

# Financial Reporting Supervision in Ireland



IAASA supervises financial reporting in Ireland.

This document contains factsheets providing a summary of IAASA's financial reporting supervision process, an overview of key stakeholders and links to further information.

We hope that you find them informative.

## Factsheets

- 1 Financial Reporting Supervision in Ireland at a Glance
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[Find an explainer video to accompany these factsheets on IAASA's YouTube channel here](#)



# Financial Reporting Supervision in Ireland at a Glance

## The importance of high-quality financial reporting



High-quality financial reporting is essential to users of financial reports. It provides them with useful information for making a range of decisions.

## True and Fair View



Under law, companies are required to present a true and fair view of their financial position and performance in their financial statements.

## Accounting standards



Irish companies usually apply EU adopted International Financial Reporting Standards (IFRS) or Irish accounting standards (FRS) in their financial statements.

## IAASA's role in financial reporting supervision



IAASA supervises compliance by certain companies with accounting standards and EU legal requirements relating to financial statements.

## Companies that IAASA supervises

91

The annual and half-yearly financial reports of 91 companies were supervised by IAASA at 30 June 2023. This comprised:

- 21 equity issuers
- 7 closed-ended funds
- 63 debt issuers

## Individual examinations

40

Each year, IAASA completes approximately 40 examinations of published annual and half-yearly financial reports.

# The Financial Reporting Supervision Process

How does IAASA carry out an examination of a financial report?

## SELECTING A FINANCIAL REPORT

1

- IAASA takes both a risk-based and cyclical approach to the selection of financial reports for examination.
- A risk-based approach involves considering the risk of a material misstatement in the financial statements. IAASA considers risk factors such as economic trends, industry issues, action by other regulators and media reports.
- In addition to selecting financial reports for review based on risk, IAASA examines the financial reports of all companies that it supervises at least once every 10 years.

## EXAMINING A FINANCIAL REPORT

2

- Based on the risk or cyclical selection of a financial report, IAASA examines the annual or half-yearly financial statements and related information and considers whether the content complies with accounting standards.
- Sometimes, IAASA contacts the company to seek further information about accounting treatments applied or disclosures made.

## TAKING ACTION

3

- Where IAASA's examination finds non-compliance with accounting standards, IAASA engages with the company to agree an appropriate response.
- This may include a public corrective notice or revision of the financial statements. In all cases, IAASA requires the matter to be corrected in future financial statements.
- Where no agreement is reached, IAASA will use its legal powers to require corrective action by a company.

# Key Stakeholders in Financial Reporting Supervision

Stakeholders have an interest in IAASA's supervision of financial reports, including the outcome of individual financial reporting examinations.



## INVESTORS AND LENDERS

Existing and potential investors, lenders and other creditors - the primary users of financial statements - rely on them to make decisions about providing money or other financing to the company.

## COMPANIES PREPARING FINANCIAL REPORTS



Company management and directors are responsible for preparing a company's financial statements. Its audit committee oversees the financial reporting process.



## AUDITORS

The auditor performs an audit of the company's financial statements and reports on the outcome to the shareholders.

## GOVERNMENT



Government and public bodies use the financial statements for policy functions, including monitoring industry trends and corporate taxation.



## REGULATORS

Irish regulators such as the Central Bank of Ireland, the Office of the Director of Corporate Enforcement, the Euronext stock exchange, European securities regulators and other EU financial reporting regulators have an interest in the outcome of IAASA's financial reporting supervision.

## MEMBERS OF THE PUBLIC AND OTHER USERS



The general public, employees, and customers use the financial statements to keep themselves informed about the company's financial position, performance and cashflows.

# Find Further Information

To learn more about IAASA's role in financial reporting supervision, visit our website at [iaasa.ie](https://iaasa.ie) or click the links below to access the documents listed.

[iaasa.ie](https://iaasa.ie)



Click the icon

## Observations Documents on Financial Reporting

This annual publication sets out IAASA's observations on selected financial reporting topics. This includes matters that will be subject to detailed review by IAASA in its examination of financial reports.



Click the icon

## Individual Financial Reporting Decisions

This periodic publication reports on the decisions taken in individual financial reporting cases.



Click the icon

## Information Notes on Financial Reporting Matters

Information notes provide a summary of topical financial reporting matters of interest to preparers of financial reports or to users of those reports (for example, fair value measurement, and the impact of climate change on financial reporting).



Click the icon

## Annual Reports

Chapter 4 of IAASA's Annual Report summarises IAASA's financial reporting activities each year, including details of the companies reviewed in that year.



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