

Financial Reporting Panel

Statement of Expectation

- The Financial Reporting Panel ("FRP") is an independent body established under the *Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure) Act 2004*.
- The FRP's function is to resolve disputes between the Australian Securities and Investments Commission ("ASIC") and companies about accounting treatments in financial reports.
- The FRP was established to overcome concerns about the use of courts for adjudication on technical accounting issues.
- The FRP is a review body comprised of peers, with members appointed from Australia's accounting, business, academic and legal communities. The Chairman and members of the FRP are eminent persons who have been appointed by the Treasurer for their knowledge of, or experience in, accounting, auditing, business, the administration of companies, or law.
- The FRP is independent of ASIC, with functions and powers conferred by legislation.
- Matters may be referred to the FRP by ASIC, or by a company if ASIC consents.
- ASIC may refer matters to the FRP where it has been unable to resolve a dispute with a company through other means.
- ASIC is required to give a company notice of a proposed referral to the FRP, before the referral is made.
- All notifications to companies about proposed referrals, and all referrals to the FRP by ASIC, must set out the reasons for ASIC's views, and the changes ASIC considers must be made to a financial report.
- The FRP must give the company, and ASIC, the opportunity to make written submissions after a referral is made to it.
- FRP hearings are intended to be expeditious and informal, and are to be held in private unless the company makes a written request that the matter be held in public.
- Findings by the FRP are not binding, but ASIC will be supportive of the FRP's findings.
- The legislation requires ASIC to publicise the FRP's findings.