

Dear Members of the Parliamentary Joint Committee on Corporations and Financial Services

CPA Australia would like to bring to your attention our revised [*A Guide to Understanding Audit and Assurance – Australian listed companies*](#) published this week. The Guide is a very useful resource, which we consider provides relevant background for the PJC's inquiry into the Regulation of Auditing in Australia. We hope that this Guide will assist you in understanding the existing reporting and auditing frameworks in order to appreciate the merits and impact of changes that may be proposed during the course of the inquiry. It explains in plain language what the audit is, including: the purpose and scope of audits, what external auditors can provide, the roles of the directors and audit committee, what the audit process involves, information available to users to assess audit quality and what the auditor's opinion means, including the meaning of a "true and fair view".

The following article published today in Accountants Daily today puts the Guide into perspective: [Understand what an audit is before calling for an overhaul.](#)

We hope that you find the Guide useful. Please advise should you require any further information or if CPA Australia can assist the PJC further in the current inquiry.

Kind regards,
Claire

Link to Guide:

https://www.cpaaustralia.com.au/~/_media/Corporate/AllFiles/Document/professional-resources/auditing-assurance/guide-understanding-audit-assurance.pdf

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