

### IFIAR 2019 Member Profile – IAASA

1. Jurisdiction	1.1 Insert the name of the jurisdiction in English:
	Ireland
2. Member <sup>1</sup>	2.1 Insert the name of the Member, both in the local language and in English:
	Irish Auditing & Accounting Supervisory Authority ('IAASA')
	2.2 Include relevant contact information, including postal address, telephone numbers, a link to the website and other relevant information:
	Irish Auditing & Accounting Supervisory Authority Willow House Millennium Park Naas Co Kildare
	Ireland
	Phone: +353 (0) 45 983 600 Fax: +353 (0) 45 983 601 Email: info@iaasa.ie Website: <u>www.iaasa.ie</u>
	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:
	IAASA ('the Authority') was established under the provisions of the Companies (Auditing and Accounting) Act 2003, which has now been replaced by the Companies Act 2014 ('the 2014 Act').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:
	<ul> <li>supervise how the prescribed accountancy bodies ('PABs') regulate and monitor their members;</li> </ul>
	<ul> <li>promote adherence to high professional standards in the auditing and accountancy profession;</li> </ul>
	<ul> <li>monitor whether the accounts of certain classes of companies and other undertakings comply with the Companies Acts and, where applicable, Article 4 of the IAS Regulation; and</li> </ul>
	• act as a specialist source of advice to the Minister for Jobs, Enterprise and Innovation ('the Minister') on auditing and accounting matters.
	The Companies Act 2014 designates IAASA as the competent authority with supervisory and other functions with respect to the system of public oversight of statutory auditors and audit firms in Ireland, in accordance

<sup>&</sup>lt;sup>1</sup> 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 <u>both organizations</u> in the Member Profile.



	<ul> <li>with Regulation (EU) No 527/2014 and Directive 20 by Directive 2014/56/EU. As such, it generally superative and registration of statutory audit (b) the adoption of standards on professional control of audit firms and auditing; and</li> <li>(c) continuing education, quality assurance, a disciplinary systems.</li> <li>2.4 Have there been any major changes to the M or to the governing legislation since completine Profile?</li> <li>x Yes</li> </ul>	erintends: ors and audit firms; ethics, internal quality and investigative and <b>Member's organization</b>
	If yes, please describe these changes with an detail: The European Union (Statutory Audits) (Dire amended by Directive 2014/56/EU, and Regulati Regulations 2016 (S.I. No. 312 of 2016) (the 'R designated IAASA as the competent authority, as was withdrawn in 2018 and replaced by amendm Act 2014 which broadly replicated the withdrawn improvements and additional powers, partic sanctioning.	ective 2006/43/EC, as ion (EU) No 537/2014) Regulations') previously described above. This inents to the Companies in legislation with some
3. Governing Body Composition and members	3.1 Describe with an appropriate level of composition of the Member's governing body between Board members who are independent profession and those who are not <sup>2</sup> . The audit profession and those who are not <sup>2</sup> . The audit professional accountancy entities associated with the audit profession. Pursuant to the Companies Act 2014, IAASA is gove directors, eight of whom are non-executive and ap having been nominated by those entities set out i equivalent provision of the 2003 Act provided for appointed under the 2003 Act remain as Board expiration of their respective warrants.) The reactive for the companies appointed by the Board.	y, including the ratio dent from the audit rofession includes, for bodies and bodies or erned by a Board of nine pointed by the Minister n the table below. (The 15 directors. Directors d members under the maining director is the
	Nominating body Minister Prescribed Accountancy Bodies (jointly by agreement) Central Bank of Ireland	Nominees 2 2 1

<sup>&</sup>lt;sup>2</sup> An individual is independent of the profession even if he is a CPA, Chartered Accountant, or holder of another equivalent qualification, as long as this individual is not employed by or affiliated to a registered audit firm, nor employed by or affiliated to of a professional accountancy body, nor employed by or affiliated to bodies or entities associated with the audit profession.



D:		4
•	rate Enforcement	1
Irish Stock Exchar	-	1
Revenue Commis	sioners	1
Total		8
3.2 What are the	eligibility criteria / requirements ar	nd composition
	ne members of the governing body?	
•	s detailed above), a maximum of 4, inc nembers of a Prescribed Accountancy	-
	nowledgeable of statutory audit and m equirements of Article 21 of the EU Re	
profession? The a	er of the governing body independen udit profession includes, for examp untancy bodies and bodies or enti ession.	ole: audit firms,
□ Yes	☑ No	
	question 3.3 is "No", is the majority ody non-practitioner?	of the members
☑ Yes	□ No	
	question 3.3 is "No", which safegua Member's overall independence	
	n maximum of 4, including the Chief Ex ribed Accountancy Body ('PAB').	ecutive, may be
Additionally, the Ch of a PAB.	airperson may not be a member, offi	cer or employee
	triction or recusal process that is overning body of the Member who actitioners?	
☑ Yes	□ No	
Does this include a	a "cooling-off" period for former aud	litors?
🗹 Yes	□ No	
If yes to either of the	ne above, please describe:	
absent themselves f	are required to declare any conflicts from discussions on such matters. For off period of 3 years, as per Article 21	mer auditors are



		3.7 Other than the governing body, are members of the profession involved in the Member's organization (including in any inspections, committee or panel role)?
		X Yes No
		If yes, please describe their role with an appropriate level of detail, including the ratio between those who are independent and those who are not in the relevant function and whether such role includes decisional or control authority:
		IAASA is responsible for the adoption of auditing and ethical standards. As part of this process, IAASA has set up a Technical Advisory Panel to advise the Executive. This panel is made up of practitioners. The Panel forms no part of the governance or decision making structure of IAASA. The Executive considers points raised by the Panel in developing or amending standards and related guidance but is not bound in any way. All standards and guidance are fully approved within the independent IAASA governance structure.
4. Fundi	ng Arrangements	4.1 Describe the main funding arrangements of the Member, including
<b>4.</b> 1 unu		the setting and approval of the budget and the fees, if any:
		IAASA's Board prepares an annual budget and associated levy proposals, which require the Minister's approval.
		Funding for oversight of accountancy bodies is received from the Exchequer (40%) and from the prescribed accountancy bodies (60%).
		Funding for adoption of auditing standards will be 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.
		Funding for audit inspection activities is received from the public-interest audit firms.
		4.2 Is the funding free from undue influence by the profession?
		☑ Yes □ No
		Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:
		The funding mechanism is set out in legislation. The organization's budget is approved by the Minister.
5. Inspe	ction System	5.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?
		☑ Yes □ No



	5.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?         ☑ Directly       □ Through Oversight         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:         N/A         5.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:         Public-interest entity auditors are required to be subject to inspection at least every 3 years.
6. Audit and Financial Market	<ul> <li>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.</li> <li>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 accountancy bodies.</li> <li>There are 9 PIE auditors in Ireland, auditing approximately 1,000 PIE entities. There are approximately 5,000 audit firms registered in Ireland, which approximately 10,000 registered statutory auditors.</li> <li>6.2 What are the sizes and market shares of each of the largest audit firms in the Member's jurisdiction?</li> <li>95% of PIE audits are carried out by Big 4 firms.</li> </ul>
7. Main Other Responsibilities of the Member <u>within</u> the area of Audit Oversight	<ul> <li>7.1 Please indicate whether the Member has responsibility for tasks other than Inspections within the area of Audit Oversight:</li> <li> <ul> <li>Registration/Licensing</li> <li>Audit and/or Ethics Standard Setting</li> <li>Permanent Education of Auditors</li> <li>Enforcement</li> <li>Other:</li></ul></li></ul>



of detail. If through oversig organization and its compo- audit profession are invo description of the powers	the responsibility with an appropriate level ght, please indicate the name of the other osition (i.e. whether practitioners from the olved in decision-making). Also give a of the other organization and procedure of the Member in these procedures.
Registration and Licensing is bodies.	carried out by the recognised accountancy
Standard Setting, please	e responsibility for <u>Audit and/or Ethics</u> indicate whether this responsibility is rough oversight of Audit and/or Ethics d by another organization?
☑ Directly	□ Through Oversight
of detail. If through oversig organization and its compo- audit profession are invo description of the powers	the responsibility with an appropriate level ght, please indicate the name of the other osition (i.e. whether practitioners from the olved in decision-making). Also give a of the other organization and procedures of the Member in these procedures.
-	nsible for adoption of standards on auditing, rnal quality control for audits of accounting · 17 June 2016.
Auditors, please indicate	responsibility for <u>Permanent Education of</u> whether this responsibility is undertaken ght of Permanent Education of Auditors nization?
□ Directly	☑ Through Oversight
of detail. If through oversig organization and its compo- audit profession are invo description of the powers	the responsibility with an appropriate level ght, please indicate the name of the other osition (i.e. whether practitioners from the olved in decision-making). Also give a of the other organization and procedures of the Member in these procedures.
Education of auditors is the bodies.	responsibility of the recognised accountancy
	e responsibility for <u>Enforcement</u> , please onsibility is undertaken directly or through on(s)?
☑ Directly	☑ Through Referral
and its composition (i.e.	ndicate the name of the other organization whether practitioners from the audit decision-making). Also give a description



8.	Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight	<ul> <li>of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</li> <li>IAASA is directly responsible for Enforcement in relation to PIE audit matters. All other matters are the responsibility of the accountancy bodies.</li> <li>7.6 If the Member has the responsibility for other tasks within the area of Audit Oversight, please describe with an appropriate level of detail: N/A</li> <li>8.1 Please describe with an appropriate level of detail whether the Member has responsibility for tasks outside the area of audit oversight such as Supervision of Financial Reporting or Securities Regulation: IAASA is also responsible for supervision of financial reporting and for registration of certain categories of liquidators.</li> </ul>
9.	Major Events and Activities	<b>9.1 Describe any recent major events and activities:</b> Major events and activities for the years since IAASA was established in December 2005 are set out in each of the annual reports to the Minister pursuant to the provisions of Section 928 of the 2014 Act, which can be accessed at our website www.iaasa.ie.