

2022

Regulatory
and Monitoring Supervision

Profile of the Profession

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Vision

Public trust and confidence in quality auditing and accounting



Mission

Upholding quality corporate reporting and an accountable profession

Our Values



Excellence

Striving to be the best we can be



Independence

Regulating impartially and objectively



Integrity

Being trustworthy and respectful

Table of Contents

1. Chief Executive's introduction	1
2. Prescribed Accountancy Bodies.....	2
3. Source of information.....	2
4. Comparability of data	2

Part A

PAB Membership	3
----------------------	---

Part B

PAB Student Population.....	8
-----------------------------	---

Part C

PABs' Practising Certificates.....	13
------------------------------------	----

Part D

PABs' Investigation and Disciplinary Activities.....	17
---	----

Part E

RABs' Approval of Statutory Audit Firms and Statutory Auditors.....	25
---	----

Part F

RABs' Quality Assurance of Statutory Audit.....	30
--	----

Part G

PABs' Activities in Continuing Education of Members.....	35
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Appendix

PAB contact details	39
Glossary and definitions	39



43,321

Members in Ireland



16,530

Students in Ireland



2,049

Statutory auditors
approved to audit
in Ireland



1,261

Statutory audit firms
approved to audit
in Ireland



205

Quality assurance
reviews concluded



50

Complaints received relating
to statutory audit



88

Complaints received
that were Irish relevant

1. Chief Executive's introduction

I am pleased to present the Profile of the Profession 2022. This document provides a statistical profile of the six Prescribed Accountancy Bodies (PABs). It includes information on: members and students; approved statutory auditors and audit firms; and the regulation and monitoring of members, statutory auditors and audit firms. Part of our role is to supervise how the PABs regulate their members. It also includes oversight of the Recognised Accountancy Bodies' (RABs') performance of their regulatory functions in relation to statutory audit. Such functions include: approval and registration of statutory auditors and audit firms; monitoring of continuing education; quality assurance reviews; and investigation and discipline. Further information regarding our supervision of the PABs and oversight of statutory audit can be found in our Annual Report and Annual Audit Programme and Activity Report, both of which are available on our website.

Commentary on 2022

There is continued growth in the number of members in Ireland, with a 3% increase in 2022. There were 43,321 members in Ireland at the end of the year and 16,530 students. Further information is contained in Part A and Part B. In the three years from 2020 to 2022, there has been a 15% reduction in the number of audit firms approved and a decrease of 20% in statutory auditors. At the end of the year there were 1,261 audit firms and 2,049 statutory auditors approved to audit in Ireland

The number of new complaints made to the RABs relating to statutory audit reduced by 21% during the year. Further information is contained in Part D. Information relating to practice monitoring is included in Part C and quality assurance is contained in Part F. Information on monitoring of continuing education is included in Part G.

Acknowledgement

I would like to thank the PABs for providing the statistical information contained in this document and for their cooperation in responding to IAASA's queries.

Kevin Prendergast

Chief Executive April 2023

1. Prescribed Accountancy Bodies

A PAB is an accountancy body that comes within IAASA's supervisory remit. At 31 December 2022, there were six PABs:

ACCA	Association of Chartered Certified Accountants
AIA	Association of International Accountants
CIMA	Chartered Institute of Management Accountants
CIPFA	Chartered Institute of Public Finance & Accountancy
CPA	Institute of Certified Public Accountants in Ireland
ICAI	Institute of Chartered Accountants in Ireland

2. Source of information

Information in this document is compiled from annual returns provided by the PABs to IAASA. IAASA does not verify this data when preparing the publication. Further information in relation to any of the statistics in this document or the PAB processes can be obtained directly from the PABs.

3. Comparability of data

It is important to note that there are differences in the structure and operations of the six PABs and therefore there may be differences in the PABs' interpretation of information requested in the annual return. These facts may cause some difficulties in making comparisons. IAASA has tried to minimise such differences through the design and regular updating of the annual return templates required for completion by the PABs.

A glossary is included at the end of this document. It includes definitions of some of the terms used in the document.

Part A

PAB Membership

Part A PAB Membership

Admission to PAB membership

To become a member of a PAB, a person must:

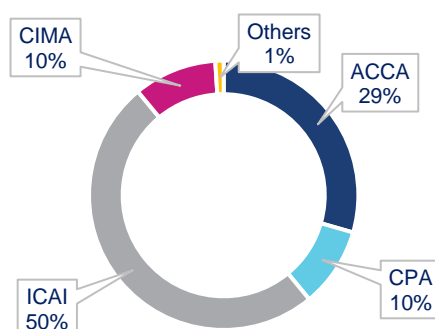
- pass the PAB's professional examinations; and
- gain a minimum period of relevant supervised work experience.

Members' obligations

PAB members are required to undertake appropriate CPD to maintain their professional competence annually. They are also required to comply with the PAB's standards. PAB members who do not comply with the PAB's standards may be subject to disciplinary action. Part D of this document provides additional information regarding the PABs' investigation and disciplinary activities.

Membership at 31 December 2022 – tables and charts

Chart A.1: PAB members in Ireland



As can be seen in chart A.1 above, four PABs accounted for 99% of PAB members in Ireland. Table A.1 and chart A.2 show the location of PABs' membership throughout the world and table A.2 analyses Irish based members by gender, age and employment status. Table A.3 shows the movement in Irish membership during the year and chart A.3 shows Irish membership, by PAB, over the past 10 years.

In that period:

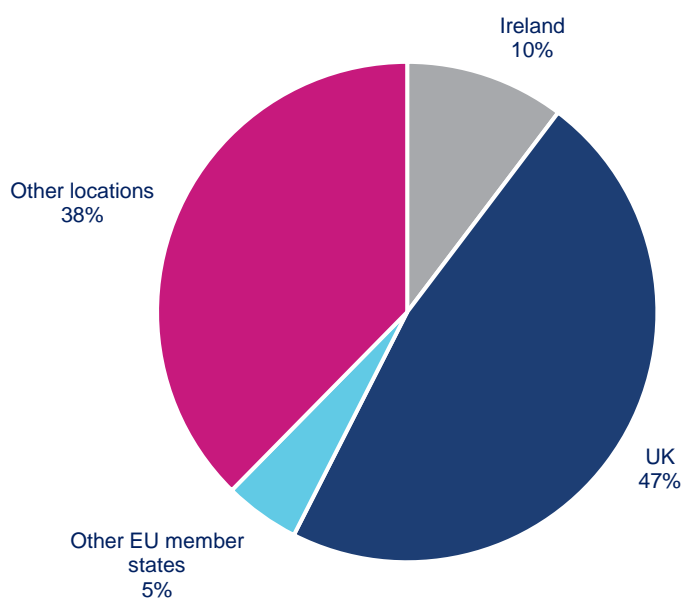
- PAB members located in Ireland has increased by 10,680 members, representing a 33% increase; and
- AIA (79%), ICAI (47%) and ACCA (41%) have experienced the largest growth in membership.

Part A PAB Membership

Table A.1: Location of members

As at 31 December	2021		2022		Recognised Accountancy Bodies					
	Total	%	Total	%	ACCA	CPA	ICAI	AIA	CIMA	CIPFA
Ireland	42,040	10%	43,321	10%	12,715	4,027	21,887	199	4,440	53
UK	195,320	47%	198,224	47%	96,910	113	6,659	1,207	81,513	11,822
Other EU member states	19,866	5%	20,541	5%	17,652	50	358	142	2,243	96
Other locations	154,344	38%	158,094	38%	116,025	536	2,779	9,151	28,987	616
Total members worldwide	411,570	100%	420,180	100%	243,302	4,726	31,683	10,699	117,183	12,587

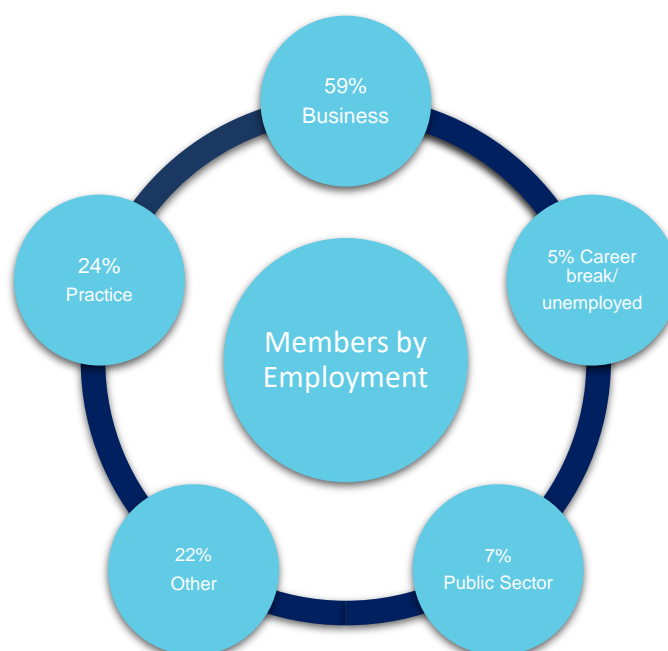
Chart A.2: Location of Members



Part A PAB Membership

Table A.2: Members in Ireland

As at 31 December	2021		2022		Recognised Accountancy Bodies			AIA	CIMA	CIPFA
	Total	%	Total	%	ACCA	CPA	ICAI			
Members in Ireland	42,040	100%	43,321	100%	12,715	4,027	21,887	199	4,440	53
<i>Analysis by gender</i>										
Male	23,437	56%	24,081	56%	6,631	1,957	12,459	126	2,876	32
Female	18,587	44%	19,207	44%	6,084	2,070	9,411	73	1,548	21
Not specified	16	0%	33	0%	-	-	17	-	16	-
	42,040	100%	43,321	100%	12,715	4,027	21,887	199	4,440	53
<i>Analysis by age</i>										
<= 34	8,404	20%	8,501	20%	1,817	225	6,164	60	235	-
35 – 44	14,394	35%	14,445	33%	4,952	1,223	7,283	47	937	3
45 – 54	11,112	26%	11,579	27%	3,931	1,380	4,297	20	1,937	14
55 – 64	5,031	12%	5,399	12%	1,423	845	2,282	13	811	25
65+	3,079	7%	3,367	8%	592	345	1,855	52	512	11
Age not specified	20	0%	30	0%	-	9	6	7	8	-
	42,040	100%	43,321	100%	12,715	4,027	21,887	199	4,440	53
<i>Analysis by employment status</i>										
Business	25,086	59%	26,351	61%	8,534	2,058	12,116	131	3,504	8
Practice	9,943	24%	10,397	24%	2,419	1,173	6,717	27	60	1
Public sector	2,788	7%	2,653	6%	1,023	370	1,036	7	191	26
On a career break/unemployed	2,117	5%	1,335	3%	293	218	662	-	161	1
Retired	1,978	5%	2,457	6%	422	208	1,332	34	453	8
Other	128	0%	128	0%	24	-	24	-	71	9
	42,040	100%	43,321	100%	12,715	4,027	21,887	199	4,440	53

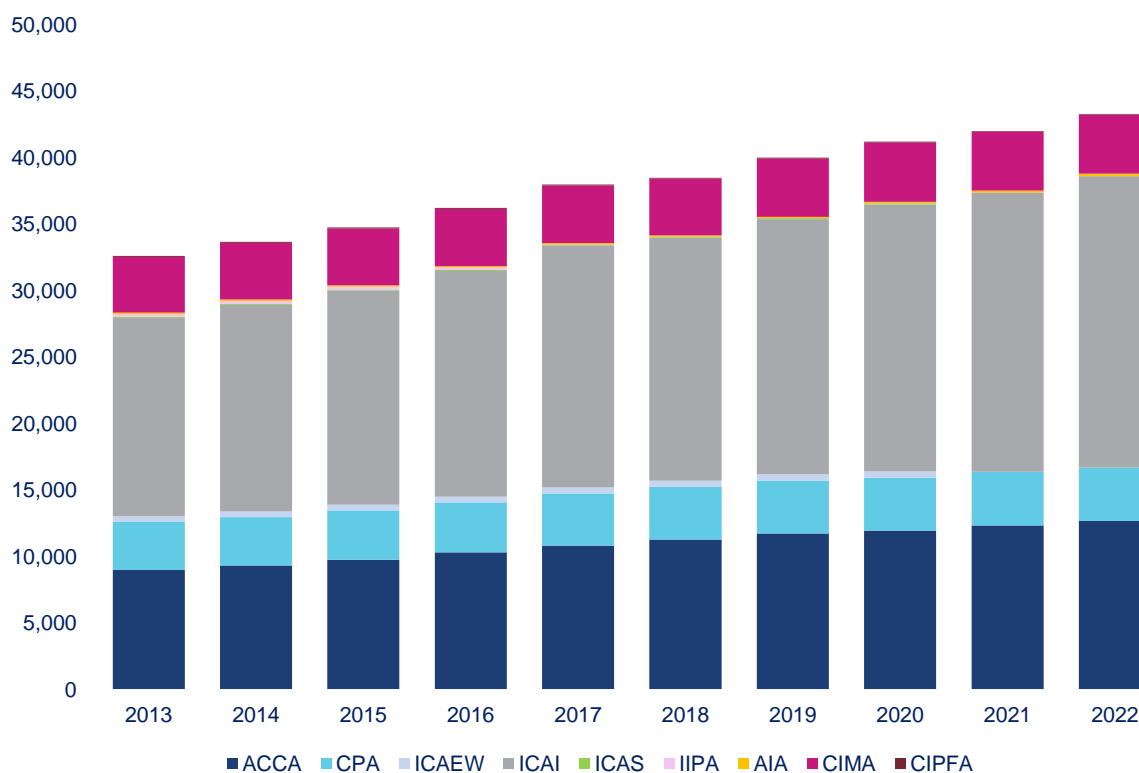


Part A PAB Membership

Table A.3: Movement of members in Ireland during the year

	2021	2022	Recognised Accountancy Bodies			AIA	CIMA	CIPFA
	Total	Total	ACCA	CPA	ICAI			
Members in Ireland at 1 January	41,229	42,040	12,385	4,031	21,005	145	4,420	54
Students admitted	1,618	1,696	513	36	1,055	1	91	-
Members of other PABs admitted	8	13	-	6	-	7	-	-
Members of other accountancy bodies admitted	66	87	2	19	17	49	-	-
Former members re-admitted on payment of outstanding fees	329	237	109	4	8	-	116	-
Former members re-admitted for other reasons	30	3	3	-	-	-	-	-
Less								
Members excluded for non-payment of fees	(544)	(558)	(303)	(22)	(41)	-	(192)	-
Members excluded for other reasons	(27)	(4)	(2)	(1)	(1)	-	-	-
Resigned members	(158)	(126)	(15)	(25)	(77)	(3)	(5)	(1)
Deceased members	(72)	(65)	(1)	(9)	(53)	-	(2)	-
Net movement of members between jurisdictions	107	(2)	24	(12)	(26)	-	12	-
+/- Other	-546	-	-	-	-	-	-	-
Members in Ireland at 31 December	42,040	43,321	12,715	4,027	21,887	199	4,440	53

Chart A.3 Members in Ireland 10 year review



The background is a solid dark blue color. It features several large, curved, overlapping shapes in a lighter shade of blue, creating a dynamic, abstract pattern. These shapes originate from the top right and curve towards the bottom left.

PART B

PAB Student Population

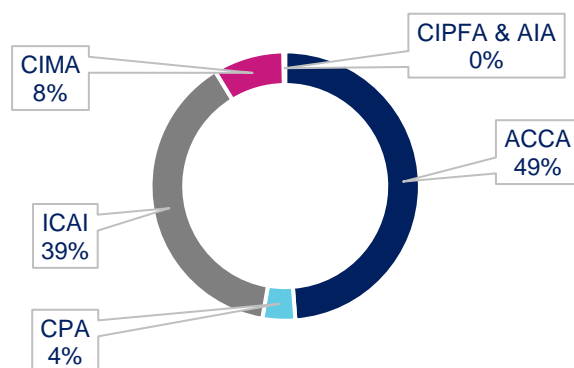
PART B: PAB Student Population

Student membership

The education and training of students is an important part of the PABs' activities. Students are required to comply with the relevant PAB's applicable standards. Once a student becomes a member they are entitled to use the designatory letters reserved for members of that PAB.

Student population at 31 December 2022 – tables and chart

Chart B.1 PAB Students in Ireland



Four PABs account for the majority of students in Ireland as shown above in chart B.1. Table B.1 and chart B.2 show the location of PABs' student numbers throughout the world and table B.2 analyses students in Ireland by gender and employment status. Overall student membership declined in all locations during 2022. In Ireland, 1,696 PAB students were admitted as members, an increase of 5% from 2021 (2021: 1,618) and 2,936 new students were registered, a decrease of 10% from 2021 (2021:3,275).

Table B.3 shows the movement of Irish based students during the year and chart B.2 shows student numbers in Ireland, by PAB, over the past 10 years. In that period:

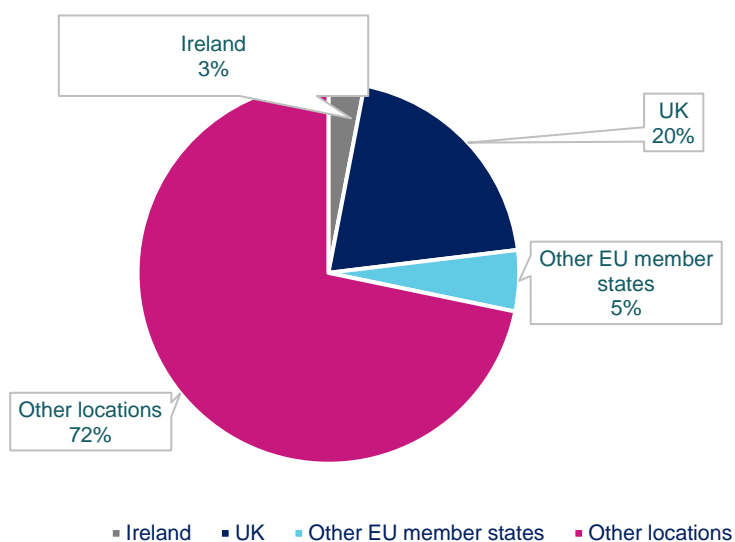
- PAB students located in Ireland increased by 1%;
- CIPFA and ICAI experienced the largest growth in student numbers;
- CIMA and CPA both experienced declines in student numbers; and
- AIA continues to have low student numbers located in Ireland.

PART B: PAB Student Population

Table B.1: Location of students

As at 31 December	2021		2022		Recognised Accountancy Bodies					
	Total	%	Total	%	ACCA	CPA	ICAI	AIA	CIMA	CIPFA
Ireland	17,505	3%	16,530	3%	8,065	651	6,370	5	1,408	31
UK	115,432	21%	109,407	20%	63,384	5	1,397	138	42,539	1,944
Other EU member states	29,407	5%	28,237	5%	23,133	3	2	144	4,297	658
Other locations	397,462	71%	391,522	72%	343,370	17	7	5,431	39,329	3,368
Total students worldwide	559,806	100%	545,696	100%	437,952	676	7,776	5,718	87,573	6,001

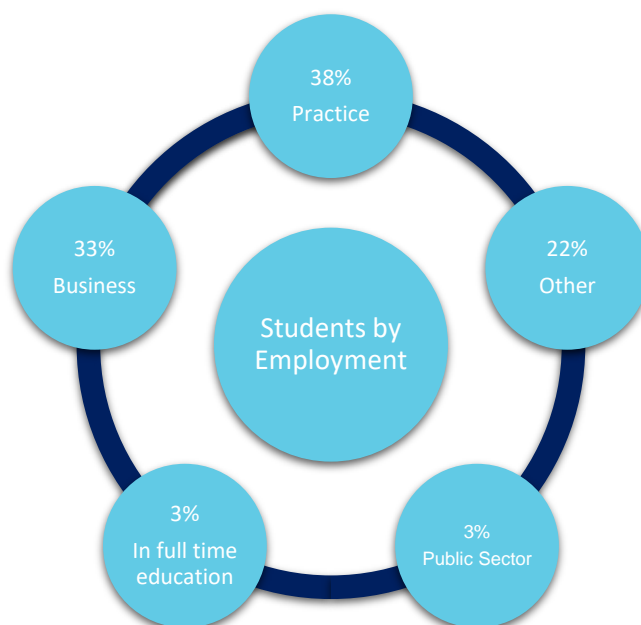
Chart B.2: Location of Students



PART B: PAB Student Population

Table B.2: Students in Ireland

As at 31 December	2021		2022		Recognised Accountancy Bodies					
	Total	%	Total	%	ACCA	CPA	ICAI	AIA	CIMA	CIPFA
Students in Ireland	17,505	100%	16,530	100%	8,065	651	6,370	5	1,408	31
<i>Analysis by gender</i>										
Male	8,337	48%	7,817	47%	3,435	263	3,380	4	726	9
Female	9,135	52%	8,602	52%	4,630	388	2,990	1	571	22
Not specified	33	0%	111	1%	-	-	-	-	111	-
	17,505	100%	16,530	100%	8,065	651	6,370	5	1,408	31
<i>Analysis by employment status</i>										
Practice	6,413	37%	6,347	38%	964	232	5,151	-	-	-
Business	5,780	33%	5,385	33%	3,741	376	76	5	1,183	4
Other	4,131	23%	3,701	22%	2,398	-	1,109	-	175	19
Public sector	639	4%	574	3%	472	43	34	-	17	8
In full time education	542	3%	523	3%	490	-	-	-	33	-
	17,505	100%	16,530	100%	8,065	651	6,370	5	1,408	31

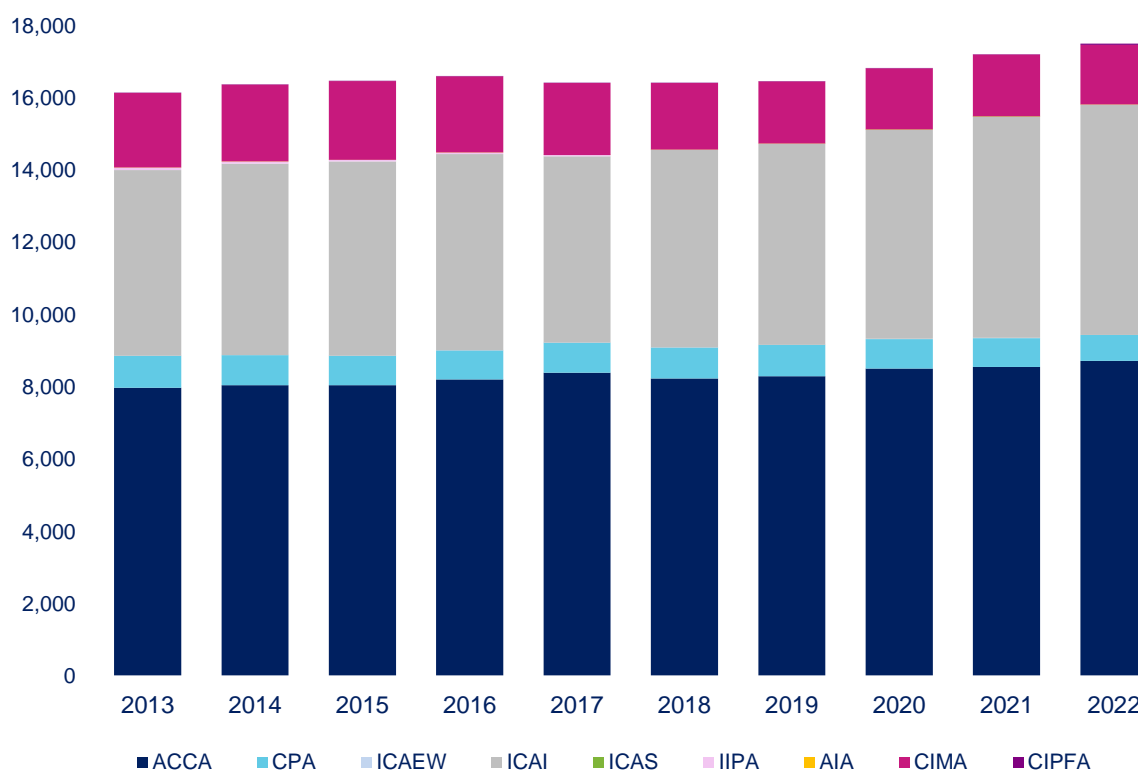


PART B: PAB Student Population

Table B.3: Movement of students in Ireland during the year

	2021	2022	Recognised Accountancy Bodies					
	Total	Total	ACCA	CPA	ICAI	AIA	CIMA	CIPFA
Students in Ireland at 1 January	17,212	17,505	8,727	718	6,379	4	1,644	33
Opening balance adjustment	35	9	-	-	9	-	-	-
<i>Add</i>								
New students registered	3,275	2,936	1,017	151	1,516	2	250	-
<i>Less</i>								
Students admitted as full members	(1,618)	(1,696)	(513)	(36)	(1,055)	(1)	(91)	-
Lapsed student registrations	(734)	(766)	-	(182)	(145)	-	(438)	(1)
Student registrations cancelled	(730)	(1,463)	(1,247)	-	(202)	-	(13)	(1)
Net movement of students between jurisdictions	-14	(52)	81	-	(132)	-	(1)	-
+/- Other*	79	57	-	-	-	-	57	-
Students in Ireland at 31 December	17,505	16,530	8,065	651	6,370	5	1,408	31

Chart B.2: Students in Ireland 10 year review



The background is a solid dark blue color with several large, curved, overlapping shapes in lighter shades of blue, creating a dynamic, abstract pattern. The shapes are primarily on the left and top-right sides, leaving the bottom-right area more clear for text.

PART C

PABs' Practising Certificates

Part C: PABs' Practising Certificates

Practising certificates

The PABs may grant practising certificates to members who wish to offer accounting related services to the public. Additional authorisation is required for statutory audit and may be required for other areas, such as investment business. Members in practice are required to comply with additional PAB standards.

The PABs have additional requirements for awarding practising certificates, which generally include:

- obtaining a minimum level of post membership experience;
- holding professional indemnity insurance cover; and
- putting in place practice continuity arrangements, in the event of incapacity or death.

Practice monitoring reviews

Practice monitoring reviews are reviews of the work of members in practice other than statutory audit work. Quality assurance reviews of statutory audit work are reported in Part F of this report. Practice monitoring reviews are generally carried out on a cyclical or risk basis. Often practice monitoring reviews include a review of: services provided by the practice; anti-money laundering (AML) compliance; data security processes; and professional indemnity insurance. Practice monitoring reviews may cover whole firm procedures or may focus on a specific area or theme within an area such as AML.

Practising certificates at 31 December 2022 – table and charts

Table C.1 shows a three year review of the number of members that are authorised to practice in Ireland and worldwide by each PAB. Charts C.1 and C.2 graphically illustrate the breakdown by PAB for 2022.

- the majority of those worldwide are members of ICAI (37%) and CIMA (28%); and
- the majority of those located in Ireland are members of ICAI (55%).

Table C.2 shows a three year review of practice monitoring reviews carried out by the PABs.

Part C: PABs' Practising Certificates

Table C.1: Practising certificates and practice monitoring reviews

	Year	TOTAL	Recognised Accountancy Bodies			Revoked in 2021		AIA	CIMA	CIPFA*
			ACCA	CPA	ICAI	ICAEW	ICAS			
Members [located worldwide] authorised to practice in Ireland at 31 December	2022	7,035	1,329	636	2,613	-	-	490	1,967	-
	2021	6,976	1,318	665	2,554	-	-	454	1,985	-
	2020	29,139	1,331	670	2,533	20,609	1,646	442	1,908	-
Members [located in Ireland] authorised to practice in Ireland at 31 December	2022	3,476	845	634	1,907	-	-	30	60	-
	2021	3,418	817	663	1,854	-	-	26	58	-
	2020	3,455	815	668	1,836	51	6	22	57	-

* CIPFA do not award practising certificates to their members

Chart C.1: Members worldwide authorised to practice 2022

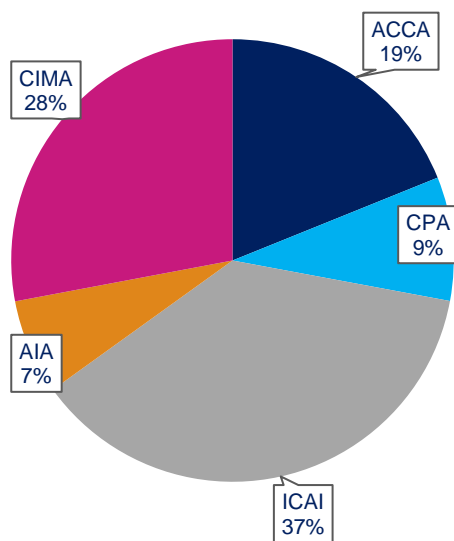
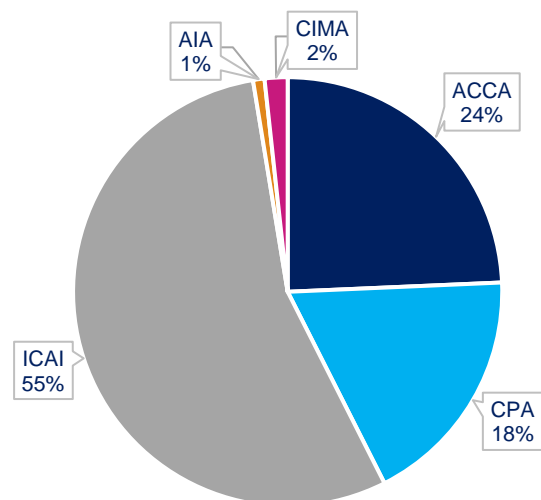


Chart C.2: Members in Ireland authorised to practice 2022



Part C: PABs' Practising Certificates

Table C.2: 3 year review of practice monitoring reviews

	Year	TOTAL	Recognised Accountancy Bodies			Revoked in 2021		AIA	CIMA	CIPFA
			ACCA	CPA	ICAI	ICAEW	ICAS			
Practice monitoring reviews [located worldwide] concluded in the year	2022	934	109	9	69	-	-	481	266	-
	2021	480	42	11	87	-	-	26	314	-
	2020	2,322	44	9	58	1,756	64	18	373	-
Practice monitoring reviews [located in Ireland] concluded in the year	2022	145	63	9	29	-	-	28	16	-
	2021	101	25	11	45	-	-	2	18	-
	2020	96	36	9	13	3	-	24	11	-

Chart C3: 3 year review of practice monitoring concluded worldwide

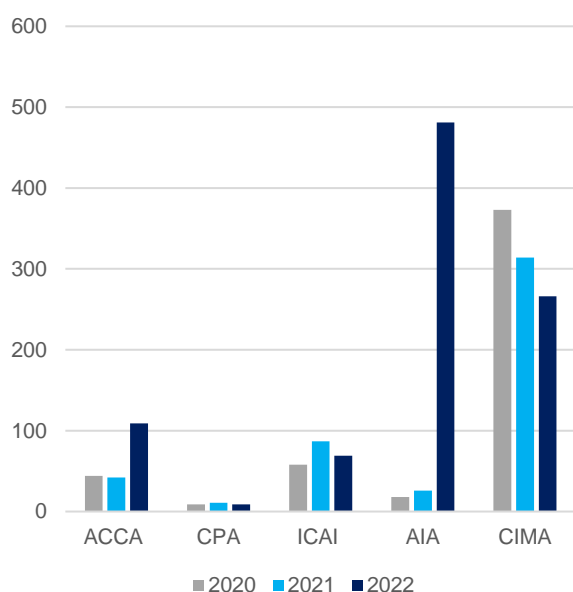
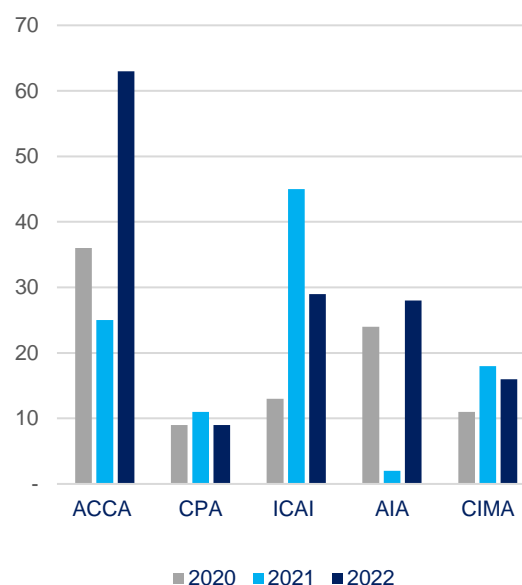


Chart C4: 3 year review of practice monitoring concluded in Ireland



PART D

**PABs' Investigation and
Disciplinary Activities**

PART D: PABs' Investigation and Disciplinary Activities

PABs' investigation and disciplinary processes

PABs receive complaints about their members/member firms and are required to process them in accordance with their investigation and disciplinary procedures, which are approved by IAASA. When a member of the public makes a complaint to a PAB, or information comes to a PAB's attention concerning the conduct or competence of a member/member firm, the PAB will assess the complaint and may investigate further. IAASA has issued Guidelines for RABs when performing Investigation and Disciplinary functions.

In cases where the initial investigation concludes that there appears to be a case to answer against a member/member firm, the complaint will be processed through the disciplinary process. As each PAB's investigation and disciplinary procedures are tailored to its specific requirements, the manner in which complaints are processed and the calculation of the average time taken to close complaints varies. Further details on investigation and disciplinary processes are available on the PABs' individual websites.

Investigation and disciplinary activities 2022 – tables and charts

Table D.1 provides a summary, by PAB, of the movement in Irish relevant complaints from 2020 to 2022. Overall, there has been an increase of 10% in the number of new complaints received in the period. The average time to close a complaint is dependent on the complexity of the case. Average times for closing complaints can also be impacted by the number of aged complaints closed in the year.

In 2022, 23% of complaints closed had adverse findings. AIA and CIPFA did not receive any Irish relevant complaints in the year. Chart D.1 shows the number of closed complaints with adverse findings by PAB.

Table D.4 provides a summary, by RAB, of the movement in statutory auditor/audit firm complaints from 2020 to 2022. Overall, there has been a reduction of 43% in the number of new complaints received in that period. In 2022, 27% of complaints closed had an adverse finding. Chart D.3 shows the number of closed complaints with adverse findings by RAB over a three year period.

Tables D.2 and D.5 and charts D.2 and D.4 show the nature of new complaints received in 2022 that progressed through the PABs' disciplinary processes. Complaints can relate to one or more matters. The majority of complaints relate to breaches of the bodies' codes of ethics, poor work or unsatisfactory professional service or conduct or other breaches of bodies' rules or regulations.

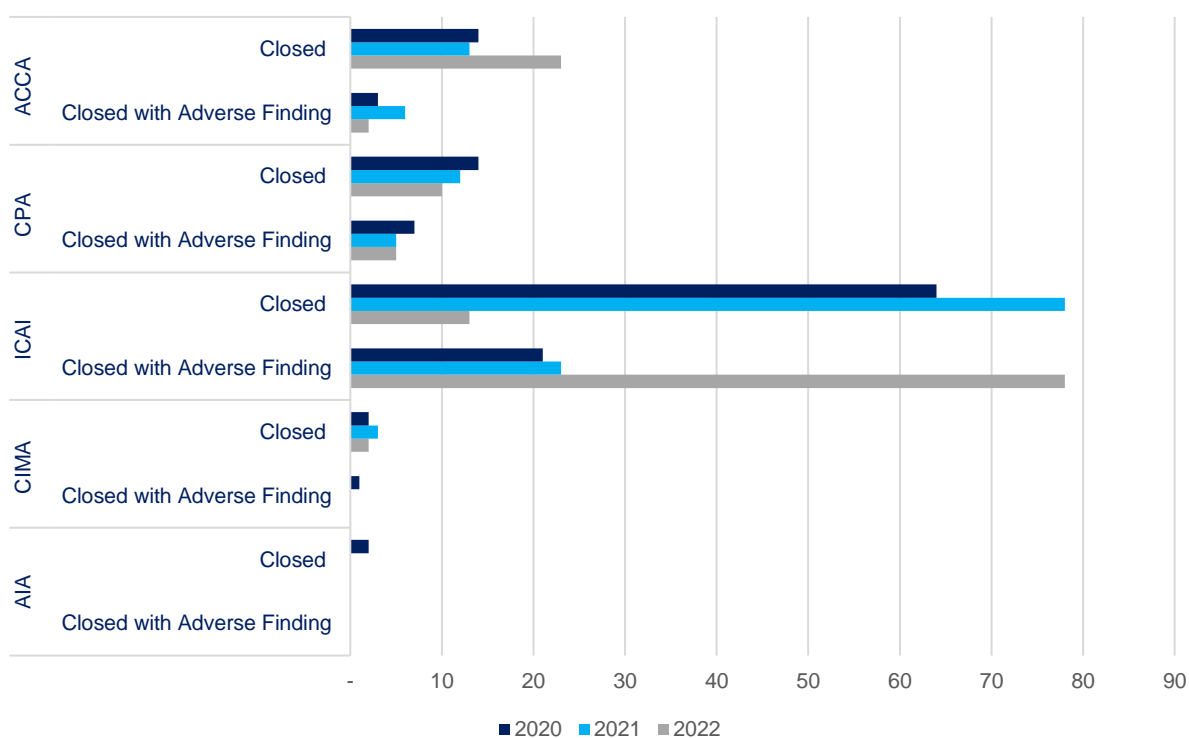
Tables D.3 and D.6 show the sanctions imposed on those complaints closed in 2022 with adverse findings. The most common sanctions are monetary sanctions, publication and admonishments/cautions, reprimands and/or severe reprimands. One or more sanctions can be imposed on a complaint.

PART D: PABs' Investigation and Disciplinary Activities

Table D.1: 3 year review of Irish relevant complaints

	Year	Total	Recognised Accountancy Bodies			Revoked in 2021		AIA	CIMA	CIPFA
			ACCA	CPA	ICAI	ICAEW	ICAS			
New complaints received	2022	88	21	10	56	-	-	-	1	-
	2021	109	24	18	63	-	-	-	4	-
	2020	80	14	16	47	-	1	2	-	-
Complaints closed	2022	87	23	10	52	-	-	-	2	-
	2021	107	13	12	78	-	1	-	3	-
	2020	96	14	14	64	-	-	2	2	-
Complaints closed with adverse findings	2022	20	2	5	13	-	-	-	-	-
	2021	34	6	5	23	-	-	-	-	-
	2020	32	3	7	21	-	-	-	1	-
Average time taken to close a complaint (in months)	2022		7	12	20	-	-	-	8	N/A
	2021		11	9	16	-	-	N/A	3	N/A
	2020		4	8	18	N/A	N/A	2	8	N/A

Chart D.1: 3 year comparison of PABs' closed complaints & closed complaints with adverse findings

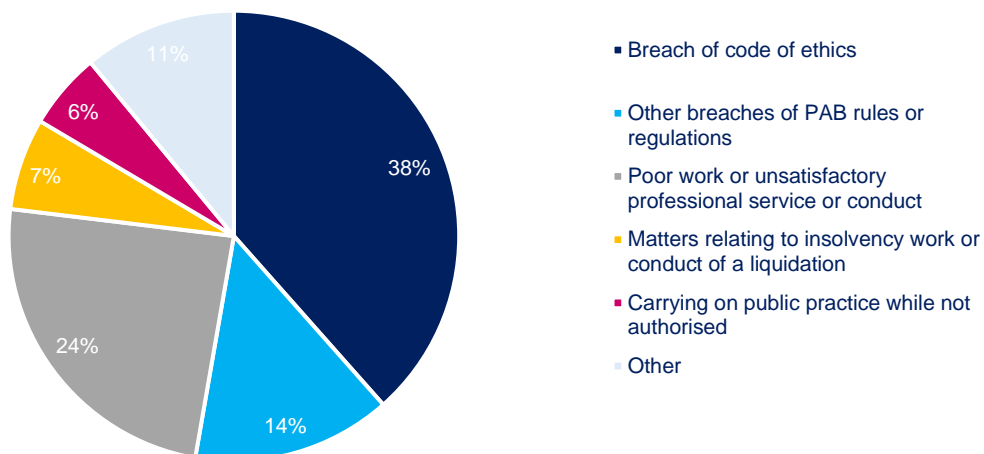


PART D: PABs' Investigation and Disciplinary Activities

Table D.2: Irish relevant complaints that progressed through the PABs' disciplinary process

	2021	2022	Recognised Accountancy Bodies			AIA	CIMA	CIPFA
	Total	Total	ACCA	CPA	ICAI			
Complaints received related to								
Breach of code of ethics	42	35	-	3	31	-	1	-
Poor work or unsatisfactory professional service or conduct	21	22	2	7	13	-	-	-
Other breaches of PAB rules or regulations	22	13	12	1	-	-	-	-
Matters relating to insolvency work or conduct of a liquidation	9	6	-	-	6	-	-	-
Carrying on public practice while not authorised	8	5	5	-	-	-	-	-
Other	2	4	-	-	4	-	-	-
Delay/failure to respond and/or cooperate with body	2	3	-	-	3	-	-	-
Criminal conviction	1	2	2	-	-	-	-	-
Carrying out audit work while not authorised	2	1	1	-	-	N/A	N/A	N/A
Other breaches of company law/restriction or disqualification of a director	-	1	-	1	-	-	-	-
Other audit related matters	2	-	-	-	-	N/A	N/A	N/A

Chart D.2: Irish relevant complaints progressed through PABs' disciplinary process



PART D: PABs' Investigation and Disciplinary Activities

Table D.3: Sanctions imposed on closed Irish relevant complaints

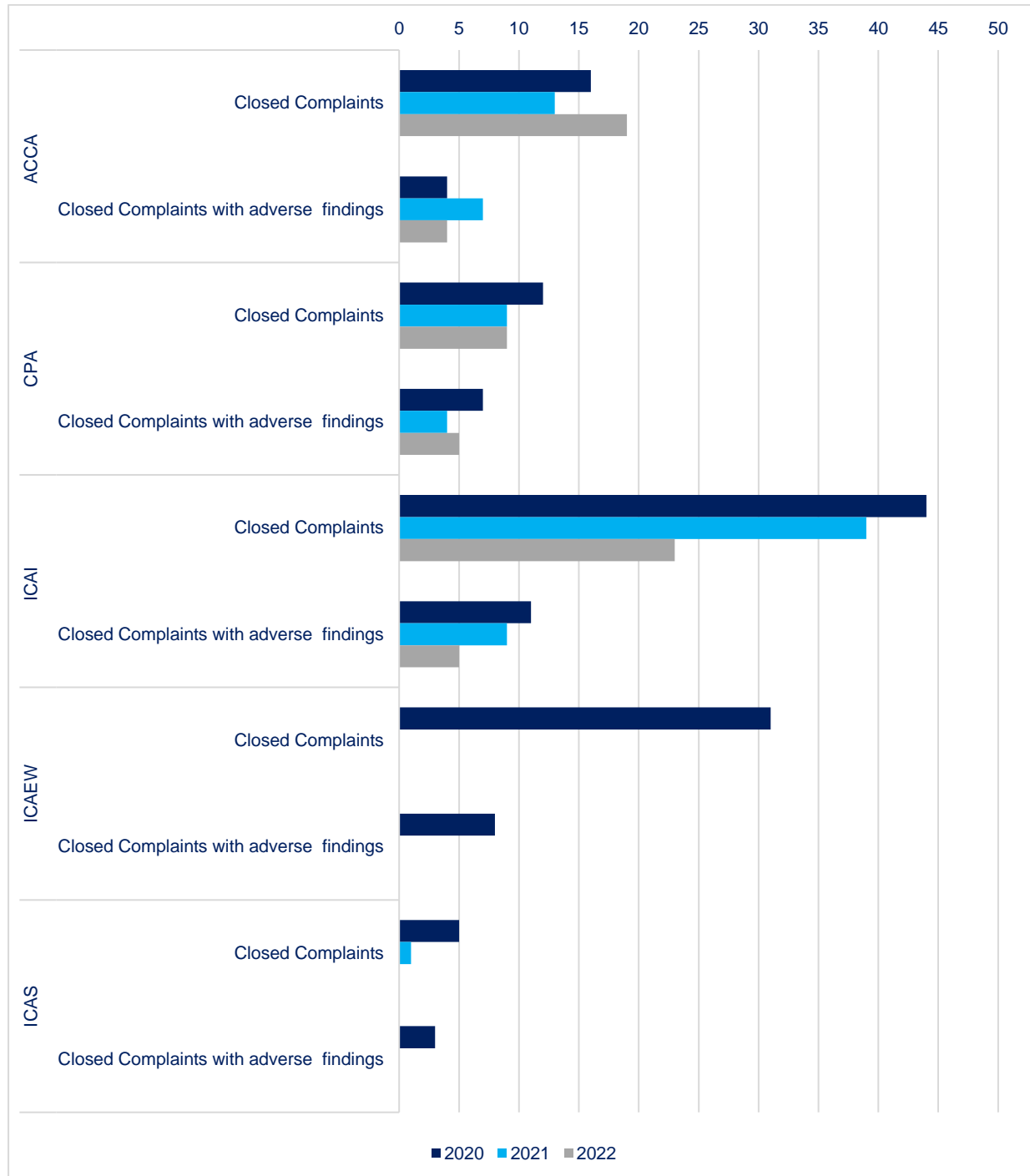
	2021	2022	Recognised Accountancy Bodies			AIA	CIMA	CIPFA
	Total	Total	ACCA	CPA	ICAI			
Sanctions imposed								
Publication	30	16	2	3	11	-	-	-
Monetary sanction (including fine or costs)	25	14	-	3	11	-	-	-
Admonishments/cautions, reprimands and/or severe reprimands	27	13	-	3	10	-	-	-
Member expelled	2	4	1	1	2	-	-	-
Other	2	3	1	2	-	-	-	-
Statutory auditor/audit firm temporarily suspended	2	-	-	-	-	N/A	N/A	N/A
Member temporarily suspended	1	-	-	-	-	-	-	-
Statutory auditor/audit firm expelled/registration revoked	-	-	-	-	-	N/A	N/A	N/A
Registration, other than audit, temporarily suspended	-	-	-	-	-	-	-	-
Registration, other than audit, revoked	-	-	-	-	-	-	-	-

Table D.4: 3 year review of statutory auditor/audit firm complaints

	Year	Total	Recognised Accountancy Bodies			Revoked in 2021	
			ACCA	CPA	ICAI	ICAEW	ICAS
New complaints received	2022	50	10	7	33	-	-
	2021	63	11	16	36	-	-
	2020	88	15	12	28	29	4
Complaints closed	2022	51	19	9	23	-	-
	2021	61	13	9	39	-	-
	2020	108	16	12	44	31	5
Complaints closed with adverse findings	2022	14	4	5	5	-	-
	2021	20	7	4	9	-	-
	2020	33	4	7	11	8	3
Average time taken to close a complaint (in months)	2022		11	13	38	-	-
	2021		10	7	14	-	-
	2020		5	10	16	16	7

PART D: PABs' Investigation and Disciplinary Activities

Chart D. 3: 3 year comparison of statutory auditor/audit firm closed complaints and closed complaints with adverse findings

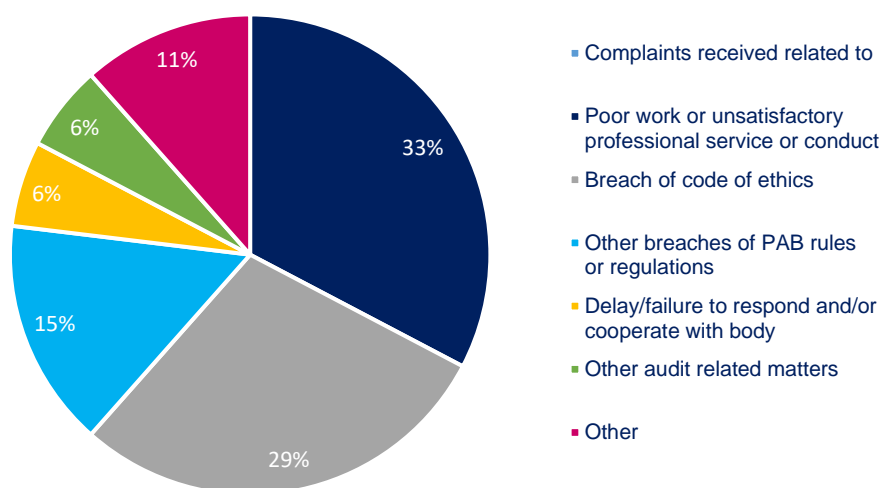


PART D: PABs' Investigation and Disciplinary Activities

Table D.5: Statutory auditor/audit firm complaints that progressed through the PABs' disciplinary process

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
Complaints received related to					
Poor work or unsatisfactory professional service or conduct	11	17	1	6	10
Breach of code of ethics	27	15	-	1	14
Other breaches of PAB rules or regulations	14	8	7	1	-
Delay/failure to respond and/or cooperate with body	2	3	-	-	3
Other audit related matters	1	3	-	-	3
Other	2	2	1	-	1
Matters relating to insolvency work or conduct of a liquidation	5	1	-	-	1
Carrying out audit work while not authorised	2	1	-	-	1
Criminal conviction	-	1	1	-	-
Other breaches of company law/restriction or disqualification as a director		1	-	1	-
Failure to satisfy a judgement debt or other insolvency event	-	-	-	-	-

Chart D.4: Statutory auditors/audit firms that progressed through RABs' disciplinary process



PART D: PABs' Investigation and Disciplinary Activities

Table D.6: Sanctions imposed on closed statutory auditor/audit firm complaints

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
Sanctions imposed					
Monetary sanction (including fine or costs)	19	10	2	3	5
Publication	19	12	4	3	5
Admonishments/cautions, reprimands and/or severe reprimands	17	9	1	3	5
Other	2	4	2	2	-
Statutory auditor/audit firm temporarily suspended	2	-	-	-	-
Member expelled	1	2	1	1	-
Member temporarily suspended	1	-	-	-	-
Statutory auditor/audit firm expelled/registration revoked	-	-	-	-	-

Part E

**RABs' Approval of
Statutory Auditor Firm
and Statutory Auditors**

Part E: RABs' Approval of Statutory Audit Firms and Statutory Auditors

Criteria for audit approval

RABs can approve firms and individuals to carry out statutory audits if those firms and individuals meet the criteria set out in the Companies Act 2014 (as amended). The legal requirements for a firm to be approved include:

- the firm is to be of good repute;
- the individuals who carry out statutory audits in the State on behalf of the firm are approved as statutory auditors;
- the majority of the voting rights in the firm are held by —
 - individuals who are eligible for approval in the State or in any other Member State as statutory auditors,
 - audit firms approved as statutory audit firms in the State or in any other Member State, or
 - a combination of such individuals and audit firms, and
- the majority of the members of the administrative or management body of the firm are —
 - individuals who are eligible for approval in the State or in any other Member State as statutory auditors,
 - audit firms approved as statutory audit firms in the State or in any other Member State, or
 - a combination of such individuals and audit firms.

The legal requirements for an individual to obtain statutory auditor approval usually include:

- to be of good repute;
- to hold an appropriate qualification; and
- to have sufficient and appropriate audit experience.

The RABs also require firms and individuals to hold professional indemnity insurance and have practice continuity arrangements in place.

RABs' approval of statutory audit firms and statutory auditors at 31 December 2022 – tables and charts

Tables E.1 and E.2 set out statutory audit firms and statutory auditors approved by the RABs to perform statutory audits in Ireland over the past three years. In the three year period, the number of audit firms has declined by 15%.

Charts E.1 to E.4 graphically represent, by RAB, the movement in statutory audit firms and statutory auditors located worldwide and in Ireland since 2020. The number of statutory audit firms with offices in Ireland in that period has declined by 8% and the number of statutory auditors located in Ireland has declined by 7%.

Part E: RABs' Approval of Statutory Audit Firms and Statutory Auditors

Table E.3 analyses statutory audit firms located in Ireland by the number of principals employed in the firm and by the number of public interest entity (PIE) clients. 98% of audit firms have five principals or less.

Table E.1: 3 year review of audit firms

	Year	TOTAL	Recognised Accountancy Bodies			Revoked 2021	
			ACCA	CPA	ICAI	ICAEW	ICAS
Statutory audit firms [located worldwide] approved to audit in Ireland at 31 December	2022	1,261	323	289	649	-	-
	2021	1,343	359	308	676	0	0
	2020	1,491	406	319	723	38	5
Statutory audit firms [with offices in Ireland] approved to audit in Ireland at 31 December	2022	1,059	276	289	494	-	-
	2021	1,105	283	308	514	0	-
	2020	1,155	290	319	543	3	-

Chart E1: 3 year review of total audit worldwide

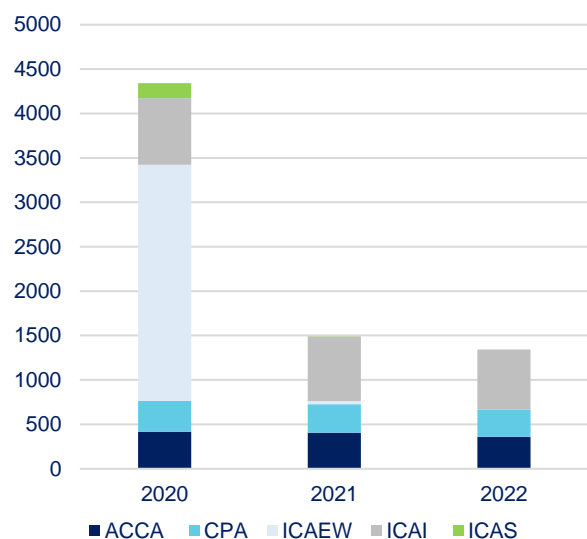
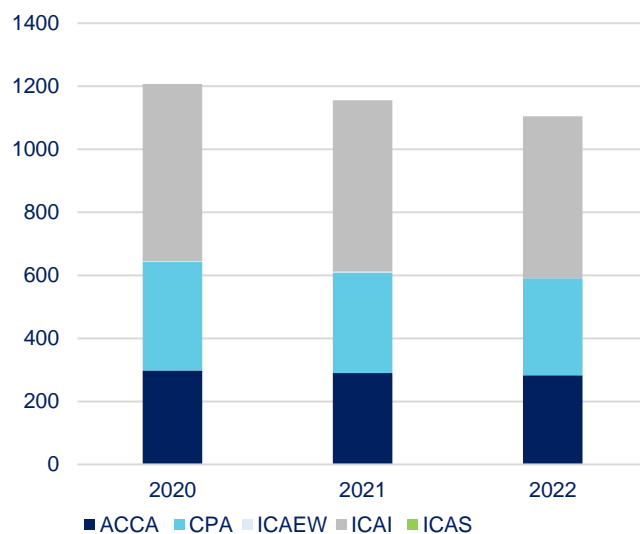


Chart E.2: 3 year review of total audit firms located in Ireland



Part E: RABs' Approval of Statutory Audit Firms and Statutory Auditors

Table E.2: 3 year review of statutory auditors

	Year	Total	Recognised Accountancy Bodies			Revoked in 2021	
			ACCA	CPA	ICAI	ICAEW	ICAS
Statutory auditors [located worldwide] approved to audit in Ireland at 31 December	2022	2,049	404	371	1,274	-	-
	2021	2,208	537	393	1,278	-	-
	2020	2,576	565	412	1,333	254	12
Statutory auditors [located in Ireland] approved to audit in Ireland at 31 December	2022	1,725	332	371	1,022	-	-
	2021	1,790	380	393	1,017	-	-
	2020	1,851	387	412	1,049	3	-

Chart E.3: 3 year review of total statutory auditors worldwide

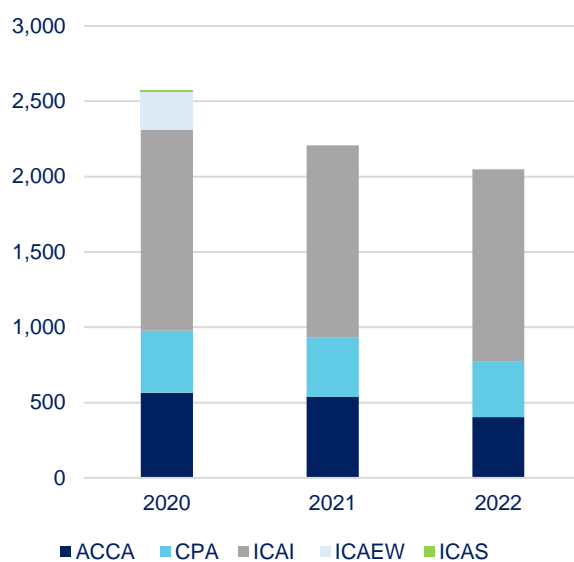
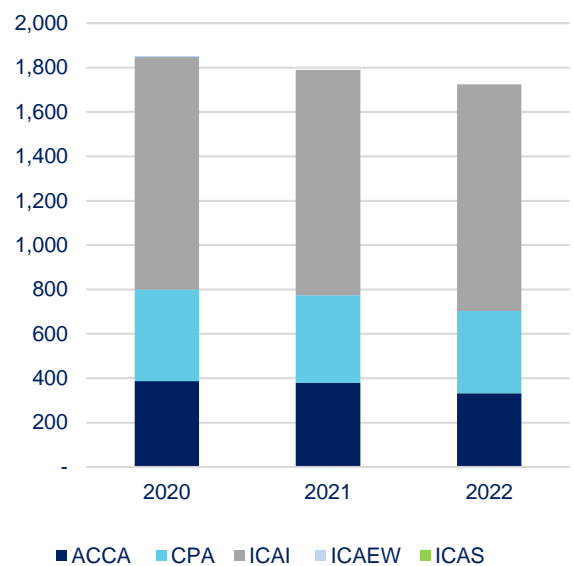


Chart E.4: 3 year review of total statutory auditors in Ireland



Part E: RABs' Approval of Statutory Audit Firms and Statutory Auditors

Table E.3: Statutory audit firms with offices in Ireland

As at 31 December	2021		2022		Recognised Accountancy Bodies		
	Total	%	Total	%	ACCA	CPA	ICAI
Statutory audit firms with offices in Ireland	1,105	100%	1,059	100%	276	289	494
<i>Analysis by number of principals</i>							
1 principal	667	60%	625	59%	186	184	255
2 - 5 principals	413	38%	406	38%	88	103	215
6 - 10 principals	13	1%	15	1%	2	2	11
11 - 49 principals	9	1%	11	1%	-	-	11
50+ principals	3	0%	2	0%	-	-	2
	1,105	101%	1,059	100%	276	289	494
<i>Analysis by number of PIE clients</i>							
No PIE clients	1,098	99%	1,052	99%	276	289	487
1 - 5 PIE clients	-	0%	-	0%	-	-	-
6 - 10 PIE clients	-	0%	-	0%	-	-	-
11 - 49 PIE clients	1	0%	1	0%	-	-	1
50+ PIE clients	6	1%	6	1%	-	-	6
	1,105	100%	1,059	100%	276	289	494

Part F

**RABs' Quality Assurance
of Statutory Auditors**

Part F: RABs' Quality Assurance of Statutory Auditors

RABs' responsibility for quality assurance of statutory auditors

The RABs are required by the Act to have quality assurance systems, which are used to monitor the activities of statutory auditors and statutory audit firms. They are responsible for the review of statutory audits except for PIEs. IAASA has issued Guidelines for RABs when performing the Quality Assurance function for statutory auditors and audit firms. Negative outcomes of quality assurance reviews may result in a RAB taking regulatory action. IAASA is ultimately responsible for the RABs' quality assurance systems. IAASA directly performs the quality assurance reviews for PIEs.

Legislative requirements

The Act requires the RABs to undertake a quality assurance review of each statutory audit firm based on an analysis of risk, and at least once every six years.

RABs' quality assurance of statutory audit firms 2022 – tables

Table F.1 provides an analysis of the quality assurance reviews concluded in 2022. It sets out the reason, the type undertaken and the outcome of reviews. As in 2021, a number of reviews were conducted either remotely or a hybrid of on-site and remote, using the same processes as an on-site review and are reflected as such in the tables. Of the reviews concluded in the year:

49% were 'good with limited improvements required' (2021: 54%);

32% were 'acceptable overall with improvements required' (2021: 34%);

19% were 'unacceptable with significant improvements required' (2021: 12%); and

63% of the quality assurance reviews were performed to meet the six-year cycle (2021: 60%).

Table F.2 shows the action taken by the RABs resulting from quality assurance reviews. 20% of all reviews gave rise to regulatory action (2021: 12%). Table F.3 provides an overview of quality assurance reviews undertaken by the RABs to meet legislative requirements. In the year:

169 quality assurance reviews were required to be concluded (2021: 285); and

of these, 42% met legislative requirements (2021: 54%).

The level of non-compliance with the legislative cycle has increased since 2021 by 12%. The reasons provided for not meeting legislative cycle requirements is attributed to RABs not scheduling reviews or concluding reviews in line with legislative cycle and audit firms surrendering audit registration during the year. During 2022, IAASA continued to engage with the impacted RABs to ensure that these reviews were concluded as soon as practicable or appropriate action taken.

Table F.4 shows the target number of quality assurance reviews required to meet legislative requirements over 3 years, those that met that target and those that did not.

Part F: RABs' Quality Assurance of Statutory Auditors

Table F.1: Analysis of quality assurance reviews of statutory audit firms

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
Statutory audit firms worldwide approved to audit in Ireland at 1 January	1,491	1,343	359	308	676
Quality assurance reviews thereof concluded in the year	282	205	46	42	117
<i>Analysis by reason for review</i>					
Review to meet legislative requirements	170	129	22	41	66
Conclusion of a review open at 1 January	37	42	14	1	27
Accelerated/re-review for heightened risk	55	23	7	-	16
Other	2	-	-	-	-
Accelerated due to 1st time registration	8	3	3	-	-
Accelerated/early review on foot of a recommendation/referral, or order, from a Regulatory Committee	10	8	-	-	8
	282	205	46	42	117
<i>Analysis by type of review</i>					
Onsite*	241	188	33	42	113
Desktop	41	17	13	-	4
	282	205	46	42	117
<i>Analysis by outcome of the review</i>					
Good with limited improvements required	153	100	5	9	86
Acceptable overall with improvements required	95	65	37	22	6
Unacceptable with significant improvements required	34	40	4	11	25
	282	205	46	42	117

* onsite can include a hybrid of desktop and onsite reviews

Part F: RABs' Quality Assurance of Statutory Auditors

Table F.2: Regulatory action resulting from quality assurance reviews

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
Quality assurance reviews concluded in the year	282	205	46	42	117
Quality assurance reviews concluded in the year that resulted in regulatory action	34	41	1	10	30
<i>Regulatory action taken</i>					
Required to submit further documentation/ information or clarification	12	16	-	-	16
Required not to undertake file review for other firms	14	25	-	-	25
Other conditions/restrictions imposed	16	22	-	-	22
Cold file review of clients files imposed	11	20	-	-	20
Directed to address CPD/training matters	9	20	-	-	20
Monetary penalties imposed	13	15	-	-	15
Hot file review restriction	14	12	-	4	8
External compliance review	8	13	-	-	13
Requirement for a follow up on-site review	3	7	-	7	-
Referred to the investigation and disciplinary process	1	-	-	-	-
Directed not to accept further audit appointments	6	7	-	-	7
Voluntary surrendered audit registration as a result of findings	3	3	1	1	1
Audit registration withdrawn as a result of findings	-	1	-	-	1
Audit registration suspended as a result of findings	1	1	-	-	1

Part F: RABs' Quality Assurance of Statutory Auditors

Table F.3: Overview of legislative requirements

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
Statutory audit firms approved to audit in Ireland at 1 January	1,491	1,343	359	308	676
Of those, number of quality assurance reviews required to be concluded in the year	285	169	20	42	107
Quality assurance reviews concluded that met legislative requirements	154	71	5	42	24
Quality assurance reviews which did not meet legislative requirements	131	98	15	-	83
<i>Reason for not meeting legislative requirements</i>					
Review concluded late	49	44	10	-	34
Review not concluded	63	45	4	-	41
Other	19	9	1	-	8
	131	98	15	-	83

Table F.4: Legislative requirements – 3 year review

	Year	Total	Recognised Accountancy Bodies			Revoked in 2021	
			ACCA	CPA	ICAI	ICAEW	ICAS
Quality assurance reviews required to meet legislative requirements	2022	169	20	42	107	N/A	N/A
	2021	285	80	55	150	N/A	N/A
	2020	216	58	28	129	1	-
Quality assurance reviews that met legislative requirements	2022	71	5	42	24	N/A	N/A
	2021	154	29	51	74	N/A	N/A
	2020	107	24	26	57	-	-
Quality assurance reviews that did not meet legislative requirements	2022	98	15	-	83	N/A	N/A
	2021	116	51	4	76	N/A	N/A
	2020	109	34	2	72	1	-

PART G

**PABs' Activities in Continuing
Education of Members**

Part G: PABs' Activities in Continuing Education of Members

Requirement for continuing education/continuing professional development

The PABs require their members to comply with their CPD standards and request annual confirmation of compliance with CPD requirements from their members. They carry out checks on a sample of members' CPD each year. This review can be based on risk or a random selection.

The Act sets out CPD requirements for statutory auditors; it is a condition of approval to keep knowledge and skills updated, particularly in relation to audit. IAASA has issued Guidelines for RABs on the regulation, monitoring and enforcement of continuing education for statutory auditors.

If a member is found not to have complied with CPD requirements, they may be subject to regulatory and/or disciplinary action. Figures relating to the monitoring of CPD across the PABs may not be comparable as the PABs have varying CPD reporting periods.

CPD monitoring activities 2022 – tables

Table G.1 provides details on the PABs' monitoring of compliance with CPD requirements, by their members located in Ireland. Table G.2 provides details on the RABs' monitoring of compliance with CPD requirements, by their statutory auditors approved to audit in Ireland.

- 99% of members and 98% statutory auditors monitored confirmed they were compliant with CPD requirements;
- the number of statutory auditor CPD reviews in the year decreased by 17% from 2021 due in part to the reduced number of approved statutory auditors in 2022. The majority of statutory auditor CPD reviews continue to be carried out as part of quality assurance reviews to statutory audit firms or as part of the annual renewal process; and
- as in 2021, a number of reviews were conducted remotely, or a hybrid review was conducted using the same processes as an on-site review and are reflected as such in the tables.

Part G: PABs' Activities in Continuing Education of Members

Table G.1: Monitoring of CPD of members in Ireland

	2021	2022	Recognised Accountancy Bodies			AIA	CIMA	CIPFA
	Total	Total	ACCA	CPA	ICAI			
CPD records reviewed in the year	1,738	1,688	339	902	370	33	41	3
<i>Analysed by</i>								
Desktop review (risk based)	234	275	82	121	40	26	6	-
Desktop review (random)	374	336	76	77	138	7	35	3
Onsite review	338	307	42	73	192	-	-	-
Other monitoring activities	792	770	139	631	-	-	-	-
	1,738	1,688	339	902	370	33	41	3
CPD records found to be non-compliant with CPD requirements after follow up action was taken	22	40	34	-	4	-	2	-
<i>Of those, members that were</i>		-						
- Subject to regulatory action	8	40	34	-	4	-	2	-
- Subject to disciplinary action	-	-	-	-	-	-	-	-

Table G.2: Monitoring of CPD of statutory auditors approved to audit in Ireland

	2021	2022	Recognised Accountancy Bodies		
	Total	Total	ACCA	CPA	ICAI
CPD records reviewed in the year	912	760	110	468	182
<i>Analysed by</i>					
Desktop review (risk based)	115	53	25	14	14
Desktop review (random)	1	20	-	19	1
Onsite review	373	277	46	64	167
Other monitoring activities	423	410	39	371	-
	912	760	110	468	182
CPD records found to be non-compliant with CPD requirements after follow up action was taken	17	13	11	-	2
<i>Of those, statutory auditors that were</i>					
- Subject to regulatory action	8	13	11	-	2
- Subject to disciplinary action	-	-	-	-	-

The background is a solid dark blue color. It features several large, curved, overlapping shapes in a lighter shade of blue, creating a dynamic, abstract pattern. The shapes are primarily on the left and top-right sides, leaving the bottom-right area more clear.

Appendix

PAB contact details

Further information regarding each of the PABs is available on their respective websites, as set out below.

PAB	Website
ACCA	www.accaglobal.com
AIA	www.aiaworldwide.com
CIMA	www.cimaglobal.com
CIPFA	www.cipfa.org
CPA	www.cpaireland.ie
ICAI	www.charteredaccountants.ie

Glossary and definitions

The following provides a definition and explanation of the acronyms and terms used throughout this document:

Acronym/term	Definition/explanation
ACCA	Association of Chartered Certified Accountants
Act, the	Companies Act 2014 (as amended)
AIA	Association of International Accountants
Average time to close a complaint	The manner in which the PABs determine the average time taken to close a complaint varies
Body	A PAB or a RAB
CIMA	Chartered Institute of Management Accountants
CIPFA	Chartered Institute of Public Finance & Accountancy
Complaint	Any expression of dissatisfaction with audit or accounting related services, the conduct or performance of a member, member firm, student or affiliate, howsoever coming to the attention of the body
Complaint (Irish relevant)	A complaint relating to a member, member firm, student or affiliate located or employed in Ireland or relating to clients based in Ireland
CPA	Institute of Certified Public Accountants in Ireland
CPD	Continuing professional development

Glossary and definitions (continued)

EU	European Union
IAASA	The Irish Auditing and Accounting Supervisory Authority
ICAEW	Institute of Chartered Accountants in England and Wales. On 21 July 2021, ICAEW's recognition was revoked and it is no longer a PAB
ICAI	Institute of Chartered Accountants in Ireland
ICAS	Institute of Chartered Accountants of Scotland. On 22 December 2021, ICAS's recognition was revoked and it is no longer a PAB
IIPA	Institute of Incorporated Public Accountants. On 16 March 2018, IIPA's recognition was revoked and it is no longer a PAB
Ireland	The Republic of Ireland (ROI)
Location	The primary address used for correspondence by the student, member or member firm
Member	An individual who has applied for, and been admitted to, full membership of the body
PAB	A Prescribed Accountancy Body that comes within IAASA's supervisory remit, as defined in the Companies Act 2014
PAB standards	PAB's applicable bye-laws, rules and regulations
PIE	A Public Interest Entity is defined in the Companies Act 2014 and includes entities listed on an EU regulated exchange, credit institutions and insurance undertakings
Practice monitoring review	A review of the non-audit work of a member in practice
Principal	A partner in a member firm including a sole practitioner/director
RAB	A Recognised Accountancy Body permitted to approve its members/ member firms as statutory auditors/audit firms, as defined by the Companies Act 2014 (as amended). RABs are also permitted to approve other qualified individuals
Relevant legislative requirements	Requirements set out in the Companies Act 2014 (as amended)
Statutory auditor/audit firm	An individual/audit firm that is approved in accordance with relevant legislation to carry out statutory audits in Ireland
Worldwide	Throughout this document worldwide includes Ireland



Irish Auditing & Accounting
Supervisory Authority

**Irish Auditing & Accounting
Supervisory Authority**

Willow House
Millennium Park
Naas, Co. Kildare
W91 C6KT
Ireland

Phone: +353 (0) 45 983 600

Email: info@iaasa.ie

www.iaasa.ie