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# CHAPTER 1

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Purpose

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## What we do

IAASA is responsible for the supervision of the accounting profession in Ireland, comprising of 38,008 members of Prescribed Accountancy Bodies ('PABs') in business and practice in the State.

IAASA is the competent authority for the oversight of statutory auditors in Ireland, including oversight of the manner in which the six Recognised Accountancy Bodies ('RABs') perform the functions assigned to them in law in respect of statutory auditors, namely approval and registration, continuing education, quality assurance systems and investigative and administrative disciplinary systems.

In addition, IAASA has direct responsibility for the inspection of audits of Public Interest Entities ('PIEs'), comprising of entities with securities listed on a regulated market, credit institutions and insurance undertakings. IAASA directly regulate nine auditing and accounting firms, including all of the Big 4, in respect of this element of their work.

IAASA is responsible for examining the level of compliance of certain entities' annual and half-yearly financial reporting with applicable financial reporting standards (in the main International Financial Reporting Standards ('IFRS') and Irish Generally Accepted Accounting Practice ('GAAP')). This comprises 107 entities, made up of:

- 31 equity issuers, whose market capitalisation at 31 December 2017 was €136bn;
- 61 debt issuers, with gross assets in excess of €304bn; and
- 15 closed-ended fund issuers, with gross assets in excess of €4bn.

IAASA is responsible for the conduct of investigations on issues arising from its inspection of the audits of PIEs and referrals from overseas competent authorities. IAASA also has the discretionary power to investigate whether a member of a PAB has complied with that body's standards and to investigate whether a prescribed accountancy body has complied with its approved investigation and disciplinary process.

IAASA is responsible for adopting standards on auditing, ethics and internal quality control for all auditors.

IAASA carries out a range of other activities, including registration of certain types of liquidators, registration and oversight of third country auditors, engaging with our peer European and international counterparts, and advising the Minister for Business, Enterprise and Innovation on key auditing and accounting matters.

## Why do we do it

IAASA's mission is to contribute to Ireland having a strong regulatory environment in which to do business by supervising and promoting high quality financial reporting, auditing and effective regulation of the accounting profession in the public interest.

## What guides us

IAASA operates with powers and functions granted to it under the Companies Act 2014, and related Statutory Instruments. It carries out its work in accordance with values set out by the Board.

- Public interest
- Independence
- Integrity
- Commitment
- Fairness and consistency
- Effectiveness and efficiency
- Transparency and accountability

## Who do we report to

IAASA is governed by a Board of directors made up of representatives of stakeholders and members nominated by the Minister for Business, Enterprise and Innovation. IAASA is answerable to the Oireachtas.

## What is our budget

IAASA's total expenditure in 2017 was €3.1m, from a budget of €5.6m. The most significant areas of underspend were in payroll and related costs due to ongoing difficulties in attracting additional suitable qualified staff.