

IFIAR 2024 Member Profile – IAASA

1. Jurisdiction	1.1 Insert the name of the jurisdiction in English: Ireland
2. Member¹	<p>2.1 Insert the name of the Member, both in the local language and in English:</p> <p>Irish Auditing & Accounting Supervisory Authority (IAASA) Údarás Maoirseachta Iniúchta & Cuntasaíochta na hÉireann</p> <hr/> <p>2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member’s website:</p> <p>Willow House, Millennium Park, Naas Co Kildare, W91 C6KT, Ireland <u>Phone:</u> +353 (0) 45 983 600 <u>Email:</u> info@iaasa.ie <u>Website:</u> www.iaasa.ie</p> <hr/> <p>2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation:</p> <p>IAASA was established under the provisions of the Companies (Auditing and Accounting) Act 2003, which has now been replaced by the Companies Act 2014 (‘the 2014 Act’). IAASA’s objects, as prescribed by section 904 of the 2014 Act, are to:</p> <ul style="list-style-type: none"> • supervise how the prescribed accountancy bodies (‘PABs’) regulate and monitor their members; • promote adherence to high professional standards in the auditing and accountancy profession; • monitor whether the financial statements or accounts of certain classes of companies and other undertakings comply with the 2014 Act and, where applicable, Article 4 of the IAS Regulation; and <p>act as a specialist source of advice to the Minister for Enterprise, Trade and Employment (‘the Minister’) on auditing and accounting matters.</p> <p>The Companies Act 2014 designates IAASA as the competent authority with supervisory and other functions with respect to the system of public</p>

¹ In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

	<p>oversight of statutory auditors and audit firms in Ireland, in accordance with Regulation (EU) No 537/2014 and Directive 2006/43/EC, as amended by Directive 2014/56/EU. As such, it generally superintends:</p> <p>(a) the approval and registration of statutory auditors and audit firms;</p> <p>(b) the adoption of standards on professional ethics, internal quality control of audit firms and auditing; and</p> <p>(c) continuing education, quality assurance, and investigative and disciplinary systems.</p> <p>2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:</p> <p><input checked="" type="checkbox"/> Licensing</p> <p><input checked="" type="checkbox"/> Registration</p> <p><input checked="" type="checkbox"/> Audit and/or Ethics Standard Setting</p> <p><input checked="" type="checkbox"/> Permanent Education / Continuous Training of Auditors</p> <p><input checked="" type="checkbox"/> Inspection</p> <p><input checked="" type="checkbox"/> Enforcement</p> <p><input checked="" type="checkbox"/> Other: <u>Market monitoring</u></p>																
<p>3. Governing Body Composition and members</p>	<p>3.1 Describe with an appropriate level of detail the current composition of the Member’s governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.</p> <p>Pursuant to the Companies Act 2014, IAASA is governed by a Board of nine directors, eight of whom are non-executive and appointed by the Minister having been nominated by those entities set out in the table below. The remaining director is the Chief Executive, who is appointed by the Board, following an open competition.</p> <table border="1" data-bbox="555 1496 1343 1859"> <thead> <tr> <th>Nominating body</th> <th>Nominees</th> </tr> </thead> <tbody> <tr> <td>Minister</td> <td>2</td> </tr> <tr> <td>Prescribed Accountancy Bodies (jointly by agreement)</td> <td>2</td> </tr> <tr> <td>Central Bank of Ireland</td> <td>1</td> </tr> <tr> <td>Corporate Enforcement Authority</td> <td>1</td> </tr> <tr> <td>Irish Stock Exchange</td> <td>1</td> </tr> <tr> <td>Revenue Commissioners</td> <td>1</td> </tr> <tr> <td>Total</td> <td>8</td> </tr> </tbody> </table> <p>Website link - https://iaasa.ie/governance/board-of-directors/</p> <p>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does</p>	Nominating body	Nominees	Minister	2	Prescribed Accountancy Bodies (jointly by agreement)	2	Central Bank of Ireland	1	Corporate Enforcement Authority	1	Irish Stock Exchange	1	Revenue Commissioners	1	Total	8
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	<p>national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</p> <p>Of the 9 directors (as detailed above), a maximum of 4, including the Chief Executive, may be members of a prescribed accountancy body.</p> <p>Directors must be knowledgeable in at least one area relevant to the conduct of statutory audit and must comply with the independence requirements of Article 21 of EU Regulation 537.</p> <hr/> <p>3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Does this include a “cooling-off” period for former auditors?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes to either of the above, please describe:</p> <p>All Board members are required to declare any conflicts of interest and absent themselves from discussions on such matters. Former auditors are subject to a cooling-off period of 3 years, as per Article 21 of EU Regulation 537.</p>
<p>4. Independence safeguards</p>	<p>4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory requirements/provisions in place that safeguard their independence from the audit profession.</p> <p>Former employees of audit firms are subject to a cooling-off period of 3 years, as per Article 21 of EU Regulation 537. Board members are also required to make an annual declaration regarding any interests that are relevant. A majority of board members must be non-accountants. All board members are also subject to ethics legislation requiring them to disclose any matter which could cause a conflict of interest.</p> <p>Are employees of the Member covered by the same or separate set of independence requirements?</p> <p><input type="checkbox"/> Same set of requirements <input checked="" type="checkbox"/> Different set of requirements</p> <p>If there are separate independence requirements for employees, please describe:</p> <p>Audit inspectors may not inspect the firm they were employed by for a period of 3 years, as per Article 26 of EU Regulation 537. Other employees are not subject to statutory independence requirements.</p>

	<p>IAASA also has an internal system for declaration and management of all threats to independence, including completion of an annual conflicts of interest form.</p> <p>4.2 Are there any additional safeguards in place that provide for the Member's overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe:</p> <p>Conflict of interest declaration at start of every meeting.</p>
<p>5. Funding Arrangements</p>	<p>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</p> <p>IAASA's Board prepares an annual budget and associated levy proposals, which require the Minister's approval.</p> <p>Funding for oversight of accountancy bodies is received from the Exchequer (40%) and from the prescribed accountancy bodies (60%).</p> <p>Funding for adoption of auditing standards is received from the Exchequer (40%) and from the recognized accountancy bodies (60%). Note that the recognized accountancy bodies are a subset of the prescribed accountancy bodies, who are permitted to grant approval for members to become statutory auditors.</p> <p>Funding for audit inspection activities is received from the public-interest audit firms.</p> <p>5.2 Is the funding free from undue influence by the profession?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</p> <p>The funding mechanism is set out in legislation (Companies Act 2014).</p> <p>The organization's budget is approved by the Minister.</p>
<p>6. Audit Market</p>	<p>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member's oversight or mandate.</p>

	<p>IAASA is ultimately responsible for oversight of all auditors. PIE auditors are inspected directly by IAASA, with non-PIE audits and auditors inspected by the recognized accountancy bodies.</p> <p>There are 7 PIE auditors in Ireland, auditing approximately 575 PIE entities.</p> <p>6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member’s jurisdiction.</p> <p>71% of PIE audits are carried out by Big 4 firms.</p>
7. Inspection System	<p>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 11 Enforcement, please reference that section for details on such measures).</p> <p>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:</p> <p>Direct inspections are carried out by the Audit Quality Unit which has sanction for twelve inspectors.</p> <p>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</p> <p>Public-interest entity auditors are required to be subject to inspection at least every 3 years. Currently, IAASA inspects all PIE firms annually.</p> <p>7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: (multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.</p> <p><input checked="" type="checkbox"/> Employees of the Member <input type="checkbox"/> Professional body</p>

	<p><input type="checkbox"/> Third Parties <input type="checkbox"/> Other</p> <p>Please explain below:</p> <p>Direct inspections are carried out by the Audit Quality Unit which has sanction for twelve inspectors.</p>
8. Licensing	<p>8.1 If the Member has the responsibility for <u>Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>Registration and licensing is carried out by the three recognized accountancy bodies. Licenses are granted in accordance with EU law provisions. IAASA has specific legal powers allowing it to oversee these activities and to require the bodies to make changes to their process if necessary. It has issued mandatory guidelines for approval and registration of auditors.</p>
9. Registration	<p>9.1 If the Member has the responsibility for <u>Registration</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>Registration and licensing is carried out by the recognized accountancy bodies. IAASA has specific legal powers allowing it to oversee these activities and to require the bodies to make changes to their process if necessary. It has issued mandatory guidelines for approval and registration of auditors.</p>

10. Audits and/or Ethics Standard Setting	<p>10.1 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>IAASA is responsible for adoption of standards on auditing, professional ethics and internal quality control for audits.</p>
11. Permanent Education / Continuous Training of Auditors	<p>11.1 If the Member has the responsibility for <u>Permanent Education / Continuous Training of Auditors</u>, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education / Continuous Training of Auditors conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>Education of auditors is the responsibility of the three recognized accountancy bodies. IAASA has specific legal powers allowing it to oversee these activities and to require the bodies to make changes to their process if necessary. It has issued mandatory guidelines for education.</p>
12. Enforcement	<p>12.1 If the Member has the responsibility for <u>Enforcement</u>, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Referral</p> <p>If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.</p>

	<p>If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>IAASA is directly responsible for enforcement in relation to PIE audit matters, which are carried out in accordance with Section 934 of the Companies Act 2014. All other matters are the responsibility of the recognized accountancy bodies. IAASA has specific legal powers allowing it to oversee these activities and to require the bodies to make changes to their process if necessary. It has issued mandatory guidelines for the bodies' investigation and disciplinary functions.</p>
13. Other Responsibilities in Audit Oversight or Audit Regulation	<p>13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:</p> <p>IAASA is responsible for market monitoring in accordance with Article 27 of Regulation (EU) 537/2014.</p>
14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation	<p>14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:</p> <p>IAASA oversees the professional accountancy bodies in Ireland, focusing on their processes for monitoring and disciplining their accountant members and non-PIE auditors. IAASA is also responsible for supervision of financial reporting and for registration of certain categories of liquidators.</p>
15. Member Update for public information (if any)	<p>15.1 Are there any major news, activities, events or updates (on audit matters, the Member's organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year's Member Profile?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please describe these changes with an appropriate level of detail:</p>