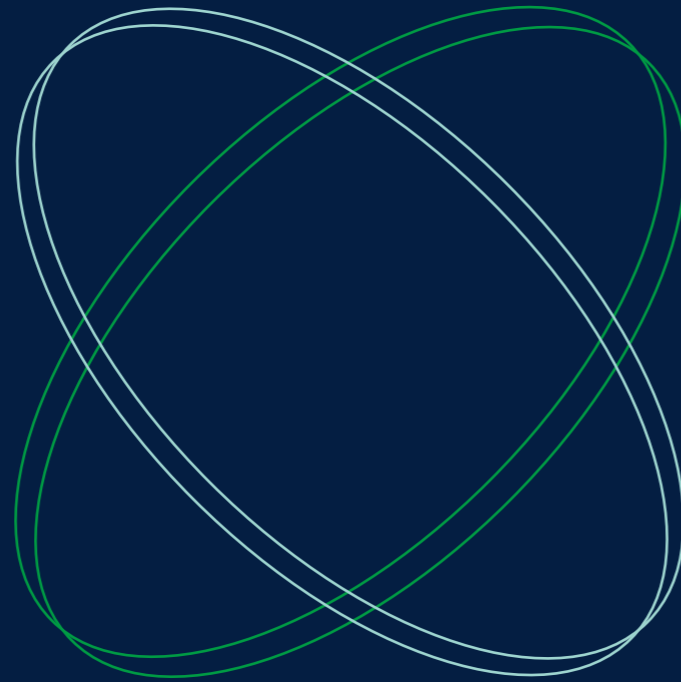
Excel Analytics

Creating high-end functionality accessible to every auditor

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Design

Design:
Two sides, one coin



A mindset
A disposition
A proclivity to
make things better

Outcome:
cultural change



A method
A discipline
An approach to
make better things

Outcome:
human-centric processes

There are attributes innate to thinking like a designer... and then there are processes embodied in working like a designer. Deloitte is striving to embed both.

Many clients are looking for better ideas, meaningful insights and sustainable solutions. By employing design techniques, we seek to improve the effectiveness of our audits by completing analysis to gain insights, create ideas and develop solutions. This approach results in a deeper understanding of our clients' activities and higher-quality outcomes, while providing a unique audit experience for our clients and our people.



Focus on internal controls

At the centre of our audit approach is developing a deep understanding of the clients we audit, so we can appropriately identify and respond to risks of material misstatement in the financial statements. This includes our clients internal control environment.

We continue to focus on our expertise in auditing internal controls to shift more of our audits from a substantive approach to one with greater controls reliance where appropriate. This allows for a greater tailoring of risks and reduced substantive procedures as well as an ability to provide insights to management on improving their internal controls environment and on emerging trends.

Clients are looking for better ideas, meaningful insights and sustainable solutions.

In today's environment with increasing use of technology, IT is at the cornerstone of every internal controls environment. We have driven specific initiatives to embed IT as a core component of internal controls assessment.



02 Our commitment to audit quality

Shaping the audit of the future

A new angle on audit execution



- **Audit technology** Our audit platform is a trusted source for documenting our audits, accessing leading tools and driving greater collaboration.
- **Methodology** Through a systematic approach and fact based risk assessments, we drive smarter and more effective audits.
- **Monitoring and measurement** A focus on being nimble and agile through an increasingly robust monitoring program.
- **Analytics for all** By infusing a data-driven and insightful approach, our analytics brings concepts and solutions to life.
- **People** We develop auditors for today and tomorrow, building advanced skills and critical thinking for the future.
- **Internal controls** We gain a deep understanding of our clients through a deeper understanding of internal controls.



Supervision and review

Our audit approach requires that audit engagements are adequately planned, supervised and managed so that the work performed provides reasonable assurance that it complies with our policies and professional standards. The overall supervision of each audit engagement is the responsibility of the engagement partner.

[Figure 6](#) summarises the Firm's policies and procedures in relation to engagement reviews. A number of the reviews, including Panel or Special Reviews, and our policy to have an EQCR on all Corporations Act engagements, illustrates how our system of quality control goes beyond legal and professional requirements.



02 Our commitment to audit quality

Figure 6: Deloitte's review policies and procedures for audit engagements

Type of review	Required on	Performed by	Review objective
Working paper reviews			
Detailed review	All engagements	A more experienced member of the engagement team	To consider whether: <ul style="list-style-type: none"> The work has been completed appropriately Any significant matters have been raised for further consideration
Primary review	All engagements	Manager, director, principal or partner	<ul style="list-style-type: none"> Appropriate consultations have taken place and the resulting conclusions have been appropriately documented There is a need to revise the nature, timing and extent of planned audit procedures
Overriding review	All engagements	Partner	<ul style="list-style-type: none"> The evidence is sufficient to support our opinion The objectives of the engagement procedures have been met.
Engagement quality control reviews			
Engagement quality control review	Public interest and high risk entities	Partner	To consider whether: <ul style="list-style-type: none"> The conclusions reached on significant judgements made by the engagement team are appropriate
Engagement quality control review	Other entities	Partner, principal or director	<ul style="list-style-type: none"> The audit documentation selected for review in relation to significant judgements supports the conclusions reached Appropriate consultations have taken place and the resulting conclusions have been appropriately documented The engagement team has made an appropriate evaluation of independence The opinion is appropriate after reviewing the financial statements Appropriate matters have been considered for reporting to those charged with governance.
Specialist reviews			
Special review	Entities assessed as much greater than normal risk	Partner	To challenge the key elements of the engagement.
Panel review	All engagements where we are considering a modified opinion or emphasis of matter or a restatement	Partner	To consider the appropriateness of the type of audit opinion to be issued and the wording of the modification or emphasis of matter.



Consultation

While each partner is empowered to make appropriate decisions for their engagements, we encourage our engagement teams to consult whenever they need additional information, perspectives or specialised knowledge on accounting, auditing, legal, regulatory or other issues.

We have a dedicated group of accounting specialists that provides support to engagement teams on financial reporting matters under a formal and documented consultation process. This team also provides disclosure coaching to selected engagements to assist teams in assessing financial statements compliance with the relevant financial reporting framework. In addition, we have a dedicated group specialising in quality and risk management who provide first-line audit technical and risk support to our engagement partners and teams.

Differences of opinion

An audit requires professionals to exercise judgement, which can result in differences of opinion. When these arise, either among members of the engagement team or between members of the engagement team and consultants, we use resolution policies and procedures. These include escalation procedures to resolve differences and requirements for documenting outcomes.

Delivering value by partnering with Deloitte Access Economics

Deloitte Access Economics has given Deloitte auditors ready access to unrivalled economic expertise to deepen our understanding of industries and business. Our audit practitioners receive weekly economic updates with valuable insights and have access to a library of

economic and demographic data, reports and subject matter experts from Deloitte Access Economics. This capability allows for better quality and more consistent analysis on audits; for example, when reviewing assumptions used in valuation models.



Engagement documentation and security

Maintaining client confidentiality is of the utmost importance to Deloitte. The Deloitte Policy Manual includes specific requirements in relation to client confidentiality, privacy, insider trading and information security. In addition, access to individual client files is restricted to engagement team members.

Firm policy requires audit files to be archived in accordance with relevant requirements, and archiving is closely monitored. Non-compliance with the archiving policy affects partner performance and our Practice Office Review Program rating. All work papers supporting our audit reports are retained for seven years from the date of our report, as required by the Corporations Act.



Talent development

As a professional services leader, we understand that our success depends on developing talented and motivated practitioners who can deliver world-class audit services. Our comprehensive talent programs start at the time of recruitment and continue throughout each career experience with Deloitte.

Recruitment

Our attraction and selection methodology is designed to recruit highly talented, well-rounded team members with strong technical capabilities and who demonstrate exceptional client service, commercial acumen and innovative thinking.

Career experience

To deliver high quality audits to our clients, we continue to evolve our strengths based coaching culture; focusing on rewarding and recognising exceptional performance and creating high performing teams. Regular feedback is provided verbally to partners and staff allowing ongoing development, timely recognition and fluidity of experience to leverage individual strengths to the benefit of both our people and our clients.

Professional development

Our continuing professional development programs focus on targeted professional development in both technical and non-technical topics.

The learning approach is designed to:

- Provide the right skills, at the right time, to provide both quality outcomes for clients and rewarding career experiences for our people
- Keep partners and staff at the forefront of new developments in the accounting, auditing and regulatory environment
- Embed the Firm's quality and risk imperative in the Deloitte culture and its leadership.

Assurance partners are required to complete ongoing compulsory learning modules to maintain their Deloitte accreditation to sign audit opinions. Partners who sign audit opinions for other jurisdictions (such as the US) undertake additional mandatory training.

We require our assurance professionals to obtain a minimum of 20 hours of comprehensive mandatory audit learning and development per annum and 120 hours in every three-year period.



02 Our commitment to audit quality

Partner remuneration

Partner remuneration is based on achieving individual partner plans, which are aligned to firm-wide and business strategy. A strong contribution is expected from all partners in the following areas:

- Achieving performance and living our culture, personally and in teams, as articulated in the “Signals”
- Serving our clients with distinction
- Recruiting, motivating, inspiring and developing our people
- Developing personal networks that are shared with colleagues
- Supporting and contributing to firm-wide initiatives
- Demonstrating a strong commitment to quality, risk management and the stewardship of our reputation.

Our partner performance management and remuneration process creates a strong link between audit quality and partner remuneration.

Assurance partners are prohibited from earning or receiving compensation, bonuses and other direct financial incentives for selling products or services to their audit clients.

Deloitte’s partner appointment process is thorough and robust. It is based on a detailed business case that incorporates compliance with the Firm’s quality and risk management practices as a key consideration. All business cases for partnership include feedback from the relevant Risk Leader, are endorsed by the Managing Partner for the relevant business and are approved by the National Executive.

Both partner remuneration and partner appointments are approved by the CEO and the Board of Partners to validate that Firm processes have been followed, contributions are properly recognised and the Firm’s values have been maintained.

There is a strong link between partner remuneration and audit quality.



Ethics, privacy and independence

We expect all our employees to act with integrity and to maintain their independence in accordance with the Firm's independence framework.



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Ethics and Privacy

Our expectations of partners and staff are documented in our Code of Ethical Conduct (the Code), which captures how our vision, values and conduct work together. The Code reminds our people that certain skills are fundamental to ethical decision making, and that each of us is personally responsible for our decisions and actions.

Deloitte has an Ethics Officer who promotes the importance of ethical behaviour and who is supported by Ethics Advocacy Officers in each office. The Ethics Officer formally reports to the CEO and the Board on an annual basis.

The Firm reinforces its commitment to ethics and integrity through communication tools, learning programs, compliance processes and measurement systems, including the provision of ethics training, an annual ethics survey to gauge understanding and an ethics helpline.

Closely related to this, is our commitment to protecting the privacy of people whose personal information we handle. An important part of this commitment is about being open and transparent about the way we handle personal information. Therefore, we maintain and regularly update an external privacy policy that sets out in easy to understand language how we handle the personal information that we collect, both from our clients and directly via our website. We also have a Privacy Officer, supported by a dedicated privacy team, who work together to handle any privacy inquiries or complaints and promote privacy awareness.

We see 'doing the right thing' as fundamental to everything we do.





Deloitte's Ethical Principles

Honesty and integrity

We act with honesty and integrity

Fair business practices

We are committed to fair business practices

Professional behaviour

We operate within the letter and the spirit of applicable laws

Responsibility to society

We recognise and respect the impact we have on the world around us

Competence

We bring appropriate skills and capabilities to every client assignment

Respect and fair treatment

We treat all of our colleagues with respect, courtesy and fairness

Objectivity

We are objective in forming our professional opinions and any advice

Accountability and decision making

We lead by example, using our shared values as our foundation

Confidentiality

We respect the confidentiality of information

Our commitment to independence and objectivity is the essence of our brand and the foundation on which we have built our reputation for integrity and quality.

Independence

We assess our independence for each client and on each engagement. Our commitment to independence is demonstrated by the tone set by our leaders, and is reinforced by carefully and consistently implementing and monitoring comprehensive independence policies and procedures.

Marisa Orbea, our Independence Partner, is supported by experienced and dedicated independence specialists who are responsible for communicating independence policies and procedures, providing consultation support, implementing and monitoring independence quality controls, designing and conducting independence training, and monitoring compliance with independence requirements.

Independence policies

To establish clear guidance for partners and staff, Deloitte's independence policies include the auditor independence requirements of the Corporations Act, APES 110 Code of Ethics for Professional Accountants and, where applicable, the independence rules of other jurisdictions such as the US Public Company Accounting Oversight Board, and US Securities and Exchange Commission.

The policies include restrictions on the financial, employment or business relationships that can be entered into with audit clients, as well as guidance on the non-audit services and fee arrangements that, if provided to audit clients, may impair independence. The policies require partners and staff to notify the Independence team promptly if they become aware of any independence breaches.

The independence policies and related guidance are available to all partners and employees on Deloitte's intranet.

Restricted entity list

The restricted entity list is accessed online and includes Deloitte Network audit clients that are listed companies, registered schemes or retail superannuation funds, and other organisations such as financial institutions that offer financial products to the general public. The entity information provided in the restricted entity list is continuously updated to help ensure its accuracy and completeness, including periodic validation processes performed by engagement teams and/or the DTTL member firms.



03 Ethics, privacy and independence

Monitoring of financial interests

Professionals are required to search the restricted entity list before acquiring a financial interest or other financial product. To support compliance with the financial and investment restrictions placed on our professionals, we use an automated independence monitoring system to track personal financial holdings. All Deloitte partners and management-level client service professionals are required to record and update their investments and those of their immediate family members in their individual accounts in the monitoring system.

To allow for the timely resolution of any potential independence issues, the monitoring system is linked to the restricted entity list, so the system can automatically email users when a potential exception may need to be addressed due to a change in restriction.

Scope of services for audit clients

Deloitte engagement acceptance policies require the partner leading a potential engagement to supervise a process designed to identify entities from which we must maintain independence. This includes determining whether Deloitte has an audit relationship with the potential client or any of its affiliates and, if so, our policies require us to obtain and document approval from the lead client service partner prior to accepting any new engagements.

Business relationships and alliances

Business relationships and alliances with third parties can impair auditor independence. Therefore, all proposed marketplace business relationships require evaluation and approval by the Independence Group and are then maintained and monitored in a central database of approved relationships.

Deloitte has processes and procedures for engaging independent contractors, including the centralised management of contractors through a single third-party service provider. This allows for potential independence issues to be identified and assessed before entering into arrangements.

Independence training

All partners and professional employees are required to complete training in relation to the Firm's independence policies when they join Deloitte.

Ongoing training incorporates updates to the independence policies and case studies. The Independence Group and the DTTL Global Independence Group issue regular policy updates and independence alerts to promptly communicate changes in the global regulatory landscape and new policies or interpretations to all of our people.



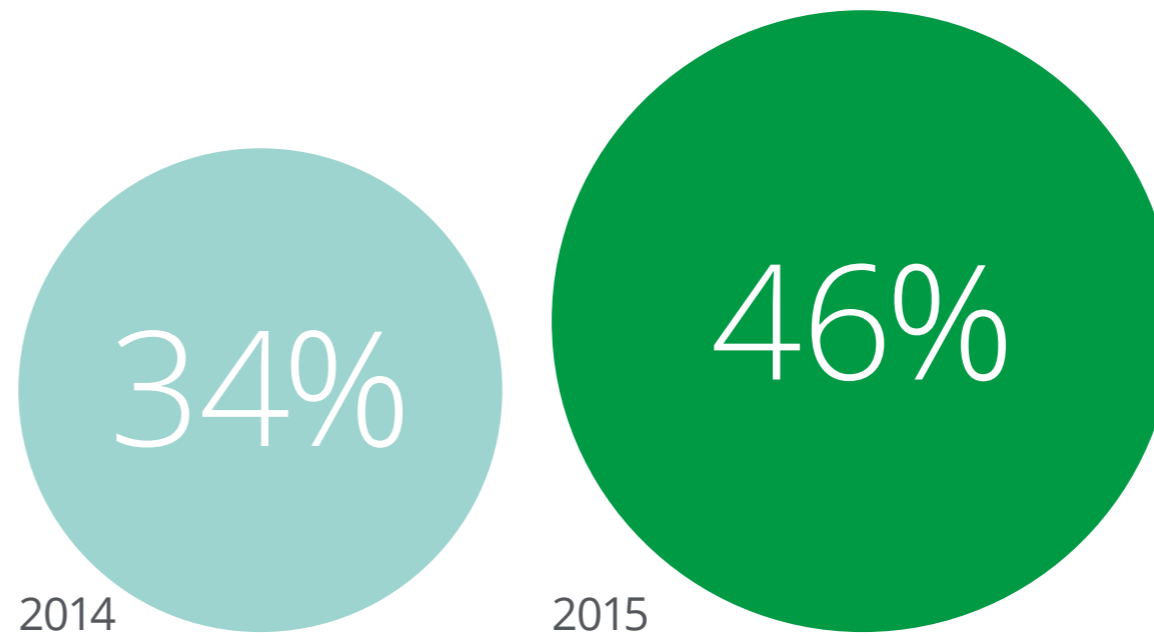
03 Ethics, privacy and independence

Independence confirmations and internal monitoring

All partners and employees are required to submit an annual written confirmation that they have read, understood and complied with Deloitte's independence policies. The Independence Group carefully monitors the confirmation process, and any exceptions are evaluated and resolved.

In addition, all professionals who are assigned to provide services as part of a financial statement audit engagement are required to confirm their independence of the audit client.

Deloitte has implemented an ongoing program to test the accuracy and completeness of the independence confirmations and the financial information in the automated independence monitoring system.



The percentage of partners selected for independence compliance testing in 2014 and 2015



03 Ethics, privacy and independence

Disciplinary process

Deloitte's leaders take a zero-tolerance approach to non-compliance with the Firm's independence policies. Our partners and employees are subject to disciplinary action if they violate these guidelines. Depending upon the severity of the violation, sanctions may include written warnings, financial penalties and potentially termination of employment or removal from the partnership.

Review of independence practices and monitoring

The Firm performs an annual internal review of independence quality controls, which is overseen by an individual nominated by DTTL. An external review of our independence quality controls is undertaken at least every three years and the results are communicated to the CEO. The most recent review was an external review undertaken during March 2015. In addition to the external review, independence is an element of the system of quality control which is assessed annually as part of the Practice Review discussed in [Chapter 4](#).

Audit partner rotation

Rotation of engagement partners, EQCRs and other key audit partners helps to provide a fresh perspective and to reduce familiarity and self-interest threats to independence.

Our rotation policies require that the engagement partner and the EQCR for the audits of listed entities and APRA-regulated entities are rotated after five consecutive years of service. For other key audit partners involved in the audits of listed entities and other public interest entities, the rotation requirement is seven years. Following rotation, these audit partners are not permitted to be involved in the audit engagement for a period of two years.

Deloitte maintains a database that tracks the number of years of audit partner involvement to facilitate succession planning and monitor compliance with rotation requirements.

We have a comprehensive and multi-layered independence framework.



Learning, measuring and refining

We use 'in-flight' and 'after-the-fact' reviews as part of a framework for on-going learning and improvement. We continue to look at ways to be more agile and nimble.



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Monitoring of quality-control policies and procedures

Our monitoring initiatives complement our policies, procedures and tools we have in place to drive audit quality, enabling us to continually improve.

Completed engagements

Our annual Practice Review Program is a key component of the Firm's overall system of quality control. This inspection and monitoring mechanism provides evidence of compliance with, and consistency in, the application of Deloitte Network policies and methodologies.

The Practice Review Program assures that our system of quality control complies with Auditing Standard ASQC 1 and is operating effectively. The findings and recommendations resulting from the practice reviews are presented to the Firm's CEO and form the basis for future improvement initiatives.

In-flight engagements

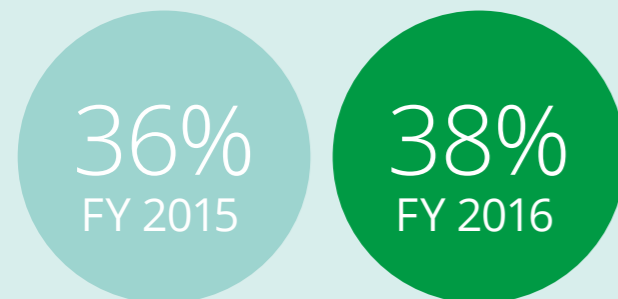
Our Audit Quality Coaching Program for selected engagements is used to embed the Firm's Audit Imperatives and the focus areas set out in our Audit Quality Plan. Rather than a formal "after the fact" review, coaches work with the engagement teams to reinforce our methodology, challenge teams and provide timely advice that can be acted on immediately during the engagement.

Our Health Check Program for selected engagements focuses on specific topics and is designed to improve our responsiveness to Practice Review and inspection findings, as well as to assess the effectiveness of actions we have previously put in place. These audit health checks are conducted throughout the year and are intended to be short, deep-dives on a topic. They are performed on 'live' engagements and themes are communicated back to the practice when applicable.

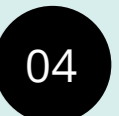


Practice Review Program: key features

- The program is led by the Firm's Practice Review Director.
- The Practice Review plan, process and results are reviewed and concurred on by a partner from another DTTL Network firm.
- The Practice Review includes a review of our system of quality control and a selection of engagement files.
- Every audit partner is reviewed at least once every three years. In addition, partner candidates are reviewed prior to promotion to partner.
- IFIAR and ASIC focus areas are emphasised and supplemented with country-specific focus areas.
- Engagement selections are risk-based and all major industries served by the Firm or practice office are considered.
- Reviewers are chosen from international pools or from other practice offices within the Firm.
- The Firm communicates any deficiencies that were noted and recommendations for remedial action as a result of the review to the relevant partner or staff member. Findings are incorporated into partner performance assessments, and poor performing partners may be sanctioned depending on the severity of the findings.
- If partners are rated below a certain level, an additional number of their engagements will be reviewed and they will be automatically listed for individual review the following year.
- The timing of reviews are split into two periods, rather than annually, so we can respond more quickly as a Firm to any improvement opportunities identified.
- A mid-year assessment monitors the impact of the prior year's action plan on addressing Practice Review findings so that adjustments can be made where actions have not resulted in clear improvement to engagements and/or our system of quality control.
- Each year, the Firm also communicates the results of the Practice Review Program, and ongoing consideration and evaluation of its system of quality control, to its partners and other appropriate individuals within the Firm.



Percentage of our Assurance Practice partners subject to review



Client Service Assessment and Complaints

Providing our clients with feedback mechanisms is part of our commitment to professional excellence.

Client Service Assessment Program

Deloitte is committed to providing excellent client service. An essential part of delivering, sustaining and improving our service is obtaining regular and structured feedback from our clients.

At the end of a selection of engagements, Deloitte partners who are independent of the engagement and/or client relationship conduct structured face-to-face interviews with key contacts at the client organisation. The engagement team is given specific feedback from these interviews and takes action to continuously improve service delivery.

Complaints policy

To allow the Firm to retain its strong reputation, we have a publicly available Complaints Handling Policy. This provides guidance on the manner in which Deloitte receives and manages complaints made against the Firm, its partners and its employees. The policy is supported by a procedures manual to help staff resolve complaints in an efficient, effective and professional manner.

Our process includes appointing a Complaints Officer and designating communication channels to manage complaints. Complaints are documented and analysed by the Complaints Officer to determine if any action, including changes to the system of quality control, should be taken to address specific problems.



External monitoring

We recognise the important role of regulators.
We share a common goal of achieving high-quality financial reporting.



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05 External monitoring

Given the important role of auditors in the financial markets, our profession and Deloitte are subject to external oversight by regulators. Deloitte recognises the important role the Australian Securities & Investments Commission (ASIC) plays in Australia and through its membership of the International Forum of Independent Audit Regulators (IFIAR) in promoting high-quality external audits of financial reports.

Australian Securities & Investments Commission

ASIC has responsibility for oversight of auditors in Australia, including Deloitte. ASIC monitors compliance with the requirements of the Corporations Act as it relates to auditor independence and audit quality. ASIC introduced a continuous inspection process for the largest firms in 2014. Deloitte has been subject to ongoing engagement file reviews throughout the Transparency Reporting Year. ASIC reports inspection findings in a private report to each individual firm. Periodically, ASIC publicly reports on its audit inspection program, summarising the scope and overall findings of inspections (see www.asic.gov.au for the report on the 2014–15 program).

Matters raised by ASIC both in our private report and the public report are analysed to determine root causes and develop strategies to rectify problems and improve processes. Where we deem it necessary, we remediate our audit engagement file for ASIC observations.

Chartered Accountants Australia and New Zealand (CAANZ)

CAANZ has a Quality Review Program to monitor whether its members have quality-control policies and procedures in place to comply with professional standards and legal requirements.

The most recent review of Deloitte involved using an online quantitative audit quality survey to assess partner and staff perceptions of the Firm's commitment to audit quality. The survey was conducted in the year to 30 June 2012. Each year, CAANZ summarises its overall findings in a public report on its Quality Review Program (see www.charteredaccountants.com.au).

Foreign Regulators

As we audit a number of entities that are publicly accountable in a foreign jurisdiction, a number of foreign regulators are also authorised to inspect Deloitte as outlined in [Figure 7](#).



Figure 7: Foreign regulators authorised to inspect Deloitte

Name of regulator	Date of last inspection	Comment
Public Company Accounting Oversight Board, United States (PCAOB)	Nov 2011	The PCAOB publishes a report on its website in relation to each firm inspected (see www.pcaobus.org).
Financial Reporting Council (FRC), United Kingdom	No inspection to date	The FRC previously advised Deloitte that it will not be separately inspecting Deloitte as it will rely on ASIC’s inspection program.
Canadian Public Accountability Board (CPAB)	No inspection to date	CPAB publishes an annual report on its website in relation to its audit inspection findings (see www.cpab-ccrc.ca).
Financial Markets Authority, New Zealand	No inspection to date	Their approach to overseas auditors that are already regulated in their home country is to place some reliance on the home regulator.



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Financial information

Deloitte provides audit, tax, consulting, financial advisory and risk advisory services to public and private clients in many industries.

Globally, the Deloitte Network's revenue was US\$35.2 billion for the year ended 31 May 2015 (2014: US\$34.2 billion). It employs approximately 225,000 professionals worldwide across a globally connected network of member firms operating in more than 150 countries.

In Australia, Deloitte recorded revenue of A\$1.5 billion for the year ended 31 May 2016 (2015: A\$1.3 billion). It employs over 6,000 people in 15 offices.

The Corporations Act prescribes the Transparency Reporting Year as a period of 12 months starting on 1 July. This differs from our financial year, which commences on 1 June. For this Transparency Reporting Year to 30 June 2016, our revenue from audits of financial statements was A\$251 million (2015: A\$236 million).

Figure 8: Deloitte audit and other revenue in Australia for the year ended 30 June 2016

	For the 12 months ended 30 June 2016 (A\$m)	For the 12 months ended 30 June 2015 (A\$m)
Audits of financial statements ¹	251	236
Non-audit services to audit clients	116	105
Non-audit services to non-audit clients	1,174	1,014
Total	1,541	1,355

1. Includes revenue derived from audits of financial statements. Other related assurance services are classified as non-audit services.



Deloitte Network and legal structure

'Deloitte' is the brand under which more than 225,000 dedicated professionals in independent firms in more than 150 countries collaborate to provide audit, consulting, financial advisory, risk advisory and tax services to selected clients.

The independent firms are a network of firms (Deloitte Network) and each is a member firm of Deloitte Touche Tohmatsu Limited (DTTL), an English private company limited by guarantee. Each member firm provides professional services in a particular geographic area and is subject to the laws and professional regulations of the particular country or countries in which it operates. In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu.

DTTL does not itself provide services to clients, or direct, manage, control or own any interest in any member firm. Further, member firms are not subsidiaries or branch offices of DTTL. DTTL and each DTTL member firm are separate and distinct legal entities, which cannot obligate each other. DTTL and each DTTL member firm are liable only for their own acts or omissions and not those of each other. Each DTTL member firm is structured differently in accordance with national laws, regulations,

customary practice and other factors, and may secure the provision of professional services in its territory through subsidiaries, affiliates and/or other entities.

Each member firm has voluntarily become a member of the Deloitte Network with a primary purpose to coordinate their approach to client service, professional standards, shared values, methodologies, and system of quality control and risk management. DTTL has adopted certain policies and protocols in each of these areas in an effort to establish a consistently high level of quality, professional conduct and service in all member firms. This structure confers significant strengths, combining high quality standards and methodologies with a deep understanding of local markets and a sense of responsibility and initiative among professionals who have a direct stake in the integrity and growth of their respective practices.



There are governance and management structures at both the DTTL and member-firm levels. At the DTTL level, the DTTL Board of Directors has adopted certain resolutions, policies and protocols regarding the governance of DTTL, professional standards and methodologies, and systems of quality control and risk management in an effort to establish a consistently high level of quality, professional conduct and service in all member firms. Member firms are responsible for applying these policies as well as for setting their own policies and exercising professional judgement to allow compliance with applicable professional standards and local laws and regulations.

The DTTL Board is the highest governing body of DTTL. Our CSO, John Meacock, is a member of the DTTL Board. DTTL's highest management body is the DTTL Global Executive Committee, which is led by the global CEO. Our CEO, Cindy Hook, is a member of the DTTL Global Executive Committee.

The Global Audit Leadership Team comprises the audit leaders of the 10 largest member firms and is responsible for approving global audit strategy and overseeing implementation plans. Richard Deutsch, our Managing Partner, A&A, represents Australia on the Global Audit Leadership Team. In addition, a number of other partners are active participants of DTTL forums as outlined in [Chapter 1](#).

Further, DTTL requires and monitors the implementation of high-priority programs, such as the implementation of Deloitte Audit, the Audit Imperatives and the Audit Quality Plan. This is in addition to the Practice Review Program described in [Chapter 4](#).



Deloitte audit clients

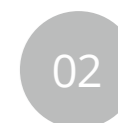
Listed companies and listed registered schemes

Deloitte completed statutory audits² of the following listed entities during the year ended 30 June 2016.

AAT Corporation Limited
Aberdeen Leaders Limited
Adelaide Resources Limited
AGL Energy Limited
Agricultural Land Trust
Aguia Resources Limited
Altona Mining Limited
Angas Securities Limited
A.P. Eagers Limited
APA Group (Australian Pipeline Trust and APT Investment Trust)
APN Property Group Limited
APN Regional Property Fund
Apollo Consolidated Limited
APT Pipelines Limited
Ariadne Australia Limited

Arrowhead Resources Limited
Asian Masters Fund Limited
Astro Japan Property Group Limited
Audio Pixels Holdings Limited
Aurora Absolute Return Fund
Aurora Dividend Income Trust
Aurora Global Income Trust
Aurora Property Buy-Write Income Trust
Australian Finance Group Limited
Australian Masters Corporate Bond Fund No. 5 Limited
Australian Masters Yield Fund No. 1 Limited
Australian Masters Yield Fund No. 2 Limited
Australian Masters Yield Fund No. 3 Limited
Australian Masters Yield Fund No. 4 Limited
Australian Renewable Fuels Limited
Australian Vintage Limited
Bass Strait Oil Company Limited
Bionomics Limited
BioTech Capital Limited
Black Oak Minerals Limited
Black Rock Mining Limited
Blackmores Limited

Boart Longyear Limited
Brand New Vintage Limited
Brookfield Prime Property Fund
BSA Limited
Byron Energy Limited
Calibre Group Limited
Capral Limited
Carbon Energy Limited
Cash Converters International Limited
Centrepont Alliance Limited
CIMIC Group Limited
Clarius Group Limited
Clearview Wealth Limited
Cleveland Mining Company Limited
Coal of Africa Limited
Crusader Resources Limited
CSR Limited
Dick Smith Holdings Limited
Digital CC Limited
Domino's Pizza Enterprises Limited
Drummond Gold Limited
Dynasty Resources Limited
eChoice Limited



2. Audit means an audit conducted for the purposes of the Corporations Act and includes a half-year review of a financial report.

Appendix

Elanor Investors Group (Stapled security)
Electro Optic Systems Holdings Limited
Elemental Minerals Limited
Embelton Limited
Emeco Holdings Limited
Emerchants Limited
Energy Metals Limited
Equity Trustees Limited
eServGlobal Limited
FAR Limited
Fitzroy River Corporation Limited
Folkestone Limited
Freedom Foods Group Limited
Funtastic Limited
Gale Pacific Limited
Generation Healthcare REIT
GLG Corp Limited
Global Resource Masters Fund Limited
Godfreys Group Limited
Golden Rim Resources Limited
GPS Alliance Holdings Limited
GR Engineering Services Limited
Greenland Minerals and Energy Limited

Havilah Resources Limited
Healthscope Limited
HGL Limited
Hillgrove Resources Limited
HUB24 Limited
IDT Australia Limited
Ikwezi Mining Limited
IM Medical Limited
Imdex Limited
Incitec Pivot Limited
Industria REIT
IPH Limited
IRESS Limited
iShares Core UBS Composite Bond ETF
iShares Global 100 AUD Hedged ETF
iShares Global Corporate Bond (AUD Hedged) ETF
iShares Global High Yield Bond (AUD Hedged) ETF
iShares J.P. Morgan USD Emerging Markets Bond (AUD Hedged) ETF
iShares MSCI Australia 200 ETF
iShares S&P 500 AUD Hedged ETF

iShares S&P/ASX 20 ETF
iShares S&P/ASX Dividend Opportunities ETF
iShares S&P/ASX Small Ordinaries ETF
iShares UBS Government Inflation ETF
iShares UBS Treasury ETF
JB Hi-Fi Limited
Keybridge Capital Limited
Matrix Composites & Engineering Limited
Medical Developments International Limited
Megaport Limited
MHM Metals Limited
Millinium's Alternatives Fund
Mineral Deposits Limited
MMA Offshore Limited
Moly Mines Limited
Mortgage Choice Limited
Multiplex European Property Fund
Multiplex SITES Trust
NAOS Absolute Opportunities Company Limited
NAOS Emerging Opportunities Company Limited
Navitas Limited
Neometals Limited



Appendix

New Hope Corporation Limited	Regional Express Holdings Limited	Stonewall Resources Limited
Northern Star Resources Limited	Resource Generation Limited	Strike Energy Limited
NRW Holdings Limited	Respiri Limited	Sundance Resources Limited
Odyssey Energy Limited	Retail Food Group Limited	Superloop Limited
Oil Basins Limited	RMA Energy Limited	Swick Mining Services Limited
Opthea Limited	Rubicor Group Limited	Tag Pacific Limited
OreCorp Limited	Saunders International Limited	Tap Oil Limited
Pacific Current Group Limited	SDI Limited	Tasmania Mines Limited
Panorama Synergy Limited	Seafarms Group Limited	Tassal Group Limited
Paringa Resources Limited	Servcorp Limited	The PAS Group Limited
Pental Limited	Seymour Whyte Limited	Transaction Solutions International Limited
Pepper Group Limited	Shopping Centres Australasia Property Group	Troy Resources Limited
Phillips River Mining Limited	Shriro Holdings Limited	Unity Mining Limited
Pioneer Resources Limited	Sigma Pharmaceuticals Limited	US Masters Residential Property Fund
PMP Limited	Simonds Group Limited	US Select Private Opportunities Fund
Primary Health Care Limited	SIMS Metal Management Limited	US Select Private Opportunities Fund II
Primary Opinion Limited	SIV Asset Management Limited	UXC Limited
Programmed Maintenance Services Limited	Sovereign Metals Limited	Vision Eye Institute Limited
Prospect Resources Limited	Spark Infrastructure Group (Stapled Securities)	Vocus Communications Limited
QRxPharma Limited	Specialty Fashion Group Limited	WCP Resources Limited
RCG Corporation Limited	Sphere Minerals Limited	Webster Limited
RCR Tomlinson Limited	Stellar Resources Limited	Woolworths Limited
Reckon Limited	Stone Resources Australia Limited	WPP AUNZ LTD
RedChip International Limited	Stone Resources Limited	



Authorised deposit-taking institutions (ADIs)

Deloitte completed statutory audits of the following ADIs during the year ended 30 June 2016.

Arab Bank Australia Limited
Auswide Bank Ltd
Banco Santander, S.A.
Bank of Sydney Ltd
BNP Paribas
BNP Paribas Security Services
Cuscal Limited
Defence Bank Limited
Mega International Commercial Bank Co., Ltd
Members Equity Bank Limited
Police Credit Union Limited
Royal Bank of Canada
The Bank of Tokyo-Mitsubishi UFJ, Ltd
The Royal Bank of Scotland N.V.
The Royal Bank of Scotland plc

Insurers

Deloitte completed statutory audits of the following general insurance and life insurance entities³ regulated by APRA during the year ended 30 June 2016.

Allied World Assurance Company Limited
Ansvar Insurance Limited
Atradius Credit Insurance N.V.
Australian Scholarships Group Friendly Society Limited
AXIS Specialty Europe SE
Berkshire Hathaway Speciality Insurance Company
ClearView Life Assurance Limited
Compagnie Francaise D'Assurance Pour Le Commerce Exterieur – Australian Branch

General Reinsurance Australia Limited
General Reinsurance Life Australia Limited
Hollard Holdings Australia Pty Limited
MetLife General Insurance Limited
MetLife Insurance Limited
NobleOak Life Limited
Optus Insurance Services Pty Limited
Pacific International Insurance Limited
Pacific International Insurance Pty Limited
Pacific Life Re (Australia) Pty Limited
Poseidon Insurance Co Pty Ltd
Rapid Solutions Holdings Pty Ltd
RGA Reinsurance Company of Australia Limited
The Hollard Insurance Company Pty Ltd

3. Includes the following bodies regulated by APRA: A general insurer, authorised non-operating holding company (NOHC) or subsidiary of a general insurer or authorised NOHC, within the meaning of the Insurance Act 1973 and a life company that is registered under section 21 of the Life Insurance Act 1995 or a registered NOHC within the meaning of the Act.



Glossary

Term	Description
A&A	Assurance and Advisory
ADI	Australian deposit-taking institution
A-IFRS	Australian International Financial Reporting Standards
Assurance Practice	The Assurance Practice referred to in this report comprises the audit practitioners, partners and staff of Deloitte
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities & Investments Commission
Board of Partners	Board of Partners of Deloitte
CAANZ	Chartered Accountants Australia and New Zealand
CEO	Chief Executive Officer
COO	Chief Operating Officer
Corporations Act	<i>Corporations Act 2001</i>
CPAB	Canadian Public Accountability Board
CRO	Chief Risk Officer

Term	Description
Deloitte	The Australian partnership of Deloitte Touche Tohmatsu which is a member firm of DTTL
Deloitte Network	Individual independent member firms of the DTTL Network of member firms
DTTL	Deloitte Touche Tohmatsu Limited, an English private company limited by guarantee
EQCR	Engagement Quality Control Reviewer
FRC	Financial Reporting Council
Firm	Refer to 'Deloitte'
IFIAR	International Forum of Independent Audit Regulators
IFRS	International Financial Reporting Standards
NPPD	National Professional Practice Director
PCAOB	Public Company Accounting Oversight Board
The Board	Refer to 'Board of Partners'
The Code	Ethical Code of Conduct
Transparency Reporting Year	The period 1 July to 30 June



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About Deloitte

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s approximately 225,000 professionals are committed to becoming the standard of excellence.

About Deloitte Australia

In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia’s leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 6,000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at www.deloitte.com.au.

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