



## **MEDIA RELEASE**

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### **NIA Welcomes Ramsay Report**

The National Institute of Accountants (NIA) welcomes the release of Professor Ian Ramsay's report on Audit Independence. This report is an important contribution to the debate within the Audit community on how best to enhance standards within the profession. Australia is at the fore of setting accounting standards, however in relation to the issue of audit independence, both the US and the EU have taken different approaches to Australia and these should be studied with an open mind.

The recent corporate collapses have focused much media and political attention on the role of and performance of auditors in Australia. While the comments of some seem to indicate a failure to fully understand what auditors do and have the appearance of blame shifting, the Audit community should take the opportunity before it to raise standards even further.

The NIA calls for all industry participants to come together and ensure Australia becomes the leader in Audit Independence standards. The Ramsay Report while a beginning, is not the end of the debate, it is the first step along a long road. It should form the basis for all industry participants (most notably the three Professional Accounting Bodies) to begin discussions to formulate what is the best way forward.

To this end, the convening of an Audit Summit, addressing not only the issue of audit independence but also the standards for registration as a company auditor and the audit of Superannuation funds the NIA believes is the best way forward. Just as tax reform was more than just the GST, the reform of auditing needs to be more than just audit independence.

Australians should be proud of their auditors, they are still recognised around the world as being amongst the best, and the NIA welcomes the opportunity to raise standards even further. The NIA therefore calls upon all sides of politics to support the concept of an "Audit Summit" and commit funding to ensure its success.

**Enquiries:** Gavan Ord  
Technical Policy Manager  
National Institute of Accountants  
0419 547 782

For further information, please visit: [www.nia.org.au](http://www.nia.org.au)