

Media Release
28 November 2002

NIA believes CLERP 9 tackles the key issues

The National Institute of Accountants (NIA), one of Australia's three leading accounting bodies, in its submission on the CLERP 9 *Corporate Disclosure: Strengthening the Financial Reporting Framework* discussion paper, has welcomed the proposed reform of the auditing profession.

The NIA's Chief Executive Officer, Roger Cotton, believes that the CLERP 9 discussion paper effectively tackles the key issues, principally:

- Liability reform, particularly proportionate liability and allowing audit firms to incorporate;
- Audit Competency Standards as the basis for Registered Company Auditor (RCA) registration need to be developed and adopted as a matter of priority; and
- Broadening the responsibilities of the Financial Reporting Council (FRC), including reconstituting the AuASB as an independent statutory body with oversight from the FRC.

Mr Cotton said, "The NIA and the accounting profession as a whole have undertaken significant reform and self analysis as a result of recent corporate failings. Accounting firms have responded positively to the environment by reforming their own processes and undertaking substantial structural changes.

"The NIA is publicly supportive of many of the proposals in CLERP 9 discussion paper, particularly because it provides an opportunity to remove much of the legislative discrimination our members endure."

However, the NIA in its submission stated that the discussion paper also includes several misconceptions about the NIA and the accounting profession.

"We are very keen to clarify these issues, and we will be encouraging further consultation before the Legislation is presented to Parliament," Mr Cotton said.

He added, "Corporate reform is an ongoing process and the NIA is keen, as a key stakeholder, to be involved in the entire process."

Enquiries:

Roger Cotton
NIA Chief Executive Officer
Mobile 0418 177 765

Gavan Ord
NIA Technical Policy Manager
Mobile 0419 547 782

Kim Gilliland
Corporate Kudos
Tel (03) 9646 3444