



**Australian Government**  
**Registered Organisations Commission**

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## **Guidance Note**

**Applying to become a registered auditor under section 255A of the *Fair Work (Registered Organisations) Act 2009***

**Prepared and issued by the Registered Organisations Commission**

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### **Important information**

This document provides a guide only and is not intended to be a substitute for the relevant legislation and regulations.

Examples in this guide are purely for illustration; they are neither exhaustive nor intended to impose or imply particular rules or requirements.

These guidelines neither constitute legal advice nor change legal obligations as set out in the legislation. The applicant is encouraged to seek independent advice on how the relevant legislation applies to individual circumstances.

# Guidance Note: Applying to become a registered auditor under section 255A of the *Fair Work (Registered Organisations) Act 2009*

## 1. Registering as a registered organisation auditor

This document is designed to provide general guidance to assist prospective applicants applying for registration as a registered auditor (RA), in accordance with amendments to the *Fair Work (Registered Organisations) Act 2009*<sup>1</sup> (the Act) which came into operation on 2 May 2017.

Under the Act, the Registered Organisations Commissioner (the Commissioner), grants an application and issues a certificate of registration to an RA if the eligibility criteria contained within the Act are met.

### 1.1. Transitional arrangements

Current auditors who wish to continue to provide audit work for a registered organisation must have submitted an application form with the Registered Organisations Commission (ROC), and be registered by no later than 1 August 2017.

From 2 August 2017, the position of auditor of a federally registered organisation or a branch must be held by an individual who is a registered auditor, or a firm where at least one member is a registered auditor or a company where at least one director, officer or employee is a registered auditor. Section 256 of the Act provides for a civil penalty of 200 penalty units to apply to the organisation or branch, individual, firm or company if in breach of this requirement.

### 1.2. Eligibility to register

Subdivision A of Division 4 of Part 3 of Chapter 8 of the Act sets out the eligibility criteria that you must satisfy to register as an RA. The *Fair Work (Registered Organisations) Regulations 2009* (the Regulations) provide additional detail as to these criteria, and specify the qualifications, knowledge, training and experience that RAs require if the applicant is not a registered company auditor (RCA) under Part 9.2 of the *Corporations Act 2001* (Corporations Act). Section 6.3 (Parts F and G) provides guidance on the circumstances in which a person meets the educational requirements. **Note:** The Regulations are not intended to be read in isolation and should be read in conjunction with the Act.

### 1.3. How to register

To register, you must complete and submit the relevant *Application for registration as a registered auditor* form, which is available for download from the ROC website ([www.roc.gov.au](http://www.roc.gov.au)).

You must demonstrate that you satisfy the legislative requirements for registration as an RA. Refer to Section 6.3 for instructions and guidance on this process.

There are no application fees for applying to register as an RA.

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<sup>1</sup> A link to the legislation can be found in: [http://www.austlii.edu.au/au/legis/cth/consol\\_act/fwoa2009362/](http://www.austlii.edu.au/au/legis/cth/consol_act/fwoa2009362/)

## 1.4. The Register of Registered Auditors

Once registered, your details will be listed in the Register of RAs on the ROC website.

The Regulations stipulate the specific information to be published in the register. Publication of your details in the register will enable registered organisations and the public to identify at any particular time, whether you are currently registered. This type of information might also assist registered organisations to readily source a RA. For each RA, the register includes the RA's name, registration number, date registration was granted, registration status including date of suspension if applicable, company/firm's name, address of principal place of practice and any other details the Commissioner considers appropriate.

You must continue to meet the eligibility requirements detailed in the Act and Regulations to maintain your registration. Once registered, you will remain on the register until you elect to cancel your registration. However, under the Act, the Commissioner may also suspend or cancel your registration as an RA. Refer to **Section 7.6** for further information.

## 2. Rotation of Registered Auditors

In accordance with Section 256A of the Act, you are unable to play a significant role in an audit of a registered organisation or branch:

- (a) For more than five consecutive financial years; or
- (b) For more than five out of seven consecutive financial years, unless the Commissioner declares, in writing, that this does not apply to an individual.

In accordance with section 256A(4) of the Act, you **play a significant role** in the audit of a registered organisation or branch for a financial year if:

- (a) you hold the position of an RA for the reporting unit (which is defined in section 242 of the Act) for the financial year; or
- (b) a firm or company holds the position of auditor for the financial year and you, as an RA, participate on behalf of the firm or company in the preparation of an audit report or conduct of an audit in relation to a financial report of the registered organisation or branch for the financial year or any part of the financial year.

These requirements apply to you as the RA and not a firm of which you are a part. Another RA from the same firm thereafter may be eligible for appointment to the audit.

**Note:** It is only time spent playing a significant role in the audit of a reporting unit after 2 May 2017 that will count for the purposes of section 256A. In other words, 2 May 2017 is the commencement date for calculating the five consecutive financial years, or five out of seven consecutive financial years for the purposes of section 256A.

## 3. Termination of registration

The Commissioner may terminate your registration if you are not carrying out your duties and functions under the Act, have not performed any audit work or any significant audit work during a continuous period of not less than five years, or are not a fit and proper person to remain registered.

## 4. Conflict of interest

It is important that the independence of the external audit process is not called into question as a result of actual, perceived or potential conflicts of interest. Such conflicts could arise when you perform other services, including non-audit services, for the registered organisation or branch for which you have been appointed.

To maintain the independence and objectivity of the audit process, you are required, in accordance with the Australian Auditing Standards, to avoid all situations that establish, or have the potential to establish, a conflict of interest or the appearance of a conflict of interest.

In considering whether an actual or perceived conflict will arise, it is important that you assess whether the other services to be provided have an effect on your independence.

Types of services that **do** give rise to a conflict include:

- (a) internal audit, asset valuation, taxation advice, and actuarial services;
- (b) accounting policy advice; and
- (c) services relating to the establishment, preparation and / or maintenance of accounting records and systems.

Types of services that **may** give rise to a conflict include:

- (a) the preparation of financial and other accountability statements; and
- (b) services related to fundamental aspects of the registered organisation or branch's business and/or strategic planning, including consultancy services.

## **5. Quality assurance program**

### **5.1 Expected quality processes adopted by the Registered Organisation Auditor**

The Act requires audits to be conducted in accordance with auditing and assurance standards issued by the Auditing and Assurance Standards Board (**AUASB**) and standards issued by the Accounting Professional and Ethical Standards Board (**APESB**). This includes the implementation of quality assurance and engagement quality control review procedures required by APES 320 *Quality Control for Firms* and ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*.

All RAs are expected to have in place systems and processes that ensure compliance with APES 320 and ASQC 1.

An engagement quality control review process should be initiated by all RAs where required. An appropriate professional who has no other responsibility for the audit, needs to determine whether the:

- (a) evidence of work performed and conclusions contained in the working papers support the recommended audit opinion, and
- (b) the audit conforms to auditing and professional standards and your, or your firm's quality assurance policies.

## **6. Completing the application form**

Download from the ROC website the *Application for registration as a registered auditor* form that is relevant to your individual circumstances:

- (a) If you are [currently an RCA under the Corporations Act complete this form](#); or
- (b) [If you are not an RCA you must complete this form](#) (and separate attachments) and include all relevant supporting documentation. Please note that the Commissioner may request further information to support your application such as a national criminal history check from one of the following sources:
  - Australian Federal Police;
  - state and territory police services; and
  - brokers accredited by the Australian Criminal Intelligence Commission

**Note:** Giving false or misleading information is a serious offence. A person who:

- Knowingly or recklessly makes a false or misleading statement in an application for registration; or
- Knowingly gives false or misleading information in an application for registration

Is guilty of an offence, the punishment for which is imprisonment for up to 12 months (if a statement is made or information is provided knowingly) or up to 6 months (if a statement is made recklessly) – see Part 7.4, section 136 and 137.1 of the Criminal Code.

## **6.1 Supporting documents**

### **6.1.1 Providing copies**

All documents submitted to support your application will need to be a copy of the original that is legible and clearly shows your full name and all other relevant details contained within the document such as qualifications, registration number and registration date.

### **6.1.2 Documents written in languages other than English**

Documents written in languages other than English need to be translated into English. Each translated document must be certified as a true and correct copy by an authorised translation service. Authorised translation services in Australia are listed by the National Accreditation Authority for Translators and Interpreters<sup>2</sup>.

If translation services are received from another country, attach evidence that the service is from an Authorised Translator. Only hard copies of the original document can be certified as a true and correct copy by a translator.

## **6.2 Third party checks**

### **6.2.1 Australian Federal Police National Police Checks**

The Commissioner may seek independent confirmation of the information provided in your application, particularly with regard to the 'fit and proper' person criteria at Part D.

If required, the Commissioner may request that you obtain a national criminal history check.

### **6.2.2 Foreign criminal records checks**

If you have resided in a foreign country in the last ten years, the Commissioner may request that you obtain a criminal record check from the relevant law enforcement agency in the country of residence, and submit it with your application.

## **6.3 Form guidance**

The explanatory notes below are not exhaustive and only address questions that may require clarification. If you require further assistance with completing your application, contact the ROC on 1300 341 665 or at or at [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

### **6.3.1 Application form for those who are registered company auditors**

#### **Part A: Personal details**

Questions 1–4

Insert personal details as required.

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<sup>2</sup> [http://www.naati.com.au/home\\_page.html](http://www.naati.com.au/home_page.html)

Question 3: Have you been known by any other name(s)?

If you reply 'yes' to this question, you must provide a certified copy of your name change document (for example, your marriage or name change certificate) or a statutory declaration with your application. Statutory declarations can only be witnessed by specified categories of people.

There are significant penalties for making false statements in statutory declarations.

**Part B: Capacity**

Question 5 – 7

Insert capacity and business details as required.

**Part C: Registered company auditor**

Question 8

Insert RCA details (as applicable).

**Part D: Declaration and signature**

You must ensure that you read the declaration and signature page of the application carefully before signing and submitting the completed form.

Please note: **Giving false or misleading information is a serious offence.** A person who:

- knowingly or recklessly makes a false or misleading statement in an application for registration; or
- knowingly gives false or misleading information in an application for registration

is guilty of an offence, the punishment for which is imprisonment for up to 12 months (if a statement is made or information is provided knowingly) or up to six months (if a statement is made recklessly) – see Part 7.4, section 136 and 137.1 of the *Criminal Code*.

**6.3.2 Application form for those who are not registered company auditors**

**Part A: Personal details**

Questions 1–5

Insert personal details as required.

Question 3: Have you been known by any other name(s)?

If you reply 'yes' to this question, you must provide a certified copy of your name change document (for example, your marriage or name change certificate) or a statutory declaration with your application. Statutory declarations can only be witnessed and signed by specified categories of people.

There are significant penalties for making false statements in statutory declarations.

**Part B: Capacity**

Question 6 – 8

Insert capacity and business details as required.



### **Part C: Previous registered company auditor**

#### Question 9

Insert previous RCA details (as applicable). If you are currently registered as an RCA, you should be completing form: [Application for registration as a registered auditor by a registered company auditor](#).

### **Part D: Suitability of applicant**

#### Questions 10–15: Fit and proper person

The Regulations require an applicant who is not an RCA to satisfy the Commissioner that they are a 'fit and proper' person to be registered as an RA. These criteria predominantly relate to personal characteristics such as honesty, integrity and a good reputation. The Commissioner may seek independent confirmation of the information you provide in response to questions 10 to 15. This may involve checks with third parties such as referees.

Please note: **Giving false or misleading information is a serious offence.** A person who:

- knowingly or recklessly makes a false or misleading statement in an application for registration; or
- knowingly gives false or misleading information in an application for registration

is guilty of an offence, the punishment for which is imprisonment for up to 12 months (if a statement is made or information is provided knowingly) or up to six months (if a statement is made recklessly) – see Part 7.4, section 136 and 137.1 of the *Criminal Code*.

The Regulations direct that the Commissioner must have regard to the information provided in answer to questions 10 to 15 although it is important to understand that the information you provide here may not necessarily render you ineligible for registration. It is therefore in your best interests to provide a full and accurate account of the circumstances which surround any relevant event (for example, a criminal conviction or civil liability) so that the Commissioner has all the facts at hand to enable an informed decision.

The Commissioner may request that you fill in, sign, and submit an Australian Federal Police National Police Check form during the assessment of your application.

#### Question 10

Insert details relating to any convictions you have for a designated offence. A designated offence under the Act means:

- (a) a prescribed offence (see section 212 of the Act); or
- (b) a prescribed offence within the meaning of section 1313 of the *Corporations Act 2001*; or
- (c) an offence against the *Building and Construction Industry (Improving Productivity) Act 2016*.

Section 212 of the Act defines that a *prescribed offence* is:

- (a) an offence under a law of the Commonwealth, a State or Territory, or another country, involving fraud or dishonesty and punishable on conviction by imprisonment for a period of three months or more; or
- (b) an offence against section 51, 72, 105, 185, 191, subsection 193(2), section 194, 195, 199, subsection 202(5) or section 290A or 337BE of the Act; or
- (c) any other offence in relation to the formation, registration or management of an association or organisation; or
- (d) any other offence under a law of the Commonwealth, a State or Territory, or another country, involving the intentional use of violence towards another person, the

intentional causing of death or injury to another person or the intentional damaging or destruction of property.

Question 11

Insert details relating to any order imposed on you in respect of a contravention of a designated civil penalty provision. A designated civil penalty provision under the Act means:

- (a) a civil penalty provision (see subsection 305(2) of the Act); or
- (b) a civil remedy provision within the meaning of the *Fair Work Act 2009*; or
- (c) a civil remedy provision within the meaning of the *Building and Construction Industry (Improving Productivity) Act 2016*.

Question 12

Insert details relating to any pending charges for a designated offence, or order in respect of a designated civil penalty provision against you, that has not yet been finalised by the Courts.

Question 13

Insert details relating to any order made under section 307A Disqualification Orders of the Act which disqualifies you from holding office in an organisation. Section 307A provides that:

- (a) The Federal Court may make an order disqualifying a person from holding office in an organisation for a period that the Court considers appropriate if:
  - (i) the person has contravened a civil penalty provision; and
  - (ii) the Court is satisfied that the disqualification is justified.
- (b) In determining whether the disqualification is justified, the Court may have regard to:
  - (i) the person's conduct in relation to the management, business and property of any organisation; and
  - (ii) any other matter that the Court considers appropriate.

Questions 14–15

The Commissioner will take into consideration the response to these questions when determining whether you are a fit and proper person to be registered as an auditor.

For question 15, provide details if you have ever been excluded from practice as an auditor, had your registration as an auditor suspended or been subject to any other disciplinary action by any of the following bodies: Australian Securities and Investments Commission, the Companies Auditors and Liquidators Disciplinary Board, Australian Prudential Regulatory Authority, Chartered Accountants Australia and New Zealand, CPA Australia, the Institute of Public Accountants, the Tax Practitioners Board, and any other body having authority in Australia or elsewhere relating to the registration or disciplining of auditors.

**Part E: Membership of a professional accounting body**

Question 16

Insert details of current memberships of professional accounting bodies.

**Part F: Qualifications**

Questions 17 – 19

Insert details of relevant qualifications.

You will have the prescribed qualifications if you:

- (a) hold a degree, diploma or certificate from a university, or other institution in Australia, that is prescribed by regulations made for the purposes of paragraph 1280(2A)(a) of the *Corporations Act 2001*<sup>3</sup>; and
- (b) have, in the course of obtaining that degree, diploma or certificate, passed examinations in such subjects, under whatever name, as the appropriate authority of the university or other institution certifies to the Commissioner to represent a course of study:
  - (i) in accountancy (including auditing) of not less than three years duration; and
  - (ii) in commercial law (including company law) of not less than two years duration;and
- (c) have satisfactorily completed a course in auditing prescribed by regulations made for the purposes of paragraph 1280(2A)(c) of the *Corporations Act 2001*<sup>4</sup>.

If you do not have the prescribed academic qualifications you can still apply for registration based on equivalent qualifications and experience. See guidance in Part G.

### **Part G: Other qualifications**

Question 20

#### **Equivalent qualifications and experience for compliance with section 255C(2) of the Act**

Complete the statement setting out equivalent qualifications and experience.

- (a) You must state the following:
  - (i) which subjects referred to in your academic record are accounting subjects, and which are legal subjects
  - (ii) the duration of each of these subjects (e.g. one semester or one year).
- (b) You must identify which of the:
  - (i) accounting subjects included auditing; and
  - (ii) legal subjects included company law.

Please do not refer to subjects that are not accounting or legal subjects.

### **Part H: Audit experience**

Part H collects information that will help the Commissioner form an opinion about whether you have the skills required under section 255B(3)(b) of the Act.

Question 21

#### **Have you satisfied all the components of an auditing competency standard approved by ASIC?**

Section 255B(3)(b)(i) of the Act requires that an applicant complies with an auditing competency standard that is approved by the Australian Securities and Investments Commission (ASIC). The approved auditing competency standard applied by ASIC is the *Auditing Competency Standard for Registered Company Auditors* ("2016 competency standard") produced by [CPA Australia](#) (CPAA), the [Chartered Accountants of Australia and New Zealand](#) (CA ANZ), and the [Institute of Public Accountants](#) (IPA).

You must provide your completed logbook (**Document D**), including your statement by assessor and / or statement(s) by referee.

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<sup>3</sup> Note: The prescribed universities and institutions are outlined in [regulation 9.2.02 of the Corporations Regulations 2001](#).

<sup>4</sup> Note: The prescribed auditing courses are outlined in [regulation 9.2.03 of the Corporations Regulations 2001](#).

You, your assessor and/or referee do not have to be members of CPAA, CA ANZ or IPA to rely on the competency standard. However your assessor and/or referee must be an RCA.

The Commissioner will generally accept that you meet all components of the 2016 approved competency standard if:

- (a) Your auditor competencies 2016 logbook ([Document D](#)) shows that you have demonstrated competency in all of the tasks/activities to the satisfaction of your assessor on a continuous basis over a three to five year period starting on the first date you demonstrated competency in a task/activity;  
AND
- (b) Your statement by assessor contains all relevant information required by the 2016 competency standard;  
AND, either:
  - (i) You have been employed by an accounting firm for at least five years OR you have been admitted as a member of CPAA, CA ANZ or IPA for at least two years;  
OR
  - (ii) Your statement by referee contains all relevant information required by the 2016 competency standard.

1. *Employment or membership*

The Commissioner will look at the documents you lodge with your application to confirm your employment by an accounting firm or membership of a professional body.

2. *Assessment period*

The Commissioner will generally require you to demonstrate auditing competency on a number of audit engagements over the three to five year period preceding your application. The Commissioner will generally take the earliest date on which you first demonstrate competency in one of the tasks/activities as being the start of the three to five year period.

To ensure that your assessment was over a continuous three to five year period, the Commissioner will look at the dates on which your assessor assessed you as being competent in each task/activity. If you are also relying on earlier audit work, the Commissioner will look at the earliest date that your statement by referee indicates you gained competency in that task/activity.

*Statement by referee*

You should submit a statement by a referee attesting that you have acquired and retained the competencies necessary to perform a task/activity, as well as the basis for this opinion, if:

- (a) you last demonstrated competency in that task/activity more than five years before applying for registration—this is because your competency may have lapsed over time; or
- (b) you demonstrated competency in that task/activity:
  - (i) within a period of less than two years, starting from the date you were first admitted as a member of a professional accounting body (CPAA, CA ANZ or IPA); and/or
  - (ii) within a period of less than five years, starting from the date you were first employed by the accounting firm at which you acquired that competency.

3. *Type of audits*

You may rely on Corporations Act or other audits to demonstrate competency under the 2016 competency standard where the task/activity permits.

You are expected to acquire and demonstrate your audit competencies on a number of audit engagements, at appropriate senior levels, over a continuous period of time. It will be difficult for you to demonstrate competency in all tasks/activities if you have not undertaken any Corporations Act audits, or only a small number of audits generally, or you have not identified any reasonably complex audit issues in your capability report.

If this is the case, you or your assessor may have to provide more information about how your competency was assessed.

4. *Assessors*

Your application must include details of your assessor. If these details are incorrect, the Commissioner may treat your application as not meeting the required standard. The 2016 competency standard explains an assessor's obligations—in particular, that the assessor should consider your demonstration of professional scepticism, ethics and values in the performance of an audit. Before they take on this role, an assessor should make sure that they have a strategy in place for your assessment generally over a continuous period of three to five years. They must plan and document the assessment process and methods.

In some cases, the Commissioner may ask you or your assessor to provide details of the assessment process and methods (e.g. where you rely heavily on non-Corporations Act audits).

You can have only one assessor at any one time. If you have more than one assessor over the three to five year period, each assessor, at the relevant time, should:

- (a) ensure that your logbook is correctly completed during the course of their assessment; and
- (b) sign off on your competency in a task/activity in Table D1 and complete, sign and date the statement by assessor (see [Document D](#)).

5. *Self-employed*

If you have been self-employed for the past five years, you will not have had an assessor and you may not have undertaken any Corporations Act audits. In this case, you must:

- (a) complete your logbook providing details of audit engagements over a three to five year period where you have performed each of the tasks/activities; and
- (b) provide the Commissioner with any further information required.

6. *Completing your 2016 logbook*

The 2016 competency standard requires you to keep evidence of your competency and this may be documented in the format of a logbook: see [Document D](#). This logbook lists eight tasks you must perform, as well as the indicative activities within each task.

Your logbook must be a contemporaneous record over three to five years of when you first attained competency in and subsequently performed a task/activity competently.

It is not acceptable to complete your entire logbook on one particular date, as you must demonstrate competency over a continuous period of three to five years under formal assessment.

For each task/activity, you must record:

- (a) the name of the audit engagement(s) during which the activity was performed;
- (b) the financial year end(s) for the audit engagement(s); and
- (c) your performance of the activities and demonstration of your competency.

You must record all audit engagements over the three to five year period where you demonstrated competency in a task/activity to your assessor, and subsequently performed the task/activity competently. When you are competent in a task/activity, your assessor should sign the summary of auditor competencies at Table D1 in [Document D](#) for that task/activity. When you have completed the logbook, your assessor must complete, sign and date the statement by assessor. If you have had more than one assessor, each assessor must complete a separate statement by assessor.

Note: See para 6.5 of the 2016 competency standard for assessment methodologies.

After your assessor has certified your competency in a task/activity, they do not need to sign the statement again for that task/activity. However, you must continue to record in your logbook other audit engagements where you perform that task/activity competently.

The Commissioner will look at your logbook to see that you have demonstrated competency in a task/activity on several occasions over the three to five year period: see [Document D](#).

The number of entries will obviously depend on how often your employer can assign you to audit engagements. However, it is generally insufficient to record only one audit engagement for a task/activity over the three to five year period because this range of work is unlikely to demonstrate all competencies consistently.

When naming an audit engagement, include the ACN/ARSN (if the entity is a company) or the entity's ABN and a description of the type of entity or audit (e.g. incorporated association, self-managed superannuation fund).

Your logbook must be typed to ensure legibility. Handwritten logbooks will be returned. If your logbook is incorrectly completed, you may have to resubmit it, or the Commissioner may refuse your application.

## Question 22

### **Have you satisfied the prescribed practical experience in auditing?**

In question 23, you are required to complete the relevant tables in [Document A](#), which include details of your audit experience. You are also required to complete a Capability report (see [Document B](#)). The Capability report requires you to explain the scope and complexity of your audit experience for three of the entities referred to in [Document A](#).

Your hours must be based on contemporaneous time records kept for each audit engagement at the relevant time. If you do not have contemporaneous time records, your supervisor may provide an estimate of the number of hours you have spent and must disclose this in the Capability and supervisor declaration ([Document C](#)).



Under regulation 159B(a), you must satisfy the Commissioner that during the five years immediately before the date of your application, you have undertaken at least 3,000 hours of audit work, including at least 750 hours supervising audits of companies or organisations registered under the Act.

If you cannot satisfy regulation 159B(a), you may be able to satisfy the Commissioner that you have practical experience equivalent to those requirements. The Commissioner will consider a broader range of audits under regulation 159B(b).

The Commissioner may consider that you satisfy the experience requirement if you have, for example, 2,500 hours experience in auditing companies and organisations, as well as 500 hours of equivalent practical experience. Due to the operating environment and nature of federally registered organisations, the Commissioner will not generally consider as equivalent:

- (a) Practical experience undertaken more than five years before the date of your application or accounting experience; and
- (b) Audits of:
  - (i) solicitors' trust accounts;
  - (ii) real estate agents' trust accounts;
  - (iii) self-managed superannuation funds;
  - (iv) incorporated associations for non-reporting entities that have insignificant gross operating revenue, insubstantial gross assets, and/or a small number of employees; and
  - (v) compliance (including compliance plans of managed investment schemes).

## **Part I: Supervisor details**

### **Supervisor declaration**

To satisfy the Commissioner that you have the required practical experience, you must provide a supervisor declaration from each person who supervised your work, verifying the information you have provided about the audit(s).

The Commissioner will generally only consider practical experience for the purposes of the requisite assessment if it is verified by a supervisor declaration.

For the preferred declaration format, see [Document C](#).

If you are relying on overseas auditing experience, you must still provide a supervisor declaration from your overseas supervisor in a form acceptable to the Commissioner.

Note: You may need to contact the ROC to discuss what modifications, if any, you should make to the declaration in [Document C](#).

## **Part J: Attachments checklist**

Confirm that you have gathered the supporting documents that will need to be attached to the application form.

### **1. Capability Report**

You must prepare a capability report to explain the scope and complexity of your audit experience ([Document B](#)). You must give a copy of your capability report to the ROC. In this report, you should describe your role and work in three of the most significant audits you have worked on under the supervision of the person who is providing a capability declaration, or who assessed you under the competency standard.

In completing the capability report, you should consider providing details on the following:

- (a) the complex issues addressed;

- (a) what role you played in the scope/planning of the audit; and
- (b) the type of opinion issued and the basis for the opinion.

You must also provide details of the continuing professional development activities relating to auditing (including quality assurance) that you have undertaken in the five years immediately preceding the date of your application.

## **2. Capability and Supervisor Declaration**

Each supervisor, referee or assessor for the audits described in your capability report should sign a declaration to verify that you are capable of performing the duties of an auditor and are a fit and proper person (see [Document C](#)).

If you are relying on overseas auditing experience, you must still provide a capability declaration from your overseas supervisor, referee or assessor in a form acceptable to the Commissioner.

## **3. Capability**

Contact may be made with you or your supervisors, referees or assessors to request further information if the Commissioner considers that you have not satisfactorily demonstrated your capability to perform the duties of an RA.

### **Part K: Declaration and signature**

You must ensure that you read the declaration and signature page of the application carefully before signing and submitting the completed form.

Please note: **Giving false or misleading information is a serious offence.** A person who:

- knowingly or recklessly makes a false or misleading statement in an application for registration; or
- knowingly gives false or misleading information in an application for registration

is guilty of an offence, the punishment for which is imprisonment for up to 12 months (if a statement is made or information is provided knowingly) or up to six months (if a statement is made recklessly) – see Part 7.4, section 136 and 137.1 of the *Criminal Code*.

## **6.4 Submitting the application**

Your complete application can be submitted by email. Scan your completed and signed application form, certified true copies and supporting statements, and send to: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

## **7. Frequently asked questions**

### **7.1 How long will it take to process my application?**

The ROC will generally form a view about whether to grant or refuse your application for registration within 40 working days of receiving all the required information and documents. The length of time depends on the completeness and quality of the information provided.

The application process will only commence if you have:

1. completed the application form; and
2. provided all the required supporting material, in the required format.

The information you provide in your application may be verified, at the discretion of the Commissioner. For example, contact may be made with the police, relevant professional and industry bodies, and your supervisors, assessors or referees to verify the information you provide. Contact may be made



with both domestic and overseas authorities as appropriate. If necessary, you may be required to authorise the Commissioner or ROC staff to obtain personal information for this purpose.

## **7.2 What happens if the application contains errors or omissions?**

The time taken to form a view about whether to grant or refuse your application will be affected by:

1. whether further information is required from you about any aspect of your application; and
2. how quickly confirmation is received from third parties about information in your application, e.g. third party checks such as the national criminal history check may take longer than eight weeks.

If it is found during the assessment process that your application contains errors or omissions, the Commissioner may refuse your application or you may be given the opportunity to withdraw your application and resubmit it with updated information.

## **7.3 How will I know if my application has been successful?**

Staff of the Commissioner will contact you in writing to advise you of the decision as to registering you as an RA.

If you satisfy the requirements, the Commissioner will issue a certificate to you, stating:

1. that you have been registered as an RA; and
2. the day that the application was granted.

Your registration as an RA:

1. takes effect at the beginning of the day specified in the certificate as the day the application for registration was granted; and
2. remains in force until either:
  - (i) the registration is cancelled / suspended by the Commissioner (refer to **section 7.5** below; or
  - (ii) you request the cancellation or suspension of your registration and the Commissioner agrees to your request.

## **7.4 What happens if my application is unsuccessful?**

The Commissioner may, in writing, request further information from you for the purposes of making a decision regarding your application. If you provide further information within 14 days of the date of the letter, the Commissioner will take the further information into account when assessing your application.

The Commissioner must not refuse to grant an application unless the Commissioner has given the person an opportunity to appear at a hearing before the Commissioner and to make submissions and give evidence to the Commissioner in relation to the matter.

If your application for registration is refused, the Commissioner must, not later than 14 days after the decision, give to you a notice in writing setting out the decision and the reasons for it.

## **7.5 When must the Commissioner refuse to grant my application?**

There are certain circumstances set out in section 255E of the Act in which the Commissioner must refuse to grant an application for registration as an RA. For example, the Commissioner must refuse to grant an application if for specific reasons you are not eligible to be a candidate for an election to office in a registered organisation or you have been disqualified by the Federal Court from holding

such an office. The Act also sets out that an application must be refused if the Commissioner concludes that you do not satisfy the requirements for registration.

However, in accordance with section 255D of the Act, the Commissioner must give an applicant an opportunity to be heard before refusing an application and if the application is refused, must provide the reasons to the person not later than 14 days after the decision.

The Act provides a discretion to the Commissioner to refuse an application if you are not a resident of Australia.

## **7.6 Can my registration be cancelled or suspended?**

The Commissioner may cancel, or suspend for a specified period, your registration as an RA if:

1. your registration as an RCA has been cancelled or suspended for a specified period, if you were an RCA at the time you became registered as an RA; or
2. the Commissioner is satisfied that you:
  - (a) have failed to carry out your duties under the Act; or
  - (b) have not performed any audit work, or any significant audit work, during a continuous period of not less than five years, and consequently have ceased to have the practical experience necessary for carrying out audits for the purposes of this Act. For the assessment of whether significant audit work has been performed, the Commissioner will consider:
    - (i) the nature of the audit work performed; and
    - (ii) the extent to which you were involved in the audit; and
    - (iii) the level of responsibility you assumed in relation to the audit; or
  - (c) you are otherwise not a fit and proper person to remain registered as an RA; or
3. you have ceased to be a resident in Australia; and
4. you request that your auditor registration be cancelled or suspended for that period. This can be requested through the submission of Document E: [Cancellation or suspension of auditor registration form](#).

The Commissioner may suspend your registration as an RA for a specified period if the Commissioner becomes aware that:

- (a) an investigation has begun into whether you have committed a designated offence or contravened a designated civil penalty provision; or
- (b) you have been charged with a designated offence, or an application has been made for an order in respect of a contravention by you of a designated civil penalty provision, and the matter has not been finally dealt with.

In certain circumstances, before deciding whether to cancel or suspend your registration the Commissioner must give you an opportunity to appear at a hearing before the Commissioner and to make submissions and give evidence to the Commissioner in relation to the matter.

If the Commissioner cancels, or suspends for a specified period, your registration as an RA, the Commissioner must:

1. as per section 255G(4) of the Act notify ASIC of the cancellation or suspension and the reason(s) for it.
2. not later than 14 days after the decision, give you a written notice setting out the decision, and the reason(s) for it.

The decision comes into effect at the end of the day on which that notice is given to you.

### **7.7 Are the auditor rotation requirements for an individual or for the audit firm?**

The limited term to play a significant role in the audit of a reporting unit applies to an individual and not to the firm or company.

### **7.8 When does the calculation for the five consecutive financial years commence?**

On 2 May 2017, the powers governing section 256A commenced, therefore this is the date that is to be used to calculate the five consecutive financial years or five out of seven consecutive financial years for the purposes of section 256A. That is, it is only the time spent playing a significant role in the audit of a reporting unit by an individual after 2 May 2017 that will count for the purposes of section 256A.

### **7.9 What do I do if my details change?**

As an RA, you must notify the Commissioner of any change in circumstances that could materially affect your registration within 14 days of the change in circumstances. Civil penalties apply should you not notify the Commissioner. Refer to [Document F Change in details of a registered auditor](#) for the change of details form to be submitted.

Additionally, changes to information contained in the register of RAs that is maintained by the Commissioner and published on the ROC's website ([www.roc.gov.au](http://www.roc.gov.au)), for example changes to your principal place of practice - should be notified to the Commissioner within 35 days.

## **8. More information**

If you require assistance or have any questions regarding the registration process, please contact the ROC on 1300 341 665 or email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).