



# PKF Brisbane Transparency Report

FOR THE YEAR ENDED 30 JUNE 2024

PROPEL YOUR FUTURE

# Contents

Foreword	04
Legal structure and ownership	05
Governance	06
National network	07
International network	08
Quality control system	10
Independence procedures and practices	13
External audit monitoring	15
Public interest entities audited by the firm	16







**A global community  
where dynamic business  
advisors can belong, grow  
and thrive.**

Together, we create powerful opportunities  
to propel the success of our clients, our  
people, and our communities.



A portrait of Liam Murphy, a middle-aged man with grey hair, a beard, and glasses. He is wearing a dark blue blazer over a white button-down shirt. He is standing in front of a large window with a view of a city skyline. The background is slightly blurred.

**Liam Murphy**  
Managing Partner  
[liam.murphy@pkf.com.au](mailto:liam.murphy@pkf.com.au)

## Foreword

**We are pleased to present our Transparency Report for the year ended 30 June 2024.**

This report provides information on PKF Brisbane and our relationship with network firms in the PKF Australia and International Network. It is designed to give information to existing and potential clients, as well as other key stakeholders, on the ownership and governance of the firm and the measures we take to maintain high quality standards.

Audit and related services are an important part of our business and we welcome the requirement to publish this transparency report. Quality is a key pillar of our organisation, underpinned by a commitment from all team members to continuous improvement and recognition that quality is both about service and our compliance with the regulatory requirements.

Our approach to training, process change, peer review and adoption of technology all serve towards this ethos of continuous improvement that all clients and stakeholders understand.

# Legal structure and ownership

PKF Brisbane (the firm) is a group of companies and trusts owned by its Equity Partners and related entities and governed by a Equity Holders Agreement and Audit Partnership Agreement.

As at 30 June 2024, there were seven Equity Partners.

The firm operates from the following three offices in Queensland:

- Level 2, 66 Eagle Street, Brisbane (main office);
- Suite 3a, 41 Sturt Street, Townsville; AND
- Room 4, 121 Bolsover Street, Rockhampton.

## PKF Brisbane offers a range of services comprising:



Audit  
(external  
and internal)



Business Advisory



Taxation  
(corporate  
and personal)



Superannuation  
Service



IT Consulting

The Brisbane Audit division is operated as a separate partnership, PKF Brisbane Audit (PKFBA). PKFBA has three Equity Partners and two Salaried Partners and is governed by its own Partnership Agreement.

In the year ended 30 June 2024, The Lawler Hacketts Unit Trust was used by the Partnership as the main operating vehicle. Employees are employed through this entity.

There are three active related companies, both providing a different service line in the business. These entities are:

- PKF Brisbane Pty Ltd –  
taxation, superannuation and advisory services
- PKF Wealth (Qld) Pty Ltd –  
financial services
- PKF Consulting (Brisbane) Pty Ltd –  
IT consulting services

# Governance

The firm is managed by its equity partners and includes a **Managing Partner** who is elected by the partners. The partners meet regularly throughout the year, to discuss various operational and strategic matters.

The Equity Partners also meet periodically to discuss matters that arise which need to be urgently addressed. As at 30 June 2024, the equity partners and their business units are as follows:



# National network

PKF Brisbane is a member firm of the PKF international network, admitted under an individual Members' Agreement.

The PKF firms in Australia are located in Newcastle, Sydney, Adelaide, Brisbane, Canberra, Gold Coast, Hobart, Melbourne, Perth, Port Stephens, Rockhampton, Tamworth, Townsville, Upper Hunter, Walcha and Darwin.

All PKF firms within Australia have signed a Members' Agreement with PKF Australia Limited (PKFA).

PKFA is governed by a board of directors, consisting of a partner representative from each of the PKF firms in Australia (excluding any correspondent members).

## Currently, the members of the Board are:

Adelaide	Antoniette Tatarelli Nicole Peterson
Brisbane	Liam Murphy Sara Crevillen
Canberra	George Diamond
Gold Coast	Matthew Butler
Hobart	Daniel Rands
Melbourne	Timothy Bow Jason Stone
Newcastle/Sydney	Bob Bell Clayton Hickey
Perth	Chris Roos Darren Shillington
Tamworth	Brian Wall
Darwin	Matthew Kennon

Steve Meyn (Chair)

The Board meets face-to-face at a minimum three times per year and conducts monthly teleconferences. The Board is responsible for protecting the interests and reputation of the members of PKFA, and for the oversight of the management and operations of the national network from a strategic level. The functions and powers of PKFA are specified within the Members' Agreement. To assist the Board in performing these functions and powers, the following sub-committees have been established and the various functions and powers delegated:



## Audit and Assurance



## Business Advisory



## Business Recovery & Insolvency



## Corporate Finance



## Information Technology



## Marketing



## Taxation



## Wealth Management

A representative from each office is entitled to have a member on each of these sub-committees. Each sub-committee has a chairperson, who is required to report up to the Board on a regular basis and various matters set out within the Members' Agreement.

The PKF Australia Chairman also attends sub-committee meetings.

# International network

PKF Brisbane is a member firm of the PKF International Limited (PKFIL) network of legally independent firms. Globally, PKF consists of 530+ offices worldwide, operating in 150 countries, across five regions.

The firm does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms within PKFIL. The PKF Brisbane group of entities is a separately owned legal entity to all other PKFIL network firms and accordingly is not responsible for the decisions and actions made by other PKF network firms.

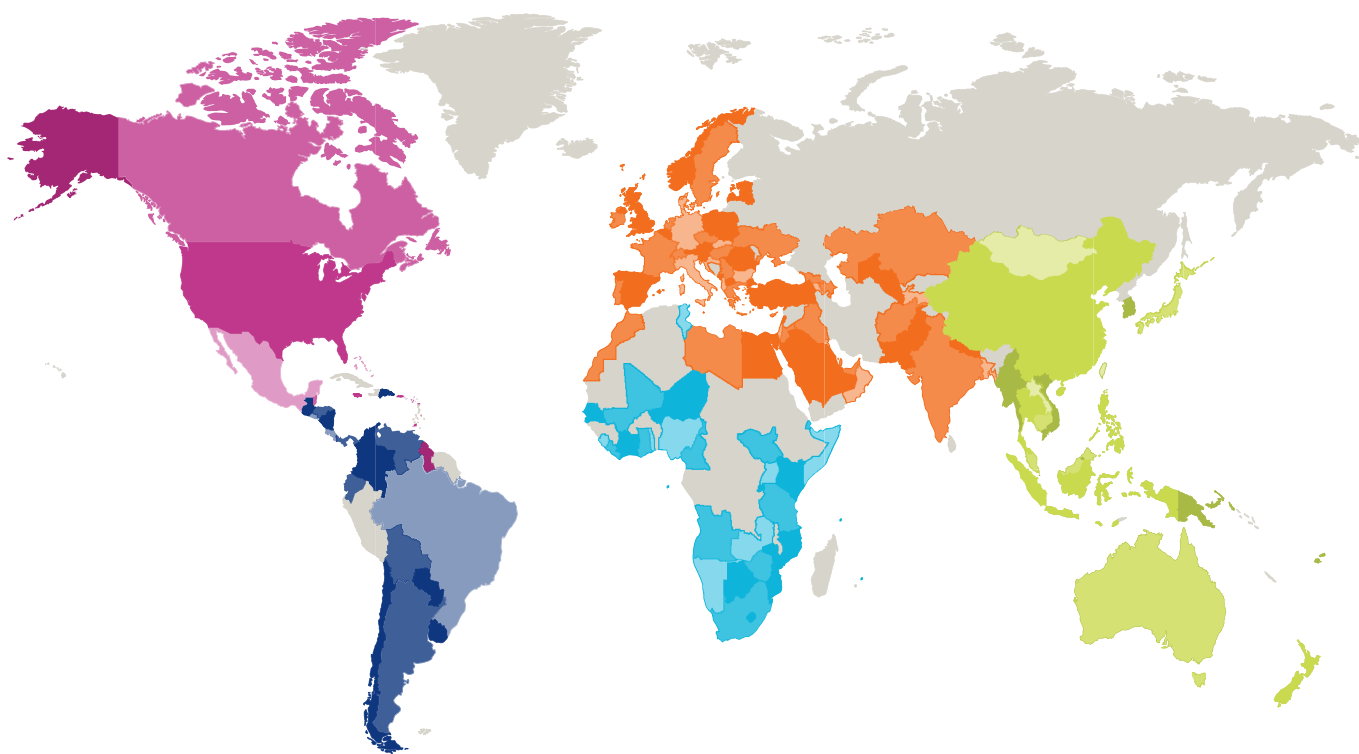
The network formed by PKFIL and the member firms is regulated by adherence to a Member Agreement between PKFIL and each individual member firm. The form of the Member Agreement authorises each member firm to use the PKF name as defined under specific circumstances, under specific conditions, for specific purposes (The Business) and in a specific territory (The Territory), in consideration for which, the member firm pays a royalty and member fee to PKFIL.

**50+**  
years'  
experience

**16**  
offices across  
Australia

**10<sup>th</sup>**  
largest accountancy  
network in Australia

**800+**  
people in  
Australia







PKFIL is a company registered in England and limited by guarantee. The Company's Articles of Association require a Board of Directors who conducts the business of the Company. The Board authorises recruitment of PKFIL's staff, authorises a number of international committees, divides the member firms into geographical regions, and sets an annual licence fee for the member firms within the network.

Each member firm is legally independent. Contractual relations are only formed between a client and the member firm engaged by the client and no other member firm may be held liable. PKFIL has no financial or management interest in any member firm.

None of the directors of PKFIL has a financial or management interest in any member firm other than his or her own.

The PKFIL Board comprises at least one member from each geographical region and each region has a Board. The following committees have been established which report to the Board:

- **International Professional Standards Committee** - this establishes the minimum professional standards to be met by member firms and conducts a global quality review programme. It also promotes audit materials and capabilities as well as organising audit and accounting events

- **International Tax Committee** - this promotes the development of tax capabilities on a global basis and organises tax events
- **International Corporate Finance Committee** - this promotes the development of corporate finance business on a global basis and organises an annual conference
- **International Hospitality Consulting** - this promotes development of services, products and contacts in the Hospitality sector

Details of member firms are set out in the PKFIL directory and on the website [www.pkf.com](http://www.pkf.com).

# Quality control system

Together with the PKF network, PKF Brisbane has comprehensively reviewed and updated the firm's system of quality management (SOQM) to respond to the requirements of the new Australian Standard of Quality Management (ASQM 1) which came into effect on 15 December 2022.

PKF Brisbane (the firm) has fully implemented a uniform system of quality management ("SOQM") in line with the requirements of Auditing Standard ASQM 1: Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements - effective 15 December 2022 (ASQM 1). A SOQM is the mechanism that creates an environment that enables and supports engagement teams in performing quality engagements. It helps the firm in achieving consistent engagement quality because it is focused on how the firm manages the quality of engagements performed. The SOQM is designed to operate in a continual and iterative

manner, much like the risk assessment process in an audit, and is responsive in the nature and circumstances of the firm and its engagements. The firm's system of internal quality control and how it complies with the requirements are detailed below.

## 1. GOVERNANCE AND LEADERSHIP

The overall responsibility for the Firm's system of quality control has been accepted by the Partners of PKF Brisbane. Each Partner has an overriding commitment to quality, however day-to-day responsibility has been assigned to a specific Partner. The firm has documented the above SOQM within the firm's Quality Control Manual. This document sets out various policies and procedures that reflect the ASQM 1 requirements. The Partners reinforce their commitment to quality, and an annual review of these policies and procedures is performed and updated, when required.

The Partners' commitment to quality within these standards is reinforced to staff through the following:

- All team members are expected to maintain the tone of a high level of quality through the application to their various assigned tasks
- Quality will not be compromised on assignments
- Procedures and processes will be consistently followed by all team members
- Team members' annual performance reviews include an assessment on their commitment to quality
- Ongoing training is provided to ensure quality is maintained
- Team members are encouraged to participate and actively attend training sessions internally and externally.



## 2. RELEVANT ETHICAL REQUIREMENTS

The firm's professional standards note covering independence sets out the following:

- Adherence to the ICAA's Code of Ethics and Professional Standards issued by the Accounting Professional & Ethical Standards Board (APESB) takes precedence over commercial considerations
- Partners and managers are required to keep independence issues under constant review and, in respect of audit assignments, reconfirm the firm's independence having regard to the APESB Code of Ethics and Professional Standards, prior to the commencement of every audit
- All members of the firm are required to complete an annual declaration of their independence and freedom from conflicts of interest
- Partners of network firms are required to complete a prohibited securities declaration annually.

The requirement to comply with ICAA's Code of Ethics and APESB's Professional Standards is set out in the firm's Quality Control Manual and forms part of the employees' contracts of employment.

## 3. ACCEPTANCE AND CONTINUANCE OF CLIENT RELATIONSHIPS AND SPECIFIC ENGAGEMENTS

The firm has detailed procedures covering the acceptance and continuance of client relationships and new specific engagements. This includes conducting an independence check throughout the PKF Australia network for all public interest entity (PIE) tenders and proposed appointments. For all PIEs, a comprehensive client acceptance form must be completed prior to acceptance of an appointment. This requires identification of the prospective client, an assessment of the firm's independence and freedom from conflicts of interest, and an assessment of whether the firm has the requisite skills to carry out the engagement. Upon acceptance of a new client or a specific engagement from an existing client, the firm issues a detailed engagement letter for agreement by the client. This includes the nature of the assignment and the firm's standard terms of business.

## 4. RESOURCES

The firm has established policies and procedures to ensure that its people are equipped with the required technical skills, commitment to client service and high professional and ethical standards, covering objectivity, integrity and independence.

The firm sets high standards for the recruitment and promotion of personnel, in particular with regard to the selection and interview of candidates and the qualifications required. Partners are involved in all interviews and references are always taken, including from professional and regulatory bodies. All new staff are subject to a compulsory probationary period of at least three months as part of their employment agreement.

The firm develops the capabilities and competence of its staff through a variety of methods. Formal training courses are developed internally or are sourced from reputable professional educators including but not limited to the Institute of Chartered Accountants Australia and New Zealand (CAANZ) and GAAP Consulting. Formal courses may take the form of group conferences, webinars, workshops or seminars.

We expect, as a minimum, that personnel meet the professional development requirements of CAANZ. A summary of these requirements is as follows:

- The undertaking of CPE to achieve a minimum of 120 CPE hours over a three-year period
- At least 20 hours must be completed annually
- Over the three-year period, a maximum of 30 hours technical reading may be claimed as CPE
- Professional staff are expected and encouraged to take personal responsibility for maintaining their skills and knowledge by monitoring relevant professional developments
- The firm sends regular Client Alerts on legislative changes.

The firm also provides:

- A technical library, including online resources available via the firm's website
- Manuals setting out the firm's procedures for all audit and assurance engagements as well as other services provided by the firm

- Subscriptions to a number of technical updates emailed by various bodies including CAANZ and the Taxation Institute of Australia
- Half-yearly and externally-provided training for staff and partners dealing with current developments, (new legislation, accounting and auditing standards)
- Ad hoc internal and external training to meet specific needs.

The progress of students studying for their professional qualification with CAANZ and other bodies (for example, the Taxation Institute of Australia) is carefully monitored, with each student being closely supported.

Audit partners also satisfy ASIC's registered company auditor requirements.

## 5. ENGAGEMENT PERFORMANCE

The firm's procedures for engagements are set out in the firm's quality control manual. In respect of audit and assurance engagements the firm uses a mixture of proprietary audit and developed programs. Internationally recognised audit software, Caseware, is used to ensure audit engagements comply with Australian Auditing Standards and Ethical Requirements.

All professional work is subject to review by managers and partners, with clear guidelines laid down for second partner consultation and the use of external experts where required.

Adequate supervision is provided to staff in performing their tasks through the following:

- All team members have direct access to Partners
- In-charge auditors meeting with Partners for one-on-one consultations.

Partners and managers are constantly monitoring actual WIP compared to the time budgets agreed within planning.

## 6. MONITORING

The responsibility for quality control is taken on by all managers and Partners. All engagements are reviewed by the engagement Partner and any issues identified at the time must be addressed and cleared before the final result is achieved. This engagement review includes reviewing whether the firm's policies and procedures have been followed.

Engagement Quality Reviews (EQR) are required on all public listed and disclosing entity client audits. An EQR must be performed by a registered company auditor.

Based on the results of monitoring, we are satisfied that our quality control system is operating effectively to ensure that we comply with professional standards and deliver a quality service to our clients.



# Independence procedures and practices

The firm's Quality Control Manual sets out the independence and ethical requirements and procedures in relation to audits.

This reflects and satisfies the requirements of the APESB's Code of Ethics and Professional Standards and an exercise has been carried out to map the manual against these requirements.

The audit software, Caseware, also has comprehensive programs and directions in relation to independence. The firm's procedures cover:

- Integrity, objectivity and independence
- Financial, business, employment and personal relationships
- Long association with the audit engagement
- Fees, remuneration and evaluation policies, litigation, gifts and hospitality
- Non-audit services.

## INTEGRITY, OBJECTIVITY AND INDEPENDENCE

The Audit Partner is ultimately responsible for making decisions on independence and objectivity matters. Where a threat to objectivity is identified, the Partner considers whether safeguards can be introduced such as having different types of work for the same client done by different teams or introducing an engagement quality control reviewer. If the safeguards are determined to be sufficient, to reduce the threat to an acceptable level, then the relevant issue can be overcome. The audit practice has not to date needed to deal with any of these types of threats.

Partners are expected to report all threats to objectivity and independence to those charged with governance of the client with details of the relevant safeguards where appropriate and this is recorded on the audit file.

Governance is further managed by regular partner meetings.

## FINANCIAL, BUSINESS, EMPLOYMENT AND PERSONAL RELATIONSHIPS

Partners and their immediate families are prohibited from having a financial interest in an audit client of the firm. Members of staff and their immediate families cannot have a financial interest in clients where they have an involvement in the audit.

Neither the firm nor Partners, staff and their immediate families can enter into a business relationship with an audit client of the firm, unless this involves the purchase of goods and services in the ordinary course of business, on an arm's length basis and the value is not material to either party, or the relationship is clearly inconsequential to both parties.



Partners and staff must report to the Managing Partner where a member of their immediate or close family has an employment relationship with an audit client. Where a Partner leaves the firm to join his or her audit client, unless two years have elapsed since the last audit report was signed, the firm must resign from the audit engagement.

### **LONG ASSOCIATION WITH THE AUDIT ENGAGEMENT**

In the case of listed companies and PIEs, the Partners must rotate from the audit after five years, with 'cooling off' periods undertaken as consistent with APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

A rotation database is maintained holding a record of every PIE client. The database is reviewed by the audit partners on a regular basis.

### **FEES, REMUNERATION & EVALUATION, POLICIES, GIFTS AND HOSPITALITY**

The firm's policies specifically prohibit partners and staff from receiving incentives or rewards for selling non-audit services to audit-clients.

Contingency fees are prohibited for certain types of work such as audit and where they may rely on novel or contentious matters relating to the audit. There are also restrictions on the potential quantum of fees so they cannot individually be material in a financial sense to the firm.

Gifts and hospitality may not be accepted. Hospitality is provided to clients and on an ad hoc basis. Such hospitality is immaterial in nature.

### **NON-AUDIT SERVICES**

The overriding consideration in deciding whether the firm can properly provide a non-audit service to an audit client, is whether it is probable that a reasonable and informed third party would regard the objectives of the non-audit service as being consistent with the objectives of the audit of the financial statements.

The firm has a policy that whenever a partner or member of staff is contemplating providing non-audit services to an audit client, the audit partners are informed promptly, so that the audit partners can make an assessment of the relevant threats and safeguards.

## **DOCUMENTATION**

Ethical and independence considerations are documented at the following stages:

- The client acceptance and continuance stages
- The planning stage of each audit engagement
- The conclusion of each audit engagement.

The firm reports to those charged with governance of audit client's incorporate independence confirmations. Specific management issues are then incorporated into closing reports to audit clients.

A prescribed list is maintained of all entities where investment is prohibited because of client relationships. This list is accessible to all staff and is applicable across the PKF Network.

## **CONFLICTS OF INTEREST**

The firm's system for identifying conflicts of interest is built around internal database searches and e-mail notifications of potential engagements to all Partners. Procedures for dealing with actual and potential conflicts are set out in the Quality Control Guide and the PKF International Professional Standards Manual, and include notifications of potential conflicts to interested parties, establishing safeguards, and not proceeding with the potential engagement.

A register of business relationships with clients is maintained and reviewed annually by a specified Partner and its accuracy confirmed each year by every Partner.

## **MONITORING AND REVIEW**

Procedures are in place to monitor compliance with the firm's independence requirements. As part of their review procedures, the Managing Partner reviews and checks compliance with the firm's independence procedures. The audit quality assurance programme considers adherence to the firm's ethical and independence requirements on each engagement selected for review. Additionally an annual declaration is made by every partner and member of staff confirming compliance with all ethical and independence requirements.

During the year the Managing Partner carried out a review of the firm's independence procedures and confirmed that they were satisfactory.

# External audit monitoring

PKF Brisbane Audit department during the year ended 30 June 2024, comprised the following significant principals:

## Equity Partners

Liam Murphy  
Registered Company Auditor,  
Registered SMSF Auditor, FCA

Shaun Lindemann  
Registered Company Auditor,  
Registered SMSF Auditor, FCA

Cameron Bradley  
Registered Company Auditor, FCA

## Salary Partners

Tim Cronin  
Registered Company Auditor, FCA

Tim Follett  
Registered Company Auditor,  
CPA (CA affiliate)

- The Canadian Public Accountability Board
- The Public Company Accounting Oversight Board (USA).

As a member of the PKF Australia network, the firm is subject to an audit engagement file review process undertaken by an independent external reviewer. The firm is also subject to an overall quality control review on a bi-annual basis.

## PARTNER REMUNERATION

Equity Partners are remunerated out of the profits of the firm, receiving percentage share of the profits based on equity holdings, which are drawn down as available.

Salary Partners are remunerated based on a fixed salary.

Remuneration of the Partners includes a bonus element conditional on KPIs covering Performance, Succession and Quality. Having regard to auditor independence, Partners are not incentivised to gain non-audit work from audit clients.

The firm is regulated in the conduct of its services by:

- The Chartered Accountants Australia and New Zealand (CAANZ). The firm is subject to periodic audit and whole firm practice assurance reviews, the last of which was carried out in 2021
- The Australian Securities and Investments Commission (ASIC). ASIC has performed a 'review of aspects' of a number of our ASX-listed client audit engagement files between 2012 and 2022.

## Financial Information Year ended 30 June 2024

Audit fees	\$ 8,831,990
Fees for non-audit services to audit clients	\$ 381,814
Total fees from audit clients	\$ 9,213,804
Total firm revenue	\$ 17,129,347

# Public interest entities audited by the firm

The following is a list of public interest entities which we were appointed as external auditors during the year ended 30 June 2024:

- Advanced Health Intelligence Limited
- AF Legal Group Limited
- Alligator Energy Limited
- Australia & International Holdings Limited
- Constellation Technologies Limited
- Critical Minerals Group Limited
- Dominion Minerals Limited
- EnviroSuite Limited
- Felix Gold Limited
- FirstWave Cloud Technology Limited
- Frontier Digital Ventures Limited
- Incannex Healthcare Limited
- Purifloh Limited
- Sprintex Limited
- TechGen Metals Limited
- TZ Limited
- YPB Group Limited
- Zicom Group Limited
- AWN Holdings Limited
- OtherLevels Holdings Limited
- Propell Holdings Limited
- Algorae Pharmaceuticals Limited
- Techniche Limited



# Connect with us

## Propel your future



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