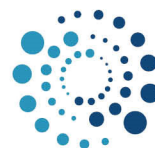


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Greenwich & Co



Audit Transparency Report

GREENWICH & CO

2017



Forward

Greenwich & Co is dedicated to delivering high-quality audits to the business community. This Transparency Report for the year to 30 June 2017 is a public statement to management, directors, audit committees, regulators, and investors of our commitment to provide quality assurance services. It is prepared in accordance with the requirements set out in Section 332 of the *Corporations Act 2001*. It explains how Greenwich & Co is run and how we ensure that we perform audits of the highest quality.

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Legal structure and ownership

Greenwich & Co Pty Ltd and Greenwich & Co Audit Pty Ltd collectively trade as Greenwich & Co. Greenwich & Co Pty Ltd is responsible for the issue of this report.

Our authorised audit company is Greenwich & Co Audit Pty Ltd, which is owed by its directors, each of whom are highly qualified and experienced registered company auditors. All staff of Greenwich & Co are employed by Greenwich & Co Pty Ltd.

Greenwich & Co is a member of Morison KSi, a global association of independent accountants, auditors, tax advisers, business consultants, and lawyers established to meet the cross-border needs of clients. Each member firm of Morison KSi is an independent legal entity in its own right, the operation of which is controlled in that country.

Governance

Greenwich & Co is governed by a Board, which is made up of the directors of Greenwich & Co Pty Ltd. The Board meets regularly and its responsibilities include:

- Strategic planning and implementation
- Marketing
- Protecting and enhancing the Greenwich & Co brand
- Overseeing risk management and quality control
- Development and implementation of policies
- Management

Audit quality

Setting the right tone at the top is a key responsibility of the directors of Greenwich & Co, who are committed to maintaining a culture of honesty, integrity and quality. On every audit the assigned engagement director is responsible for the achievement of quality outcomes. However, every individual on the audit team makes a difference with their professional judgement, scepticism and technical expertise.

Our audits are undertaken using CaseWare Working Papers and Audit Template (CaseWare), which are industry-accepted audit software tools. Including a suite of electronic software programs, checklists, and audit work papers, and a document management system; the use of CaseWare helps ensure our audits adopt a risk based approach tailored to meet the specific needs of the engagement, and are completed in accordance with auditing standards.

For audits and reviews of public interest entities (including listed companies) an engagement quality control reviewer (EQCR) is appointed upon commencement of the engagement. The EQCR is not part of the engagement team and is required to complete and document their review of the audit file prior to issuance of the auditor's report.

It is Greenwich & Co's policy to regularly engage an external commercial organisation that provides quality control services to perform a review of a sample of audit files for compliance with auditing standards and other professional and technical requirements. Any identified areas for improvement are communicated and to all assurance professionals and incorporated into in-house training programs.

ASIC has the responsibility for oversight of auditors in Australia. ASIC monitors compliance with the requirements of the *Corporations Act 2001* as it relates to auditor independence and audit quality. The Institute of Chartered Accountants in Australia (ICAA) has a Quality Review Program to monitor whether its members have quality control policies and procedures in place to comply with professional standards and legal requirements. As Greenwich & Co commenced operations in early 2016, ASIC and the ICAA have yet to conduct a review of Greenwich & Co Audit Pty Ltd.

Independence

All personnel, including administrative staff, are required to sign a representation letter when hired (and annually thereafter) as to whether they have any conflicts of interests under APES 110: *Code of Ethics for Professional Accountants* and Part 2M.4 – Div 3 – ‘Auditor Independence’ of the *Corporations Act 2001* with the audit clients of Greenwich & Co (any relationships that may create a potential threat to independence are required to be documented on the confirmation)

On each audit engagement, the engagement director considers relevant information about the client and evaluates the overall impact, if any, on independence requirements as part of the engagement acceptance and continuance decision.

On each audit engagement, all assurance professionals who are assigned to provide services as part of the engagement are required to confirm and document their independence of the audit client.

Our engagement director and EQCR rotation procedures comply with the requirements of the *Corporations Act 2001* and APES 110 *Code of Ethics for Professional Accountants*. For audits of listed companies, the engagement director and EQCR are rotated after five consecutive years of service. Following rotation these audit directors are not permitted to have any involvement in the audit engagement for a period of two years. To monitor compliance with these rotation procedures, a database is maintained that tracks audit director involvement on each listed company. The database is reviewed on an ongoing basis.

Periodically, directors and management review the adequacy and operation of the Greenwich & Co’s independence policies and procedures for compliance with legal and professional standards. This was most recently done in June 2017. The Board confirms that the internal quality control system was functioning and effective during the year ended 30 June 2017.

Continuing professional education (CPE)

All directors and qualified staff are required to keep up to date with the latest professional standards, including ethical and independence requirements. On an ongoing basis, the directors and management assess the audit team’s CPE needs and plan the teams training after considering, among other things; CPE activities that interest each professional, each professionals level of experience, client responsibilities, prior CPE training, new or emerging professional standards, and applicable legal and regulatory requirements. CPE includes presentations and webinars organised by external specialists, ICAA training courses, and in-house training sessions.

Graduates are provided with a range of learning opportunities, including on-the-job coaching from senior staff and experience-based learning. All assurance professionals are encouraged to complete the ICAA Chartered Accountants Program. We require all our assurance professionals to obtain a minimum of 20 hours of comprehensive audit and financial reporting learning and development per annum. Chartered

Accountants are required to comply with the CPE requirements of Chartered Accountants Australia and New Zealand. Detailed CPE records are maintained for each professional staff member.

Financial information

Our authorised audit company is Greenwich & Co Audit Pty Ltd. Revenue of this company is outlined below:

	Year ended 30 June 2017 (\$)
Audits of financial statements [^]	761,491
Other services provided	457,390
Total	1,218,881

[^] Comprises of revenue from the audit of financial statements of companies and disclosing entities only. Other assurance services are included within 'other services'.

Director remuneration

The Greenwich & Co directors' remuneration reflects the market value of the position and is assessed periodically, based on both earnings growth of Greenwich & Co, as well as the director's personal performance in such areas as quality of work, leadership and management of staff, organisation of client work flow and compliance with company policy and procedures.

Public interest entities

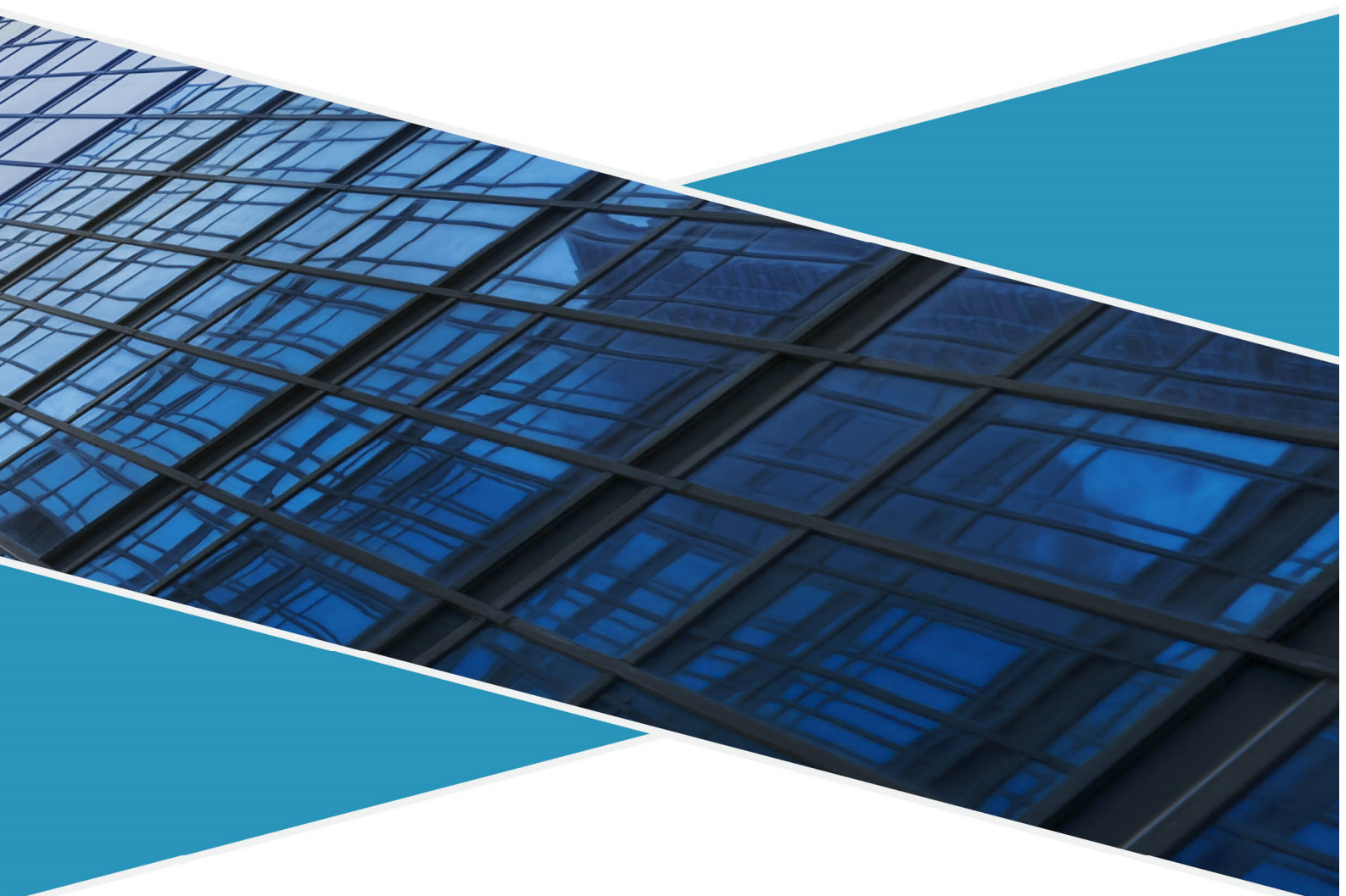
The following is a list of audits conducted by the authorised audit company, Greenwich & Co Audit Pty Ltd for the year ended 30 June 2017. The list only includes audits of listed companies, listed registered schemes, authorised deposit-taking institutions within the meaning of the *Banking Act 1959*, and certain businesses regulated by APRA:

ASX Listed

Anglo Australian Resources NL
Antilles Oil and Gas NL
Auris Minerals Limited
Surefire Resources NL
Emu NL
Dropsuite Limited
Geopacific Resources Limited
Global Energy Ventures Ltd
Image Resources NL
Lucapa Diamond Company Limited
Magnetic Resources NL
Meteoric Resources NL
Middle Island Resources Limited
Pantoro Limited
Tanga Resources Limited
Tikforce Limited

AIM Listed

Mosman Oil and Gas Limited
Golden Saint Resources Limited



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Greenwich & Co