

## Professional Conduct Tribunal – 17 December 2015

### Member entered into enforceable undertaking – Joanne Loh CA

At a hearing of the Professional Conduct Tribunal of Chartered Accountants Australia and New Zealand held on 17 December 2015 in relation to Joanne Loh a chartered accountant of Victoria the Tribunal found a case established that the member was liable to disciplinary action in accordance with:

1. By-law 40(a), in that as an auditor registered pursuant to section 1280 of the Corporations Act 2001 (Cth) (the Act) and as the lead auditor pursuant to section 324AF(1) of the Act for the audits (Audits) of the 2011 and 2012 Financial Reports of Gippsland Secured Investments (GSI), the member failed to observe a proper standard of professional care, skill or competence in the course of carrying out her professional duties by failing to conduct the Audits in accordance with the following Auditing Standards:
  - a) Auditing Standard ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*, and
  - b) Auditing Standard ASA 230 *Audit Documentation*, and;
  - c) Auditing Standard ASA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report*, and
  - d) Auditing Standard ASA 250 *Consideration of Laws and Regulations in an Audit of a Financial Report*, and
  - e) Auditing Standard ASA 260 *Communication with Those Charged with Governance*, and;
  - f) Auditing Standard ASA 550 *Related Parties*, and;
  - g) Auditing Standard ASA 560 *Subsequent Events* and;
  - h) Auditing Standard ASA 570 *Going Concern*,

as required by section 307A of the Corporations Act 2011 (the Act) and as set out in paragraph 18 of the Enforceable Undertaking (EU) the member entered into with the Australian Securities and Investments Commission (ASIC) on 4 December 2014; and

2. By-law 40(ea), in that on 4 December 2014 the member gave to or entered into an EU with ASIC (which undertaking was not an undertaking in respect of procedural matters in respect of or in the course of the conduct of proceedings or an investigation by ASIC) regarding the member's conduct of the Audits; and
3. By-law 40(j), in that the acts, omissions and defaults as set out in paragraphs 1 and 2 above bring, or are likely to bring, discredit on the member, Chartered Accountants ANZ and/or the profession of accountancy.

The Professional Conduct Tribunal decided that:

- the allegations contained in paragraphs 1 and 2 of the Notice of Disciplinary Action have been established on the member's own admission;
- the allegations contained in paragraph 3 of the Notice of Disciplinary Action have been established at the hearing;
- the decision of the Tribunal in relation to the allegations established is that the member receive a reprimand;

- the member be subject to a Quality Review by a suitably qualified audit practitioner as soon as practicable with a focus on compliance with auditing standards and in particular:
  - a. the basis of the audit opinion;
  - b. the documentation supporting the audit opinion;
  - c. compliance with professional standards;
- the member be required to pay a contribution of \$3,100 plus GST towards the costs of the disciplinary action.
- Notification of this decision will be given to the Australian Securities and Investments Commission, the Tax Practitioners Board and the Law Institute of Victoria.

**Professional Conduct Tribunal  
Chartered Accountants Australia and New Zealand**

17 December 2015