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Turasóireachta agus Fostaíochta
Department of Enterprise,
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Periodic Critical Review – Irish Auditing and Accounting Supervisory Authority

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Executive Summary

A Periodic Critical Review (PCR) of the Irish Auditing and Accounting Supervisory Authority (IAASA) enables the Department of Enterprise, Tourism and Employment (DETE) to identify critical issues affecting the performance of IAASA in delivering on its mandate as specified by Government policy.

The Companies (Auditing and Accounting) Act 2003 provided the statutory basis for the establishment of IAASA, in late 2005, as an independent body with a mandate to ensure a high standard of corporate reporting and public trust in the accounting and auditing professions.

IAASA's statutory mandate has evolved over time consistent with the objectives of its founding legislation as a supervisory body. IAASA has demonstrated agility and resilience when responding to changes, including those arising from EU audit policy reform and other developments in EU legislation, most recently in relation to sustainability reporting. Overall, IAASA has retained a consistent and focused statutory mandate which is a significant strength for IAASA.

The PCR finds that IAASA is performing well in undertaking its standard setting, supervisory enforcement and advisory functions. IAASA is widely seen as an effective and professional organisation which operates to high standards and maintains effective working relationships with firms and individuals subject to IAASA's supervisory functions.

The PCR finds that IAASA operates within well-established internal and external governance and reporting structures. These arrangements contribute to the organisational capacity, both financially and in terms of skilled and experienced staff to deliver on IAASA's statutory mandate.

The PCR has benefitted greatly from engagement with IAASA stakeholders, including the prescribed accountancy bodies and statutory auditors of public interest entities. Stakeholder engagement provided very useful information and insights into the performance and capacity of IAASA. For example, stakeholder engagement conveyed a positive view of IAASA's professionalism and capacity to perform its functions. Of particular note stakeholders indicated support for retaining IAASA as an independent and distinct agency with a clear and focused mandate.

The PCR sets out the following recommendations.

1. IAASA should continue its engagement and maintain regular dialogue with the Department, professional bodies and PIE auditors on the implications and consequences arising from the change in EU level of ambition on CSRD.
2. The Department should review with IAASA the statutory oversight of PABs in light of amendments in 2024 and potential new roles under the 6th Anti-Money Laundering Directive.
3. IAASA should liaise with the Department on the question of the alignment of Irish auditing standards. This could also inform any consideration of the alignment of the accounting standards used in Ireland.
4. IAASA should review its website from a user perspective with a view to increasing accessibility and navigability to enhance the user experience and promote the availability of IAASA related information.
5. IAASA should report to the Department on its follow-up actions if any on the results of the perceptions survey in 2023 and on the potential scope and timing of future surveys.
6. The Department and IAASA should continue to liaise to ensure that board vacancies are anticipated and filled promptly. The Department and IAASA should include in relevant procedures manuals arrangements for annual meetings between the Chair and the Minister.
7. The Department and IAASA to review IAASA CLG structure having regard to other State regulatory bodies.
8. IAASA to review workforce planning to consider any challenges arising in the medium term in areas of work and succession planning.
9. IAASA and the Department should review the current payroll arrangement between the Department and IAASA with a view to confirming strengths in the current arrangement and identify areas, if any, for potential reform.

Chapter One - Introduction

1.1 PCR Requirement

The Code of Practice for the Governance of State Bodies (2016)¹ requires that non-commercial state bodies be subject to a Periodic Critical Review (PCR), by the relevant Government Department. The Irish Auditing and Accounting Supervisory Authority (IAASA) is a non-commercial state body under the aegis of the Department of Enterprise, Tourism and Employment. Consistent with the Code, the Department has undertaken a PCR of IAASA.

IAASA was chosen for review in 2025 as part of the Department's programme of PCRs of the agencies under its aegis. The PCR presented the opportunity to assess with IAASA its mandate, performance and capacity, coincidentally in the year of the 20th anniversary of its formal establishment in December 2005². In discussions with the IAASA Chair, the Board and the Executive it was also clear that the Authority welcomed the opportunity for such a timely assessment.

This Chapter sets out the detail of the approach to the carrying out the PCR and summarises the strategic context for IAASA.

1.2 Purpose and Scope

Periodic Critical Reviews are one of a suite of evaluation options in line with the Public Spending Code, which assist in assessing the value of Government expenditure and informing future policy. The over-arching objectives of the PCR are to:

- Secure improvements in accountability, efficiency and effectiveness, and
- Scrutinise objectively the case for rationalisation and consolidation of public bodies in the face of changing requirements, demands and priorities.³

PCRs should be evidence based and proportionate, timely and challenging and key stakeholders should have the opportunity to contribute to the PCR. Consistent with the objectives of PCRs, this review considers how IAASA

¹ [code-of-practice-for-the-governance-of-state-bodies-43603f12-6827-4855-9d30-cf66548412.pdf](#)

² [S.I. No. 791/2005 - Companies \(Auditing and Accounting\) Act 2003 \(Commencement\) \(No. 2\) Order 2005](#)

³ <https://assets.gov.ie/static/documents/a-guide-to-periodic-critical-review-of-non-commercial-state-bodies.pdf>. At pages 6 and 11, it is stated that a PCR "should not act as a means to review or challenge Government policy in a particular area" and "the purpose of the PCR is not to act as a means to create a case for improved funding allocation".

currently operates specifically assessing external environment, organisational performance and capacity and addresses the above overarching objectives expressly.

1.3 PCR Methodology, Governance and Timelines

The PCR was conducted by the Data and Evaluation Unit in the Department. A broad range of evidence and information was gathered including desk-based research, reviewing documentation published by IAASA, and consultations with IAASA including the Board. Engagement with stakeholders also provided valuable information and insights. IAASA conducted its own stakeholder perception survey in 2023 to probe public trust and confidence in its work as a regulator. This PCR augments the insights gained from the 2023 survey.

A working group was established to oversee the progress and completion of the review. The group comprised representatives of the Department, IAASA and the relevant vote section of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (DPER). (Appendix 1 lists the working group members.)

The working group was responsible for agreeing the Terms of Reference, overseeing the review and the preparation of this report. The working group first met in February 2025 and several times thereafter.

The Department carried out this PCR between Q1 and Q3 of 2025. The report was drafted in July-August 2025 and concluded in September 2025. The Department is grateful to the members of the working group for their assistance.

1.4 Strategic Context

As set out in the Guide to PCRs⁴, a PCR should commence with a consideration of the strategic context. In this case identifying IAASA mission, as set out in statute, the role it carries out and the stakeholders with whom it is engaged.

IAASA was formally established in 2006 as the first Irish independent auditing and accounting oversight authority. It is governed by a Board appointed by the Minister for Enterprise, Tourism and Employment. It has operated with a statutory mandate and functions that have evolved over time consistent with the objectives of its founding legislation as a supervisory body.

⁴ Ibid. page 5.

IAASA's principal functions are:

- Adopting and issuing of auditing and assurance standards for Ireland.
- Supervision of professional accountancy bodies – the prescribed accountancy bodies and the recognised accountancy bodies.
- Inspections of the quality of the audit and sustainability assurance work performed by statutory auditors of public interest entities.
- Supervision of corporate reporting of certain issuers under the Transparency Directive.
- Enforcement matters arising.
- Policy advice to the Minister.

1.5 Department of Enterprise, Tourism and Employment

The Department of Enterprise, Tourism and Employment leads in advising on and implementing the Government's policies of stimulating the productive capacity of the economy and creating an environment which facilitates entrepreneurship, enterprise and employment growth.

The Company Law Audit and Accounting and Legislation Policy Unit is the business unit with responsibility for liaison with the Irish Auditing and Accounting Supervisory Authority (IAASA). This liaison function comprises oversight and governance matters including:

- Ensuring an Oversight and Performance Delivery Agreement is in place between DETE and IAASA.
- Ensuring IAASA adherence to the Code of Practice for the Governance of State Bodies.
- Approval of IAASA annual programme of expenditure.
- Assisting IAASA with State Board appointments and HR sanctions for staffing.
- Quarterly liaison meetings.
- Seeking the views of IAASA on emerging policy and legislation issues relevant to its mandate.
- Contact point for queries relating to IAASA from the Department.

1.6 Background to the establishment of IAASA

Global and national events towards the end of the 1990s and the early 2000s raised questions about the adequacy of regulation of auditing and about the maintenance of ethical and professional standards⁵.

Review Group on Auditing

In Ireland, in light of the strong public interest in the regulation of auditing, a Review Group on Auditing was established by then Minister for Enterprise, Trade and Employment. The central remit of the group was to examine the existing regulation model of audit in Ireland. The terms of reference included the mandate to examine “whether self-regulation in the auditing profession worked effectively and consistently, whether any new or revised structures and arrangements were necessary to improve public confidence, and if so, what form should they take.”⁶

The Review Group on Auditing published its report in July 2000. In summary, the recommendations most relevant to IAASA were the establishment of an Oversight Board with sufficient statutory powers to:

- encourage adherence to high professional standards in the profession.
- undertake effective supervision of the accountancy bodies in the discharge of their delegated regulatory functions.
- intervene where accountancy bodies are not carrying out their delegated regulatory functions to a sufficiently high standard.

The Review group proposed that the Oversight Board should have statutory responsibility for:

- Recognising the professional accountancy bodies.⁷
- Developing auditing and accounting standards and practice, including in particular the approval of Auditing Practice Notes and Bulletins.

⁵ For example, in the US the failure of Enron plc which included corporate financial reporting and audit failures; In Ireland serious concerns arose about incorrectly classified non-resident accounts and resulting C&AG report and PAC reports.

⁶ Review Group on Auditing Report Appendix, 1 page 244, See <https://www.odce.ie/Portals/0/Documents/Company%20law%20and%20you/Corporate%20Governance/Review%20Group%20on%20Auditing%20-%20Report.pdf>

⁷ Up to then accountancy bodies were recognised by the Minister pursuant to the Companies Act 1990 under a delegated self-regulation model.

- Making arrangements for examining the validity of material departures from accepted accounting standards and practice by public limited companies.
- Supervising the performance of each recognised body.
- Supervising the investigation, discipline and appeals arrangements within each body, including the power to obtain access to documentation and to explanations from each of the recognised bodies.
- Sanctioning each body where supervisory failures occur, e.g., by way of private admonishment, public censure and/or financial penalties up to £100,000 in addition to costs.
- Arranging for the supervision of individually authorised auditors by the recognised accountancy bodies.
- Acting as a specialist source of advice to Government and other parties on auditing and accounting matters.⁸

The Companies (Auditing and Accounting) Act, 2003

The Companies (Auditing and Accounting) Act, 2003 (the 2003 Act)⁹ largely implemented the recommendations of the Review Group on Auditing and provided the statutory basis for IAASA. The 2003 Act set out the IAASA's objects, functions and powers of supervision. It also established IAASA as a company limited by guarantee (CLG).¹⁰ IAASA was subsequently formally established with the commencement of the relevant sections of the 2003 Act in December 2005¹¹. The 2003 Act was subsequently incorporated into the Companies Act 2014 (the 2014 Act).¹² Chapter 2 sets out IAASA statutory mandate in more detail.

⁸ Op cit. Note 6. pages 118 and 126.

⁹ See <https://www.irishstatutebook.ie/eli/2003/act/44/enacted/en/print>

¹⁰ Section 901 of Chapter 2 of the Companies Act 2014 provided for the continuance of IAASA.

¹¹ [S.I. No. 791/2005 - Companies \(Auditing and Accounting\) Act 2003 \(Commencement\) \(No. 2\) Order 2005](#)

¹² See <https://revisedacts.lawreform.ie/eli/2014/act/38/front/revised/en/html>

1.7 IAASA Independence

IAASA independence is enshrined in its founding legislation. The Review Group on Auditing stated that

“The Review Group is of the firm view that the Oversight Board should not only be independent but be seen to be independent, in order to provide assurance to the accountancy profession, the Government and the general public that it will pursue its supervisory mandate in the public interest”

and

“The Review Group is of the firm view that the Oversight Board should exercise a strong independent role. ... At the same time, the Review Group recognises that the Oversight Board is discharging delegated responsibilities of oversight and would accordingly have to be accountable to Government and the accountancy profession in the discharge of its role and functions.”¹³

Consistent with the views expressed by the Review Group on Auditing, IAASA is independent of the audit and accounting professions. Section 6 of the 2003 Act and section 908 of the Companies Act 2014, as amended, (the 2014 Act) requires that the majority of the IAASA Board are not members of prescribed accountancy bodies.¹⁴

There is a clear delineation of roles and responsibilities between the Minister and IAASA. While section 910(1) of the 2014 Act requires IAASA to prepare a three year work programme for submission to the Minister, section 910(5) states that the Minister cannot direct IAASA’s implementation of its work programme.¹⁵ As stated by IAASA

“Notwithstanding its status as a State body, the Authority’s independence in the discharge of its functions is protected by legislation and it operates as a company limited by guarantee. Section 910 of the 2014 Act provides that the Minister shall not give direction to IAASA concerning the discharge of its work programme.”¹⁶

As set out above, the Department of Enterprise, Tourism and Employment has governance, oversight and monitoring roles with respect to IAASA. The

¹³ Op cit. Note 6 pp129 and 138-9.

¹⁴ See <https://iaasa.ie/governance/>

¹⁵ See Section 910, subsections 1 and 5 of the 2014 Act.

<https://revisedacts.lawreform.ie/eli/2014/act/38/front/revised/en/html>

¹⁶ See <https://iaasa.ie/faqs/what-is-the-authoritys-relationship-with-the-state/>

Department does not, however, have any day-to-day managerial or operational roles. Governance arrangements within IAASA, between IAASA and the Oireachtas and IAASA and the Department are discussed further in Chapter 4.

1.8 IAASA Vision, Mission and Values

IAASA has grown in line with its evolving mandate from sanctioned staff of 15 and actual staff of 7 at establishment in 2006, to sanctioned staff of 42.5 and actual staff of 35.9 at year end 2024.

As in 2025 IAASA identifies its vision, mission and values as follows:¹⁷

- Vision - Public trust and confidence in quality auditing and accounting.
- Mission - Upholding quality corporate reporting and an accountable profession.
- Values:
 - Excellence – Striving to be the best IAASA can be.
 - Independence – Regulating impartially and objectively.
 - Integrity – Being trustworthy and respectful.

IAASA seeks to implement its vision, mission and values through:

- Setting professional standards and providing guidance to practitioners.
- Supervision of:
 - Professional bodies of Accountants and Auditors – the Prescribed Accountancy Bodies (PABs) and Recognised Accountancy Bodies (RABs).¹⁸
 - Statutory Auditors of Public Interest Entities (PIEs).¹⁹

¹⁷ Page 2 of IAASA Annual Report for 2023.

See https://iaasa.ie/wp-content/uploads/2024/06/IAASA_AR2023_Interactive-1.pdf.

¹⁸ See [What is a Prescribed Accountancy Body \('PAB'\)? - IAASA](https://iaasa.ie/faqs/what-is-a-prescribed-accountancy-body-and-a-recognised-accountancy-body/) and <https://iaasa.ie/faqs/what-is-the-difference-between-a-prescribed-accountancy-body-and-a-recognised-accountancy-body/>

¹⁹ Public interest entities are defined in EU Directive 2014/56/EC as certain credit institutions, insurance undertakings and entities, governed by the law of a Member State whose transferable securities can be traded on a regulated market of any Member State. See <https://iaasa.ie/faqs/which-clients-fall-under-the-definition-of-pies-public-interest-entities/>.

- Corporate Reporting by issuers of debt, equity and closed ended funds.
- Enforcement.
- Advice to the Minister on accounting and auditing matters.

IAASA's mandate, as expressed in its vision and mission, is aligned with the Department of Enterprise, Tourism and Employment's current strategic goals, specifically to ensure business regulation facilitates sustainable investment and development, competition in the marketplace, high standards of consumer protection and corporate governance.

IAASA's statutory mandate and performance are set out in detail in Chapters 2 and 3 respectively.

1.9 IAASA Stakeholders

DETE engaged with a variety of stakeholders, with relationships with IAASA in the context of governance, IAASA's supervisory and regulatory functions, funders of IAASA and peer public sector bodies.

IAASA stakeholders include:

- The Oireachtas as legislators and public representatives.
- The Department of Enterprise, Tourism and Employment.
- Peer Public Bodies with functions related to IAASA's functions.
- Professional accountancy bodies.
- Statutory Auditors of PIEs.
- Entities subject to corporate reporting requirements.
- Auditing firms and individual auditors.
- Accounting firms and individual accountants.
- Academics and Researchers.
- Users of Corporate reporting information, e.g., Investors, media organisations and the general public.

For this PCR, engagement focused on stakeholders with direct relationships with IAASA and depth and frequency of the interaction with IAASA. The Department is grateful to those stakeholders for the open and transparent exchange as part of this PCR (See Appendix 2 for a list of IAASA Stakeholders).

1.10 Recent Reviews of IAASA

IAASA had conducted its own extensive Stakeholder's Perception Survey conducted in 2023 and shared the results of this with the Department to assist the PCR research.²⁰

1.11 Report Structure

The PCR report is structured as follows:

- External Environment.
- Agency Performance.
- Agency Capacity.
- Conclusions and Recommendations.

²⁰ See Chief Executive's Review in the IAASA Annual Report for 2023. Page 10.
See https://iaasa.ie/wp-content/uploads/2024/06/IAASA_AR2023_Interactive-1.pdf

Chapter Two - External Environment

2.1 Introduction

As set out in the Guide to Periodic Critical Reviews (PCRs)²¹, the purpose of this chapter is to describe the external environment within which IAASA operates. It sets out how IAASA's legislative mandate has evolved since its establishment in parallel with EU and International developments.

2.2 IAASA's Legislative Mandate

As set out in Chapter 1, IAASA was established following the recommendations of the Review Group on Auditing. Prior to IAASA's establishment the Minister had powers to recognise professional accountancy bodies for the purposes of the oversight of audit²². The Minister had to be satisfied as to the standards in place for their members in respect of education and training, ethics, codes of conduct and practice, independence, professional integrity, technical standards and disciplinary procedures. Professional accounting bodies whose members did not carry out audits were not subject to the requirements of Ministerial recognition. This system was described as a delegated self-regulation model of audit.

The 2003 Act, establishing IAASA, significantly expanded the audit oversight function in comparison to the previous Ministerial functions. In particular, IAASA powers were strengthened in respect of the supervision of the professional accounting bodies. Recognised Accountancy Bodies (RABs) were recognised for the purpose of audit oversight. In addition, a new category of Prescribed Accountancy Body (PAB) was created for the purposes of oversight of how the bodies regulated their accounting members.

In line with the recommendation of the Review Group, IAASA was established as an independent statutory regulator to supervise the RABs²³ and PABs.

²¹ Op cit. Note 3.

²² Oversight of auditors at that time was required by the Eighth Council Directive 84/253/EEC of 10 April on the approval of persons responsible for carrying out the statutory audits of accounting documents.

²³ It should be noted that the RABs are also PABs as they have members who do not carry out audits.

Section 8 of the 2003 Act listed IAASA's "objects" as:

- “(a) to supervise how the prescribed accountancy bodies regulate and monitor their members,
- (b) to promote adherence to high professional standards in the auditing and accountancy profession,
- (c) to monitor whether the accounts of certain classes of companies and other undertakings comply with the Companies Acts, and
- (d) to act as a specialist source of advice to the Minister on auditing and accounting matters.”

As shown in Table 1, since the 2003 Act, IAASA's statutory mandate has evolved and expanded, however this is to the greatest extent in concert with the original objectives of its founding legislation. The "objects" of the 2014 Act are essentially the same as the 2003 Act, with one addition:

- “(e) oversee statutory auditors, the conduct of statutory audits and, where applicable, the carrying out of assurance of sustainability reporting in accordance with the relevant provisions and perform functions under those provisions in relation to such oversight.”

Table 1 - Timeline of Key Developments in IAASA Statutory Mandate

Year	Key Developments	Legislation
2003	Oireachtas approves establishment of IAASA as an Independent Statutory Regulator to supervise the RABs/PABs	Companies (Auditing and Accounting) Act 2003 and IAASA formally established in December 2005 in No S.I. No. 791/2005 - Companies (Auditing and Accounting) Act 2003 (Commencement) (No. 2) Order 2005
2007	IAASA is appointed the competent authority with oversight of financial reporting by issuers	S.I. No. 277/2007 - Transparency (Directive 2004/109/EC) Regulations 2007 ²⁴ as amended

²⁴ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers [EUR-Lex - 02004L0109-20240109 - EN - EUR-Lex](#)

2010	IAASA is appointed the competent authority with supervisory and other functions in respect of oversight of statutory audit in Ireland this includes the registration of third country auditors (i.e., outside of the European Union.)	S.I. No 220 of 2010 ²⁵ - European Communities (Statutory Audits) (Directive 2006/43/EC) Regulations 2010
2014	Consolidation of Companies Acts with IAASA mandate largely unchanged ²⁶	Companies Act 2014 incorporates Companies (Auditing and Accounting) Act 2003
2016	IAASA is the competent authority with ultimate responsibility for the oversight of statutory audit and a significantly expanded role and powers such as direct inspection of audits of public interest entities (PIEs) ²⁷ ; enhanced administrative sanction powers; auditing standard setter for Ireland.	S.I. No. 312/2016 - European Union (Statutory Audits) (Directive 2006/43/EC, as amended by Directive 2014/56/EU, and Regulation (EU) No 537/2014) Regulations 2016 later integrated into the Companies Act 2014 by the Companies (Statutory Audits) Act 2018 Regulation 537/2014 of the European Parliament and of the Council, ²⁸ sets out additional requirements for audits of PIEs.
2024	Additional role in respect of supervision of assurance of sustainability reporting of PIEs and oversight of auditors approved for the assurance of sustainability reporting, with the RABs; Oversight of sustainability reporting by issuers	S.I. 336 of 2024 Corporate Sustainability Reporting (as amended)

IAASA's organisation structure now comprises four functional divisions – Operations which includes all supervisory functions; standards and organisational development; enforcement and corporate services/company secretariat. Chapter 4 discusses IAASA organisational capacity in more detail.

²⁵ [S.I. No. 220/2010 - European Communities \(Statutory Audits\) \(Directive 2006/43/EC\) Regulations 2010.](#)

²⁶ IAASA's was given a role under section 633 of the 2014 Act in respect of Category 5 liquidators. It is limited to authorisation of certain individuals who applied to the Authority prior to 1 December 2017. IAASA does not have any ongoing supervisory or investigation role in respect of any liquidators.

²⁷ Defined in Directive 2006/43/EC (as amended) being banks, insurance companies and listed entities.

²⁸ Regulation 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities <https://eur-lex.europa.eu/eli/reg/2014/537/oj/eng>.



IAASA's functions set out in section 905 of the 2014 Act are summarised on IAASA's website as being across five key areas:

Standards and Policy	IAASA sets the standards that govern statutory audits and sustainability assurance in Ireland.
Professional Body Supervision	IAASA supervises how the prescribed accountancy bodies (PABs) regulate and monitor their members.
Corporate Reporting Supervision	Under the EU Transparency Directive (enacted through Ireland's Transparency Regulations 2007), IAASA acts as Ireland's corporate reporting supervisor. ²⁹
Assurance Quality Supervision	IAASA inspects the quality of the audit and sustainability assurance work performed by the auditors and sustainability assurance service providers of Public Interest Entities (PIEs).
Enforcement	Enquiries into whether a prescribed accountancy body has complied with its approved investigation and disciplinary procedures Enquiries into whether a recognised accountancy body has complied with applicable provisions in performing its functions related to statutory auditors and audit firms Investigations into the conduct of members or member firms of a prescribed accountancy body

²⁹Directive 2013/50/EU of the European Parliament and of the Council of 22 October 2013 amending Directive 2004/109/EC of the European Parliament and of the Council on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, [Directive - 2013/50 - EN - EUR-Lex](#)

IAASA's statutory mandate is comprehensive, and the PCR did not identify any gaps. Indeed, as recently as 2024 a small number of amendments to IAASA's statutory mandate were introduced in the Companies (Corporate Governance, Enforcement and Regulatory Provisions) Act 2024³⁰ to assist IAASA in carrying out its functions. Chapter 3 sets out in detail IAASA performance in relation to the functions above.

2.3 Auditing

The purpose of a statutory audit is to provide an opinion about whether financial statements are presented fairly. The objective of a statutory audit is to ascertain reasonable assurance that financial statements are free from material misstatement and in that way enhance the degree of confidence of intended users in financial statements. Consequently, there is a strong rationale for the independent regulation of the auditing profession. Statutory auditors provide important signals to users, (e.g., shareholders, creditors, regulatory and tax authorities and potential investors), about the veracity and credibility of reported corporate information. For example, accurate financial information and credible financial reporting support:

- The functioning of business and, ultimately, the stability of the supply of goods and services to customers.
- The functioning of capital and credit markets.
- Informed investment decision making.
- The protection of investors, from misleading and/or fraudulent information and behaviour.
- The sustainability and credibility of corporate tax revenues and corporate tax compliance.

In contrast, a lack of transparency and/or inaccuracy in financial reporting can have adverse impacts on users, and potentially wider ranging negative consequences. It is important therefore that there is a robust and effective regulatory environment.

As set out above and in Chapter 1, IAASA was established pursuant to the public interest to supervise the professional accountancy bodies in respect of their oversight of their members carrying out statutory audits.

³⁰ S.73-78 [Companies \(Corporate Governance, Enforcement and Regulatory Provisions\) Act 2024](#)

Subsequently, the EU introduced far reaching audit reforms in response to the global financial crisis of 2008 to 2012. Concerns identified at a European level echoed some of those raised previously in Ireland prior to the 2003 Act. For example, the European Commission stated:

“Doubts have emerged amongst investors on the credibility and reliability of the audited financial statements of banks, other financial institutions and listed companies, This has seriously dented the confidence of investors in the reports of statutory auditors.

An excessive familiarity between the management of a company and its audit firm, risks of conflicts of interest, and threats to the independence of statutory auditors can challenge the ability of statutory auditors to exert thorough professional scepticism.”³¹

Directive 2006/43/EC had set out the conditions for approval and registration of persons that carry out statutory audits, the rules on independence, objectivity and professional ethics applying to those persons, and the framework for their public oversight. Subsequently, Directive 2014/56/EU amended Directive 2006/43/EC and further harmonised those rules and increased the levels of convergence with respect to the auditing standards which are the basis on which statutory audits are carried out.

EU Member States were required to ensure the independence of audit oversight bodies and powers, including investigative powers and the power to impose sanctions, with a view to detecting, deterring and preventing infringements of the applicable rules in the context of the provision by statutory auditors and audit firms of auditing services.

Significantly, the Directive and accompanying Regulation 537/2014 introduced more stringent rules for an EU category of public interest entity (PIE) being banks, insurance undertakings and listed entities in respect of statutory audit. This reflects the importance placed on securing harmonised EU regulation of the financial sector including the regulation of the statutory audits of PIEs as these entities are considered systemically important in the context of the EU single market. IAASA and its cohort of EU oversight bodies are a significant element of this enhanced framework.

As set out in Table 1 above, IAASA's mandate in statute for the regulation of auditing has evolved in concert with these EU developments. IAASA oversees the RABs in respect of how they carry out approval, registration, continuing

³¹ See https://ec.europa.eu/commission/presscorner/detail/en/memo_14_427

education of statutory auditors as well as how they carry out quality assurance and investigations and sanctions of statutory audit firms. Since 2016, IAASA is directly responsible for the quality assurance of the statutory audits of PIEs and investigations and sanctions on auditors and audit firms arising. RABs retain their roles in respect of the quality assurance of statutory audits of companies that are not PIEs and investigations and sanctions arising on statutory auditors and audit firms. IAASA can, in the public interest, undertake an investigation into the statutory audits of companies that are not PIEs.

There are additional costs and regulatory burdens associated with the category of PIE for the purposes of statutory audit. Ireland is amongst a number of Member States that have chosen not to expand the EU definition of PIE³² although this is permissible under the Directive.

The number of RABs has reduced from six since the establishment of IAASA. Currently there are two RABs: Association of Chartered Certified Accountants (ACCA) and Chartered Accountants Ireland (CAI).³³ In 2018 there were 5 RABs. In 2021 two UK bodies with small numbers of Irish members, the Institute of Chartered Accountants of England and Wales (ICAEW) and Institute of Chartered Accountants of Scotland (ICAS)³⁴ requested derecognition due to the consequences of the regulatory impacts arising from UK leaving the EU single market. In 2024 the Institute of Certified Public Accountants (ICPAI) merged with Chartered Accountants Ireland (CAI).

The number of PIE audit firms has fallen from 10 in 2016 to 8 in 2024.

One stakeholder noted IAASA's evolution as a regulator over the last 20 years and in particular how IAASA had managed the transition following the UK exit in a proportionate and common-sense way. Further stakeholder comments are set out in Chapter 3.

2.4 Assurance of Sustainability Reporting

Further reforms at EU level have continued to impact on IAASA's mandate in respect of the work of auditors, in particular the recently enacted Corporate

³² For example, Estonia, Finland and Germany. See <https://accountancyeurope.eu/wp-content/uploads/2022/12/PIE-definition- Accountancy EU.pdf?v1>

³³ In 2024 the Institute of Certified Public Accountants requested revocation of its recognition as a PAB and RAB, subsequent to its amalgamation with the Institute of Chartered Accountants. See

<https://iaasa.ie/revocation-of-the-recognition-of-the-institute-of-certified-public-accountants-in-ireland-cpa/>

³⁴ [Revocation of the recognition of the Institute of Chartered Accountants of Scotland \('ICAS'\) - IAASA](#); [Revocation of the recognition of the Institute of Chartered Accountants in England and Wales \('ICAEW'\) - IAASA](#)

Sustainability Reporting Directive (CSRD).³⁵ Introduced as part of the EU's Green Deal,³⁶ the CSRD requires companies above a certain size to disclose information on the impact of their activities on environment, social and governance matters. In Ireland, only statutory auditors may be authorised to carry out the assurance of sustainability reporting under CSRD, and IAASA's current functions and oversight in respect of statutory auditors have been augmented to include the assurance of sustainability reporting. IAASA will:

- Oversee RAB supervision of statutory auditors approved for the purposes of carrying out sustainability assurance.
- Directly inspect the assurance work on sustainability reports issued by public interest entities.
- Take enforcement action where there is non-compliance by RABs or PIE statutory auditors in respect of functions relating to the assurance of sustainability reporting.

The CSRD has already been revised to simplify and reduce the administrative burden of the new rules. It can be anticipated that further changes are possible which may impact on IAASA and RABs, particularly in terms of timing and content requirements for sustainability reporting and assurance and for IAASA's supervisory functions. Presciently IAASA chose to integrate the functions relating to the assurance of sustainability reporting within its existing audit oversight structures rather than create a separate functional area. This overall approach is consistent with the EU objectives of mainstreaming sustainability matters within company financial, operational and governance considerations.

Similar to the stakeholder views above on IAASA's evolution as a regulator, another stakeholder identified the implementation of CSRD as an open and transparent process. Other stakeholders identified CSRD as an important area in the future for IAASA notwithstanding the recent changes to the scope of the Directive.

³⁵ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting. See <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464>. Implemented in Ireland by S.I. No. 336/2024 - European Union (Corporate Sustainability Reporting) Regulations 2024. See <https://www.irishstatutebook.ie/eli/2024/si/336/>.

³⁶ See https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

Recommendation: IAASA should continue its engagement and maintain regular dialogue with the Department, professional bodies and PIE auditors on the implications and consequences arising from the change in EU level of ambition on CSRD.

2.5 Transparency Directive Regulation

The Transparency Directive (Directive 2004/109/EC) agreed by Member States during Ireland's 2004 EU Presidency is an EU law that aims to enhance transparency in EU capital markets by requiring companies listed on regulated markets to disclose certain information. The subsequent Transparency (Directive 2004/109/EC) Regulations 2007 transposed the Directive into Irish law and established the minimum requirements in relation to the disclosure of periodic and ongoing information by issuers and on the disclosure of major shareholdings and voting rights.

The Central Bank of Ireland is the central competent administrative authority for the purpose of the Regulations. IAASA is the relevant competent authority for the purposes of Article 24(4)(h) of the Transparency Directive. In this IAASA's role is to examine the annual and half-yearly financial statements of issuers, i.e., entities whose securities (shares and debt) are admitted to trading on a regulated market. Such entities are primarily equity, debt and closed-ended investment funds whose securities are admitted to trading on the main market of Euronext Dublin.

IAASA is responsible for examining that the financial reports of these entities are drawn up in accordance with the relevant reporting framework. Where IAASA finds non-compliance with reporting requirements, it can suggest or require the company to issue a public corrective notice or a revision of its corporate reporting. IAASA can also require corrective action by a company. There are around 100 such entities within the scope of IAASA oversight.

The implementation of the CSRD means that IAASA has powers to review the sustainability reporting element in the review of corporate reports.

Stakeholders felt that the framework of oversight set out in the Transparency Regulations is stable and working well. One aspect that the Central Bank felt could be clarified further in legislation is in respect of the requirement for corporate reports to be issued in European Single Electronic Format (ESEF) which has led to some complexities concerning accounting and ICT responsibilities. However, the Bank noted that IAASA and the Bank are managing this effectively.

Whilst this PCR did not consult directly with the issuers subject to oversight by IAASA, the results of the Stakeholder Perceptions Survey in 2023 expressed a good level of satisfaction with their engagement with IAASA amongst this category of regulated entities.³⁷

2.6 Accounting

With respect to accounting, IAASA's statutory mandate is largely unchanged compared to the 2003 Act. IAASA supervises how the PABs regulate and monitor their members. IAASA supervises the prescribed accountancy bodies through:

- supervisory visits to examine accountancy bodies' files relating to member regulation.
- undertaking thematic reviews across the bodies.
- meeting regularly with representatives of each PAB.
- reviewing regulatory reports and statistics provided by the PABs.
- approving the rules, regulations and standards that PABs apply to their members.

IAASA's regulatory oversight of PABs, including RABs, in respect of their non-audit accounting members, is based on national legislation. There have not been EU wide reforms of accountancy regulation comparable to reforms contained in the Audit Directives and Regulation. The most recent reforms of IAASA oversight of PABs were contained in the amendments to the Companies (Corporate Governance, Enforcement and Regulatory Provisions) Act 2024 referred to above. The amendments to sections concerning PAB supervision were sought by IAASA to update its existing mandate and enable it to further focus its oversight role, consistent with its risk-based approach discussed in Chapter 3.

There are currently five PABs recognised under section 930 of the 2014 Act: Association of Chartered Certified Accountants (ACCA), Association of International Accountants (AIA), Chartered Institute of Management Accountants (CIMA), Chartered Institute of Public Finance and Accountancy (CIPFA) and Chartered Accountants in Ireland (CAI).

Similar to previous comments by the RAB stakeholders, as IAASA has evolved in its role, PAB stakeholders said that the quality of the relationship between them

³⁷ Stakeholder Perceptions Survey Report page 20.

and IAASA has developed and improved. Some stakeholders also commented that, consistent with protecting the public interest, IAASA should continue to focus attention on auditing over accounting.

Distinct from other EU Member States and the UK, IAASA's supervisory role of PABs is set out in legislation. There is also a potential new supervisory role for IAASA in respect of how the PABs supervise their members under the 6th Anti-Money Laundering Directive.

Recommendation: The Department should review with IAASA the statutory oversight of PABs in light of amendments in 2024 and potential new roles under the 6th Anti-Money Laundering Directive.

2.7 EU and International Context

In light of the global and interconnected nature of enterprise, demonstrated starkly by the financial crisis, it makes sense that systems of audit oversight are co-operative. To that end there are three key organisations that IAASA participates in, two at EU level and the other at international level.

The Committee of European Audit Oversight Bodies (CEAOB) is the framework for co-operation between national audit oversight bodies at EU level. Established in 2016, its role is to strengthen EU-wide audit oversight in line with the objectives of the EU legislation on statutory audit. The CEOB, through its work and that of its sub-groups, facilitates supervisory convergence across the EU by contributing to the effective and consistent application of the legislation throughout the EU. IAASA's engagement with the CEOB is also prescribed in the 2014 Act. IAASA is a member of the CEOB and represented on its sub-groups on inspections, enforcement, market-monitoring, auditing standards and equivalence and adequacy of third country audit oversight.

The European Securities and Markets Authority (ESMA) is the EU's financial markets regulator and supervisor. ESMA fosters supervisory convergence amongst Member States' national competent authorities with responsibility for securities and capital markets supervision. IAASA is represented on its Issuers Standing Committee and its sub-groups and task forces.

The International Forum of Independent Audit Regulators (IFIAR) was established in 2006. It is made up of independent audit regulators from 56 jurisdictions across Africa, North America, South America, Asia, Oceania, and Europe. Its overall objective is to:

“Share knowledge of the evolving audit environment and the practical experience of independent audit regulatory activity.

Promote collaboration and consistency in regulatory activity.

Provide a platform for dialogue with other international organisations interested in audit quality.”

The IAASA CEO is the current chair of IFIAR.

IAASA EU and international engagement is discussed in further detail in Chapter 3.

2.8 International Comparisons

Consistent with the extent of its statutory mandate, and consistent with other jurisdictions, IAASA’s supervisory functions are more extensive for auditing than accounting.

In respect of audit, IAASA shares many similarities with regulatory bodies in other jurisdictions including, for example:

- Certain regulatory functions are undertaken by independent national regulatory bodies and certain regulatory functions are undertaken by professional bodies subject to oversight.
- Mixed funding, i.e., the independent national regulatory body is partly funded by the Government, partly funded by the professions and partly funded by PIE audit firms.
- Independent national regulatory bodies directly inspect audits of PIEs.
- Independent national regulatory bodies adopt audit standards.
- The majority, and in some cases all, of the highest level of the independent national regulatory body are appointed from outside of the professions.³⁸

Outside of audit regulation the picture is more mixed with some audit regulators also responsible as is IAASA for oversight of corporate reporting under the Transparency Directive. Audit regulators can be standalone agencies or part of an agency with wider regulatory or other functions. Oversight of corporate reporting can also be assigned to another regulator or agency. While all EU audit regulators carry out harmonised oversight functions in accordance with EU law, there is no one size fits all organisational model. Regarding the oversight of accounting matters, IAASA oversight of the PABs in respect of accounting is not typical in an EU context.

³⁸ See, for example, <https://www.ifiar.org/members/member-directory/>

Historically Ireland's oversight framework including the professional bodies are close to those of the UK and the UK's Financial Reporting Council (FRC). The PCR analysis together with the views expressed by stakeholders, indicates that the regulatory model of independent oversight of PABs and RABs is particular to the UK and Ireland.

2.9 Political Context

As set out in chapter 1 above, the rationale for IAASA's establishment and the evolution of its statutory mandate is directly related to Government and EU Commission concerns arising from global and national events impacting on trust in audit.

The Climate crisis, the EU Green Deal and the motivation to require more extensive reporting of the externalities of companies' operations on environmental, social and governance matters led to the Corporate Sustainability Reporting Directive in 2022.

Inevitably, perhaps, this additional regulation has resulted in a point of reflection on the impacts on competitiveness at EU level as well as nationally. This has resulted in the simplification of the scope of the CSRD and its sustainability reporting standards to reduce administrative burden.

IAASA insights into the future shaping its specialist areas of audit, corporate reporting and sustainability assurance oversight given its connectedness at EU and internationally will be valuable in any future regulatory reform of these areas.

2.10 Conclusion

IAASA's statutory mandate provides the foundation for its supervisory functions. As stated earlier, changes to IAASA's mandate, roles and functions, while significant, have remained consistent with its original objects.

IAASA's mandate has evolved in concert with wider developments particularly at EU level in statutory audit, oversight of financial reporting by issuers and most recently the assurance and oversight of sustainability reporting. This review has not identified any gaps in IAASA statutory mandate in this regard.

Stakeholder engagement supports the PCR view that having a clear and focused statutory mandate is a significant strength for IAASA, for its mission and for its stakeholders. The PCR analysis, together with the views expressed by stakeholders, indicates that IAASA is delivering on its statutory mandate and this mandate is aligned with the requirements of EU law and consistent with approaches at EU and International level. The PCR notes, however, that the statutory supervision of PABs is unusual in an EU context.

Chapter Three – Agency Performance

3.1 Introduction

In line with the guidance on periodic critical reviews, this chapter sets out in detail IAASA's performance on its mandate including how it is measured and monitored.

3.2 Performance Measurement

As set out in Chapter 2, IAASA's statutory mandate is clear and focused, and its independence is enshrined in legislation. Chapter 1 summarised IAASA's independence and in respect of IAASA's performance measurement, again the legislation is specific. Section 910 of the 2014 Act requires IAASA to prepare a work programme every 3 years. The work programme should have regard to the need to ensure the most beneficial, effective and efficient use of its resources and should include:

- the key strategies and activities that the Supervisory Authority will pursue to further its objects and to perform its functions.
- the outputs that the Supervisory Authority aims to achieve and against which its performance will be assessed.
- the staff, resources and expenditure required to pursue the strategies and activities.

IAASA's independence is further underpinned as the legislation states that the Minister "shall not give directions to the Supervisory Authority concerning the discharge of a work programme, including an amended or supplementary work programme." IAASA's current work programme 2023-2025 is published on its website.³⁹

In addition to the above, the Code of Practice for the Governance of State Bodies requires that non-commercial state bodies and their parent Department put in place Oversight Agreements and Performance Delivery Agreements including details of outputs to be delivered. DETE and IAASA agree and sign a combined Oversight and Performance Delivery Agreement (OPDA) annually. The OPDA contains an appendix to IAASA activity plan for that year arising from the work programme. The activity plan contains details of the strategies, activities and key performance indicators as determined by IAASA. The Board is updated

³⁹ [IAASA Work-Programme.pdf](#)

on progress on the work programme at its meetings. While the Department has no role in setting the work programme and activity plan, IAASA updates the Department on the work programme at the quarterly liaison meetings.

3.3 Functional Areas

As set out in Chapter 1, IAASA's vision is "Public trust and confidence in quality auditing and accounting,"⁴⁰

To achieve this vision, and to implement its statutory mandate, IAASA's activity plan sets out the strategies, tasks and KPIs across its functions referred to in Section 1.4 of this report. The functions are covered below together with discussion of IAASA's EU and International engagement and engagement with national regulatory bodies.

3.4 Standards

IAASA's statutory mandate for the setting of auditing and assurance standards derives from sections 905 (2)(ma) and (mb), 1526, and 1610 of the 2014 Act.⁴¹ Developing and communicating standards is an important IAASA function with the potential for wide and lasting impacts by establishing and maintaining standards.

IAASA issues audit and assurance standards and related public guidance where appropriate to encourage knowledge of and adherence to standards. In 2024, IAASA issued 22 updates to existing standards (listed in Appendix 3), a revision to the standard on External Confirmations, and adopted ISAE 3000 for sustainability assurance engagements.

Stakeholders confirmed that IAASA performs its standard setting function well and this function is highly valued by stakeholders. Engagement with stakeholders also indicates that IAASA maintains good working relationships and communicates well with stakeholders about new and existing standards.

However, since the UK's exit from the EU there would seem to be potential for a less close correspondence with UK audit standards and practices and a greater emphasis on links to the EU and other international bodies. Some audit firm stakeholders echoed these views. There is potential for international realignment

⁴⁰ IAASA Annual Report for 2024, page 4. See <https://iaasa.ie/wp-content/uploads/2025/06/IAASA-Annual-Report-2024-FINAL.pdf>

⁴¹ See <https://revisedacts.lawreform.ie/eli/2014/act/38/section/905/revised/en/html>

of Irish auditing standards to focus more on European and international standards in comparison to a focus on the UK.

Recommendation: IAASA should liaise with the Department on the question of the alignment of Irish auditing standards. This could also inform any consideration of the alignment of the accounting standards used in Ireland⁴².

3.5 Supervision of Professional Bodies

As set out in Chapter 2, supervision of professional accountancy bodies has been central to IAASA's functions since its establishment in the 2003 Act. There are supervisory elements in common to all bodies as part of the PAB supervision and additional supervisory elements in respect of RABs.

IAASA supervises all 5 PAB bodies by:

- performing supervisory visits to examine accountancy bodies' files relating to member regulation.
- undertaking thematic reviews across the bodies.
- meeting regularly with representatives of each accountancy body.
- reviewing regulatory reports and statistics provided by the bodies.
- approving the rules, regulations and standards that apply to their members.

IAASA may take regulatory or enforcement action against a PAB if it appears that they may have failed to comply with the law, with IAASA's requirements or with the PAB's own rules and regulations.

IAASA's oversight of the 2 RABs, i.e., those PABs recognised to approve statutory auditors, also encompasses how the RABs perform the following regulatory functions for statutory auditors, audit firms and those authorised to carry out the assurance of sustainability reporting under CSRD:

- approval of statutory auditors, audit firms, and those authorised to carry out the assurance of sustainability reporting under CSRD.
- continuing professional development.

⁴² IAASA does not have a direct role in setting accounting standards. The EU Commission adopts IFRS for use in the EU. Non-IFRS accounting standards are based on the long-standing UK Financial Reporting Council Standards, as specified pursuant to section 279 of the 2014 Act.

- quality assurance for non-PIE firms.
- investigation and discipline.

IAASA issues guidelines to RABs setting out how they should perform aspects of the above processes.

In practice, the supervision of the bodies involves annual reviews and visits undertaken in-person and on-site or through virtual contacts. As there are greater regulatory requirements on auditors consequently, there is a greater frequency in IAASA's engagement RABs relative to the remaining PABs. The greater focus on RABs is a proportionate approach given the statutory functions and greater public interest concerns relevant to auditing, fundamentally the same concerns expressed by the Review Group on Auditing and which lead to the establishment of IAASA in the 2003 Act.

IAASA also undertakes thematic reviews of issues relevant to all professional bodies. For example, in 2024, IAASA undertook a thematic review to assess professional bodies' governance of regulatory functions and in 2023, completed a thematic review of their complaints processes. In addition, regular contacts are maintained throughout the year between IAASA and professional bodies, such as roundtable meetings, including a regular roundtable on CSRD matters, workshops and informal ongoing engagement.⁴³

In summary, analysis of relevant information and the views of stakeholders indicate that IAASA performs well in supervising professional accountancy bodies. Stakeholders have a positive view of IAASA in performing its supervisory functions. It was clear from the engagement with stakeholders that IAASA operates in a professional and consistent manner in supervising the bodies. Stakeholder engagement indicated that there is a very good relationship between IAASA and its stakeholders, sustained by regular formal and informal engagement. IAASA communications were described as clear and IAASA staff were described as approachable. Stakeholders valued IAASA role and input in respect of overseeing standards the PABs apply to their members. A strong consensus emerged from stakeholder engagement that IAASA acts proportionately in its supervision of PABs and was efficient and effective. However, smaller PABs noted that the overhead of regulation exceeds other jurisdictions such as the UK.

⁴³ See also <https://iaasa.ie/wp-content/uploads/2025/01/PBS-Factsheet-January-2025.pdf>

3.6 Inspection of PIE Statutory Auditors and Sustainability Assurance Providers

It is a requirement of EU Accounting Directive⁴⁴, inter alia, that companies must prepare annual financial statements and that these must be subjected to statutory audit by persons approved under the EU Audit Directive.

As set out in Chapter 2, arising from the successive EU Audit Directives, IAASA now has a significant and direct regulatory role in relation to the oversight of statutory audits of PIEs. IAASA has a direct quality assurance function with respect to statutory audits of PIEs and responsibility for any investigations and sanctions arising on the statutory auditors or audit firms who carry out these audits. IAASA has no role in relation to the PIEs themselves, who are for the most part regulated entities in the financial services sector. If IAASA finds detail, in the course of an investigation, that suggests a company director has contributed to a breach of the statutory audit rules, it can refer this information to the Corporate Enforcement Authority.

The CSRD provides the statutory basis for similar functions with respect to the oversight of the assurance of sustainability reporting by PIEs.

IAASA follows a risk-based approach to its examination of PIE auditors.⁴⁵ Audit firms submit annual returns to IAASA detailing its PIE audits and assurance engagements. From this information IAASA undertakes a risk assessment to identify what areas to review, and when, for each of the PIE auditors.

IAASA's quality assurance function involves evaluation of its policies and procedures across several quality management areas to assess their impact on audit and assurance engagement quality. Relevant areas include:

- Risk assessment.
- Governance and leadership.
- Relevant ethical requirements.
- Acceptance and continuance.
- Engagement performance.
- Resourcing.

⁴⁴ See [Directive - 2013/34 - EN - ifrs - EUR-Lex](#)

⁴⁵ Statutory auditors of PIEs become subject to IAASA's direct supervision by virtue of the audit firm being appointed as statutory auditor of a PIE.

- Information.
- Monitoring and remediation activities.

IAASA selects a sample of audits of PIEs using a risk-based approach. The sample size selected for each firm is driven by factors, such as the number of PIEs audited by a firm, the results of previous inspections relating to the firm, any significant changes in a firm's market share or type of PIE audited by the firm.

Subsequent to its review, IAASA issues a quality assurance report to the audit firm, setting out the main conclusions and recommendations arising from the review. This includes quality findings for the PIE auditor regarding the firm's quality management system. IAASA also assigns a grade for the PIE auditor regarding each audit file inspected. IAASA meets with PIE auditors and, where relevant, makes recommendations for actions to be implemented within a period of 12 months. Where a firm fails to effectively implement recommendations within 12 months, IAASA is required by EU legislation to initiate enforcement proceedings under section 934 of the 2014 Act.⁴⁶

Table 2 lists the number of PIEs, the number of PIE auditors and the number of individual audit files reviewed for the years 2021-2024. Also shown are the gradings of files reviewed.

For the years 2021-2024, Table 2 shows:⁴⁷

- The number of PIEs, the number of PIE auditors.
- The number of individual audit files reviewed by IAASA.
- Gradings of the audit files reviewed (From Grade 1 – good audit to Grade 4 - significant improvements required).
- Quality Findings.

⁴⁶ See also

<https://iaasa.ie/wp-content/uploads/2025/02/Quality-Assurance-Review-Factsheet-January-2025.pdf>
<https://iaasa.ie/wp-content/uploads/docs/downloaded/guide-to-reports-on-the-quality-assurance-review-of-pie-audit-firms.pdf>

⁴⁷ Figures are from Annual Audit Programme and Activity Reports for 2021 to 2024. See, for example, https://iaasa.ie/wp-content/uploads/2025/06/AAPA_2024_Final.pdf

Table 2 – PIEs and PIE Auditors

Inspection of audit files	2024	2023	2022	2021
Number of PIEs	503	523	544	626
Number of PIE Statutory Auditors	8	8	7	7
Number of Files reviewed	31	31	35	30
Grade				
Grade 1	17	16	13	16
Grade 2	8	8	18	12
Grade 3	5	7	4	2
Grade 4	1	0	0	0
Total	31	31	35	30
Quality Finding	15	5	16	11
Yellow	11	3	11	2
Amber	4	2	3	8
Red	0	0	2	1

The total number of PIEs has reduced from 626 in 2021 to 503 in 2024. The number of PIE audits reviewed by IAASA has remained relatively constant for that period, between 30 and 35, and the proportion of inspected audit files is also relatively constant between 4.8% and 6.4%. This is consistent with IAASA's proportionate, sample-based approach to inspecting PIE auditors.

In addition to its review of individual statutory auditors, IAASA also undertakes thematic reviews of issues relevant to all statutory auditors. For example, in 2021

IAASA issued a report on Transparency reporting by PIE statutory auditors,⁴⁸ as required by Article 13 of EU Regulation 537/2014.

Ensuring high quality auditing of PIEs is an important function for IAASA and one which has wide and lasting impacts not just on PIEs and PIE auditors but on the users of the corporate information supplied.

In the context of the transition to the assurance of sustainability reporting under the CSRD, through 2023 and 2024 IAASA held preparatory workshops with the professional bodies and auditors of public interest entities. It is continuing to liaise with the professional bodies and auditors of public interest entities on CSRD.

Stakeholder engagement indicates that IAASA operates well in its review of PIE auditors and is regarded as extremely professional. Some concerns were expressed about the cost of the funding model for PIE audit inspections, which had recently increased due to the implementation of CSRD. Stakeholders described costs as proportionate, but the overall level was felt to be high. The PCR concludes that stakeholders find the funding model acceptable given IAASA's strong performance in its functions.

3.7 Supervision of Corporate Reporting

IAASA's statutory mandate for the supervision of certain corporate reports is set out in section 905(2)(m) of the 2014 Act, which refers to the Transparency Directive.⁴⁹ The Transparency Directive establishes minimum transparency and information requirements in relation to securities issued on European Markets. The securities covered by the Transparency Directive are debt, equity and closed-end funds. The entities offering these securities are often referred to as "the issuers".

The Central Bank of Ireland is the central competent administrative authority, for implementation of the Transparency Directive in Ireland.⁵⁰ IAASA is the relevant competent authority with specific responsibility, under Article 24(4)(h) of the Transparency Directive, for examining and assessing corporate reporting by issuers of debt, equity and closed-end funds in Ireland. IAASA's role is to ensure that issuers' reports are prepared in accordance with the relevant standards and requirements.⁵¹ The supervision of corporate reporting involves examination of

⁴⁸ See <https://iaasa.ie/wp-content/uploads/docs/downloaded/transparency-reporting-thematic.pdf>

⁴⁹ Op cit. Note 24 in Chapter 2

⁵⁰ See <https://www.centralbank.ie/regulation/industry-market-sectors/securities-markets/transparency-regulation>

⁵¹ See also section 905(2)(m) of the 2014 Act.

issuers' annual and half-yearly reports and taking enforcement actions when instances of non-compliance with required standards are detected.

Where IAASA's examination finds non-compliance with reporting requirements, IAASA engages with the company to agree to an undertaking, i.e., a commitment to undertake a course of action, which may include a corrective public notice or revision of the corporate report. IAASA requires that any non-compliance be corrected in future corporate reports. Where no agreement is reached between IAASA and the issuer, IAASA can use its legal powers to require corrective action.

IAASA takes a risk-based and phased approach to examining issuers' corporate reports. IAASA assesses the potential likelihood of a risk of a material misstatement in an issuer's corporate reporting and the potential impact of inaccurate corporate reporting on users, i.e., firms and individuals that read and/or rely on accurate issuer corporate reporting. In assessing relative issuer risks, IAASA considers factors such as general economic trends, industry specific issues, action by other regulators and media reports regarding the issuer. IAASA balances this risk-based approach with the need for comprehensive supervision. ESMA requires national competent authorities to subject issuers to Article 24(4)(h) of the Transparency Directive examinations at least once every 10 years.

The CSRD establishes reporting obligations with respect to reporting on environmental sustainability. Issuers must seek to inform investors, civil society organisations, consumers and other stakeholders to enable evaluation of their sustainability performance. Furthermore, issuers have an obligation to maintain consistency between sustainability reporting and financial reporting.

As indicated in Table 3 below, the number of issuers subject to IAASA supervision has reduced by 20.2% from 2021 to 2024. This reflects a number of issuers removing themselves from the Irish market and issuing securities in other jurisdictions. The number of reports examined has also reduced, by 23.3% from 2021 to 2024, which is consistent with IAASA's risk-based approach. The number of undertakings, from issuers to IAASA, has reduced by 24.4% from 2021 to 2024, and the number of entities required to make undertakings has reduced by approximately 31.6%. These figures are indicative of increased issuer compliance with Transparency Directive reporting requirements.

The supervision of corporate reporting under the EU Transparency Directive is an important function, and more so with the addition of new reporting obligations arising from the CSRD. The phased and risk-based approach to the review of issuers outlined above, appears an effective and proportionate approach. This view is supported by engagement with stakeholders, in particular the Central Bank and the Department of Finance, and a stakeholder survey conducted for

IAASA,⁵² indicate that IAASA is effective in its supervision of issuer corporate reporting.

Table 3 shows the number of issuers subject to supervision and IAASA's supervisory activity for the years 2021-2024.

Table 3 - IAASA Supervision of Corporate Reporting

	2024	2023	2022	2021
Issuers by Type				
Debt	56	60	64	62
Equity	18	21	23	27
Closed-Ended Funds	5	7	10	10
Total	79	88	97	99
Reports Examined				
Annual	30	39	32	37
Half year	3	4	3	6
Total	33	43	35	43
of which				
Debt	12	10	8	9
Equity	19	27	24	31
Closed-Ended Funds	2	6	3	3

⁵² The survey included responses by issuers subject to IAASA supervision.

	2024	2023	2022	2021
Undertakings Secured				
Issuers	13	15	15	19
Number	65	56	45	86

3.8 Enforcement

IAASA's enforcement activities are directly related to, and follow on from, its other supervisory functions. Under section 933 of the Companies Act 2014, IAASA can enquire whether a professional body has followed its investigation and disciplinary procedures. With specific reference to auditing, IAASA can also investigate if a RAB has met its statutory obligations. Under section 933 of the 2014 Act, IAASA can impose sanctions arising from investigations including administrative financial sanctions.

Under section 934 of the Companies Act 2014 IAASA can investigate auditors and can impose sanctions including a temporary ban on a statutory auditor, a declaration that an audit report is substandard and financial sanctions.

If IAASA's supervisory functions give rise to a suspicion of significant breaches of standards or legal violations by a statutory auditor, a case is referred to IAASA's Enforcement Unit.

IAASA has various powers to collect evidence. It can require a person to provide documents and reasonable assistance to the investigation. IAASA's direct enforcement actions apply to the conduct of auditors.

Enforcement actions, actual and potential, are an essential element of a comprehensive and credible enforcement system in place which establishes important incentives for professional conduct by statutory auditors, and with respect to the recognition of professional bodies. IAASA publishes the details of its enforcement decisions on its website.

Table 4 shows IAASA's enforcement activity under section 933 and 934 of the 2014 Act for 2024.⁵³

Table 4 - Section 933 and 934 Enforcement for 2023 and 2024

	Section 933		Section 934	
	2024	2023	2024	2023
Carried over from previous year	1	0	0	6
Opened during Year 2024	1	1	0	0
Concluded during the year	2	0	0	6
Carried forward into following year	0	1	0	0

3.9 Specialist Advice to the Minister

The objects of IAASA include that IAASA shall act as a source of specialist advice to the Minister on auditing and accounting matters including the assurance of sustainability reporting.

From the PCR consultations it is clear that the Department values IAASA expertise in audit and corporate reporting. While IAASA has not been requested to provide any formal advice directly to the Minister between 2021 to 2024, over that period, it has provided views to DETE on a range of matters including but not limited to:

⁵³ Annual Audit Program and Activity Report for 2023 and 2024
See https://iaasa.ie/wp-content/uploads/2025/06/AAPA_2024_Final.pdf and https://iaasa.ie/wp-content/uploads/2024/05/AAPA_2023.pdf

- EU Commissioner Speaking Points on Brexit and Accountancy Bodies.
- A proposal for CSRD and CSRD instructions.
- A private Members Bill on auditing of GHG emission.
- A proposed postponement of European Single Electronic Format (ESEF) - the mandated electronic reporting format for issuers of securities traded on EU markets.
- Mutual reliance with US Public Company Accounting Oversight Board/Securities and Exchange Commission.
- SME accounting and Capital Markets Union.

3.10 Third Country Auditors and Audit Firms

Some entities are incorporated outside of the EU/EEA, in so-called “third countries”, but issue transferable securities onto one or more markets within the EU. Those entities have obligations to prepare audited accounts. Auditors and audit firms outside the EU/EEA who provide audit reports in respect of the financial reports of these entities are called “third country auditors”.⁵⁴

IAASA maintains a Register of third country auditors, which is provided to the CRO and published on the CRO website.⁵⁵ There are currently 10 third country audit firms on the register.

Separately, third country auditors who wish to audit entities incorporated in Ireland can register under a separate provision set out in the Audit Directive, subject to reciprocal arrangements being in place. To facilitate this, IAASA has agreed a Memorandum of Understanding on reciprocal arrangements with the FRC (UK). The arrangements facilitate RABs ability to register a third country statutory auditor who meets the other requirements for approval as set out in law.

Both of the above sets of rules derive from the Audit Directive.

⁵⁴ See <https://iaasa.ie/third-country-auditors/> Third country entities and third country auditors are required, under section 1573 of the 2014 Act to register with IAASA in order for that audit report to have legal validity in the State.

⁵⁵ See <https://cro.ie/services-and-help/using-services/auditors-search/>

3.11 EU Engagement

Section 905 (3)–(6) of the 2014 Act provides a statutory basis for IAASA’s involvement in the implementation of European legislation, particularly with respect to the training and conduct of statutory auditors. Sections 905(3)(c) and (4) refer specifically to IAASA’s cooperation with the Committee of European Auditing Oversight Bodies (CEAOB). As referred to in Chapter 2, IAASA engages actively with CEOB. For example, as stated in the IAASA Annual Report for 2024

“At the European level, we continue to engage in the CEOB and all its subgroups. IAASA is a member of the consultative group of the CEOB, which supports the Chair of the CEOB. IAASA continues to chair the CEOB Training Task Force which aims to identify and coordinate effective training for inspectors. IAASA is also a member of the CEOB Sustainability Reporting Technical Subgroup, which engages with the European Commission regarding the implementation of the sustainability reporting standards”.⁵⁶

The European Securities and Markets Authority (ESMA) is the independent EU authority that plays a key role in the European Union's financial system, focusing on investor protection and the stability of financial markets. While the Central Bank is the primary national competent authority, as discussed in Section 3.7, IAASA has an important role with respect to corporate reporting.

IAASA works extensively with its European accounting enforcement counterparts through ESMA. It actively participates in task forces and sub-groups involved with financial and sustainability reporting, climate in financial information, and accounting by financial and insurance entities. These groups focus on sustainability topics, the impact of climate-related matters on financial statements, the impact of CSRD on corporate reporting, and accounting for financial instruments. ESMA also sets rules which national enforcers, including IAASA, must apply in conducting examinations.⁵⁷

IAASA’s engagement with CEOB, with ESMA, and with European Member States, enhances IAASA’s performance by ensuring it operates in an up-to-date fashion and consistent with other Member States. Stakeholder engagement indicates support to maintaining a high level of European engagement. It can be

⁵⁶ Op cit. Note 39 page 26.

See <https://iaasa.ie/wp-content/uploads/2025/06/IAASA-Annual-Report-2024-FINAL.pdf>

⁵⁷ Ibid. Page 22.

anticipated that cooperation with CEAOB and with Member States will continue into the future. to the benefit of IAASA and its stakeholders.

3.12 International Engagement

IAASA's international engagement, beyond the EU, further enhances IAASA's performance. Historically, Ireland's accounting rules and regulations have mirrored or been close to those of the UK. IAASA maintains a good working relationship with the FRC. As noted in Chapter 2 it is possible that in future there will a less close correspondence between Ireland and the UK and increased emphasis on links to other jurisdictions.

There is considerable scope for collaboration and information sharing in a broader international context. IAASA is a member of the International Forum of Independent Audit Regulators (IFIAR), whose objectives include sharing knowledge and practical experience and also promoting consistency in regulatory practices.⁵⁸ Consistent rules and practices across jurisdictions is beneficial to trade between jurisdictions, particularly for open trading economies such as Ireland.

During 2024, IAASA hosted an IFIAR inspection workshop, drawing 146 participants from 46 jurisdictions. It covered topics such as updates on accounting and audit standards, technical inspection considerations, and insights on regulatory and supervisory matters. There were also keynote addresses on innovation in accounting education, cybersecurity, and ethics.⁵⁹ The IAASA CEO is the current chair of IFIAR.

3.13 Engagement with National Regulators

IAASA engages with the Central Bank of Ireland in the context of the Transparency Directive. While the Central Bank and IAASA have different responsibilities with respect to the Transparency Directive, both the Central Bank and IAASA share relevant information. For example, the Central Bank informs IAASA of any entities that have become eligible for corporate supervision by IAASA. It is clear from the stakeholder consultation that the Central Bank and IAASA maintain a constructive and positive working relationship.

⁵⁸ For example, the International Forum of Independent Audit Regulators currently has 56 members around the world. See <https://www.ifiar.org/>

⁵⁹ Op cit. Note 40.

3.14 Public Information

IAASA publishes extensive information, including documents and videos, on its website, as well as on its LinkedIn and YouTube platforms.⁶⁰ Making this information available is consistent with its publications policy which seeks to balance confidentiality of information with transparency and dissemination of information to the public. Publicly available information includes, for example:

- Annual Reports.
- Annual Auditing Activity and Programme Reports.
- Profile of the Profession Reports.
- Quality Assurance Review Reports.
- Observations on Selected Financial Reporting Issues.
- Factsheets and FAQs on a wide variety of matters.

While there is ample information available, there is scope for a review of IAASA's website, for example, to enhance accessibility and navigability for first time users and/or users not familiar with the auditing and accounting profession or IAASA's roles and responsibilities. There is potential to improve the website to further enhance the accessibility of publicly available information.

Recommendation: IAASA should review its website from a user perspective with a view to increasing accessibility and navigability to enhance the user experience and promote the availability of IAASA related information.

3.15 Conclusions

Output data indicates that IAASA is performing its functions well and doing so consistently. This conclusion is also supported by stakeholder engagement which indicated a positive view of IAASA's performance and relationship management. IAASA is strongly engaged at EU and international level and these links are beneficial to IAASA and support its ongoing effectiveness in implementing its statutory mandate.

As stated in Chapter 2, IAASA's statutory mandate has remained relatively stable since its establishment. The clear statutory mandate is reflected in a consistent set of functions and outputs.

⁶⁰ See YouTube: <https://www.youtube.com/@iaasa3590>
LinkedIn: <https://www.linkedin.com/company/irish-auditing-&-accounting-supervisory-authority-iaasa-/?viewAsMember=true>

As noted in Chapters 1 and 2, IAASA undertook a Stakeholders' Perceptions Survey in 2023 which provided feedback and stakeholder comments on IAASA's performance. The PCR has drawn on the results of that survey to inform its analysis of IAASA performance. Similar reports would provide useful information for IAASA and for the Department into the future.

Recommendation: IAASA should report to the Department on its follow-up actions if any on the results of the perceptions survey in 2023 and on the potential scope and timing of future surveys.

Chapter Four - IAASA Capacity

4.1 Introduction

PCRs are required to consider the organisational capacity of the body under review. This chapter describes IAASA's organisational capacity to implement its statutory mandate. It considers the four key factors in line with PCR guidance:

- Governance.
- Organisational Linkages.
- Human resources.
- Financial management, including with respect to distinct funding streams.

4.2 Governance

As set out in Chapter 1 IAASA is governed by a board appointed by the Minister for Enterprise, Tourism and Employment and is also incorporated as a company limited by guarantee. These obligations and requirements, set out below, underpin a long standing and robust framework of external and internal governance.

IAASA Board

The highest level of governance within IAASA is the Board, comprising nine members including the Chairperson appointed by the Minister. The Companies Act 2014 reduced the size of the Board from 14 members to not more than 9 including the CEO as an ex- officio member i.e., by virtue of holding the office. Section 907 deals with the composition of the board of directors of the Supervisory Authority. The 8 members include 2 persons nominated by the prescribed accountancy bodies, 1 person each nominated by the Central Bank of Ireland, the Corporate Enforcement Authority, the Revenue Commissioners and the Irish Stock Exchange. There are two further members, including the Chair appointed by way of the State Bodies appointment process.

In light of the Board's size and composition, the Department and IAASA liaise to ensure that pending vacancies and nominations are anticipated as far as possible by IAASA, the Department, the designated bodies or the State Bodies Appointments Board and filled promptly. Currently the Board has 5 (56%) female and 4 (44%) male members.

The Board meets regularly throughout the year, with provisions for additional unscheduled meetings when necessary. Standing items for consideration include strategic issues, risk management and the report of the chief executive,

which covers the work of the various IAASA operational units together with ongoing financial information and management accounts.

IAASA has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. IAASA has an *Audit and Risk Committee* (ARC) comprising three board members, one of whom is the Chair.⁶¹

A risk register is in place which identifies the key risks facing IAASA and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC at each meeting. Moderate and significant risks are also reported to the Board.

IAASA has a system of internal control designed to provide assurance that assets are safeguarded, transactions are authorised and properly recorded, and any material errors or irregularities are either prevented or detected in a timely way.⁶²

Subject to the oversight of the Board, the regular day-to-day management, control, and direction of IAASA are the responsibility of the chief executive and the senior leadership team.

In consultations with the Chair as part of this review, she noted that the role of the IAASA Board had evolved over time and more recently some items had returned within the ambit of the Board following a review of delegated functions. Furthermore, the Board can seek information on a wide range of matters from the Executive and provide support as required.

The PCR noted the very positive working relationships between the Board and the Executive as recounted in the stakeholder consultations.

External Reporting Obligations

As a registered company IAASA has significant reporting obligations, most obviously the requirements to maintain financial records and prepare audited financial statements in accordance with Sections 290, 291 and 333 of the 2014 Act. Furthermore, the Board of Directors for IAASA are required to comply with the 2014 Act as it pertains to the company directors.⁶³

⁶¹ See also the Charter of the Audit and Risk Committee at <https://iaasa.ie/wp-content/uploads/2024/08/Charter-of-the-Audit-Risk-Committee-Dec-2023-2.pdf>

⁶² IAASA has appointed Crowleys DFK as internal auditors for the period 2023-2025. The internal audit work programme is agreed by the Audit Committee, including an annual review of IAASA's Statement of Internal Control.

⁶³ Chapter Two of the 2014 Act, (Sections 128 – 153).

The Board of IAASA is also responsible for ensuring compliance with all relevant requirements of the Code of Practice for the Governance of State Bodies. As part of this responsibility, IAASA has regular reporting obligations to DETE, its parent Department. As set out in Chapter 1, the Company Law Accounting & Auditing and Legislation Unit has the primary responsibility, within DETE, for liaising with IAASA on behalf of the Department.

Monitoring and reporting arrangements are in line with the Code as well as best practice set out in the Department's own Agency Liaison Handbook. This includes quarterly liaison meetings between representatives of IAASA and the liaison Unit. IAASA's reporting obligations to DETE, as set out in the Oversight and Performance Delivery Agreement (OPDA) referred to in Chapter 3, include monthly financial reports, quarterly reports on staff numbers and updates on the work programme, and the submission of Annual Reports, proposed levies and budget submissions. As with the Board and the Executive, the PCR observed very good working relationships between the Department and IAASA.

IAASA senior management team together with other DETE agencies meets with the DETE Management Board annually in September for an Agency Business Plan Update Meeting. This meeting provides an opportunity for the Department's agencies to report on progress against the annual deliverables as set out in the OPDA performance delivery appendices and to provide an update on their business plans or work programmes for the year.

Though not a requirement under the Code, it is considered good governance practice for the Minister to meet with the agency Chairs on an annual basis and the Chair of IAASA met with the Minister for Enterprise, Tourism and Employment in October 2025.

The IAASA CEO also attends the DETE Heads of Agency Forum whose purpose is to support structured high-level engagement between the Department's Management Board and Heads of its Agencies. This forum happens twice annually with the purpose of ensuring alignment of Agencies' strategic direction with the policy priorities and objectives of the Department. The forum also promotes open and effective communication and enables information sharing on cross cutting issues and areas of common interest.

In addition to the more formal arrangements, described above, the Liaison Unit maintains ongoing communications and effective working relationships. As noted by the Assistant Secretary in the stakeholder consultations, the Code of Practice provides a strong foundation for the Department to perform its governance function and also important are the ongoing informal contacts between the liaison unit and IAASA.

IAASA also has reporting obligations to the Oireachtas. Section 929(2) of the 2014 Act, states

“Whenever required by any other committee appointed by either House of the Oireachtas or appointed jointly by both Houses, the chief executive officer and the chairperson of the board of the Supervisory Authority shall account to the committee for the performance of the functions of the Supervisory Authority.”

The Joint Oireachtas Committee on Enterprise, Tourism and Employment has a role to meet the chairperson designate of a body or agency under the aegis of the Department to discuss his or her strategic priorities for the role. On 9 July 2025, the IAASA Chair and CEO attended a meeting of the Joint Oireachtas Committee on Enterprise, Tourism and Enterprise.⁶⁴

A complaints procedure is included in IAASA’s Customer Charter.⁶⁵ IAASA did not receive any complaints about its performance for the period 2021-2024. Nor were there any legal cases or judicial reviews involving IAASA for the years 2021-2024.

Recommendation: The Department and IAASA should continue to liaise to ensure that board vacancies are anticipated and filled promptly. The Department and IAASA should include in relevant procedures manuals arrangements for annual meetings between the Chair and the Minister.

4.3 Company Limited by Guarantee

As referred to previously, IAASA is established as a statutory agency and registered as a company limited by guarantee (CLG)⁶⁶. This structure was set out in Section 5(1) of the 2003 Act which states

“5.—(1) The Minister may designate a public company to perform the functions and exercise the powers of the Supervisory Authority under this Act, if the following requirements are satisfied:

⁶⁴ See

https://www.oireachtas.ie/en/debates/debate/joint_committee_on_enterprise_tourism_and_employment/2025-07-09/

⁶⁵ See page 7 at <https://iaasa.ie/wp-content/uploads/2022/11/Customer-Charter-V2-FINAL.pdf>

⁶⁶ IAASA’s CLG structure in legislation is similar to the Irish Takeover Panel, which was established as a CLG, subsequent to section 3 of the Irish Takeover Panel Act 1997. The FRC in UK has a CLG corporate structure.

- (a) the company is formed and registered under the Companies Acts after the commencement of this section;*
- (b) the company is a company limited by guarantee;*
- (c) the name of the company is the Irish Auditing and Accounting Supervisory Authority or in the Irish language Údarás Maoirseachta Iniúchta agus Cuntasaíochta na hÉireann;*
- (d) the memorandum of association and articles of association of the company are consistent with this Act.”*

The Explanatory Memorandum to the 2003 Act states:

“Section 5 gives the Minister the power to designate a public company limited by guarantee without share capital satisfying the criteria set out at (a) to (d) under subsection (1) to exercise the functions assigned to the Supervisory Authority under this Bill, as opposed to establishing the Supervisory Authority in legislation as a statutory state body.”

This corporate structure continues in the 2014 Act.⁶⁷ The CLG structure implies an additional layer of governance in the form of the Board. The obligations on company directors further strengthen the independent oversight role of the board.

While recommending the establishment of a separate distinct Oversight Board, the Review Group on Auditing did not comment on the details of organisational form and corporate structure. Furthermore, the structure does not appear essential to the operation of IAASA as a supervisory authority set up under statute. For example, IAASA’s independence from the accounting and auditing professions and the Minister, as set out in Chapter 1, is unambiguous in its statutory mandate.

In practice, from the point of view of the Department and the Board, the CLG structure has not presented problems or challenges to date and is working well. The PCR notes however that IAASA incorporation as a CLG has resulted in, arguably unintentionally, its carve out from obligations usually applying to public

⁶⁷ Section 901(1) of the 2014 Act states that “The company, namely, the Irish Auditing and Accounting Supervisory Authority, that was designated under section 5 of the Act of 2003 before the commencement of this section as the body to perform the functions of the Supervisory Authority under that Act shall be the Supervisory Authority for the purposes of this Chapter.”

bodies, such as the Freedom of Information Act 2014⁶⁸ and the Disability Act 2005⁶⁹.

Recommendation: The Department and IAASA to review IAASA CLG structure having regard to other State regulatory bodies.

4.4 Organisational Structure

IAASA in its Annual Report for 2024 identifies four organisational groups and eight sub-groups. As shown below:



⁶⁸ See <https://revisedacts.lawreform.ie/eli/2014/act/30/section/6/revised/en/html> and <https://revisedacts.lawreform.ie/eli/2005/act/14/section/2/revised/en/html> S. 6(1)(c) [Revised Acts](#);
Disability Act 2005 S.2 definition of public body [Revised Acts](#)

4.5 Human Resources

Total Staff Numbers

As shown in Table 5, IAASA total staff numbers⁷⁰ have grown from sanctioned staff of 15 and actual staff of 7 at establishment in 2006, to sanctioned staff of 42.5 and actual staff of 35.9 at year end 2024.

Table 5 - Total Staff - Sanctioned and Actual Selected Years 2006-2024

	2006	2010	2015	2020	2024
Sanctioned	15	15	26	43	42.5
Actual	7	13	17	30	35.9
Vacancy	8	2	9	13	6.6

As can be seen in Table 5 there was a significant increase in staff levels, sanctioned and actual staff, between 2010 and 2020. These staff increases were in response to the EU Audit reforms outlines previously in Sections 2.3 and 3.6. Total sanctioned staff increased from 15 to 26 from 2014 to 2015 and to 43 in 2016, a level that has subsequently reduced only marginally. The actual staffing levels did not rise as quickly, reaching 20 in 2016 and 29 in 2018 before reaching 32 in 2021.

Staffing by Unit

In its Annual Report for 2024, IAASA states that at year-end IAASA had 36 staff structured into the following functional areas.

- Assurance Quality Supervision - which inspects the quality of audits of PIEs.
- Corporate Reporting Supervision which examines issuers annual and half-yearly reports for compliance with the relevant corporate reporting framework.

⁷⁰ These staff numbers do not include Board Members.

- Professional Body Supervision - which supervises the professional bodies regulation of their members.
- Standards & Policy which adopts auditing standards and guidance in Ireland.
- Organisational Development which oversees initiatives to enhance organisational effectiveness, supports people, culture, and innovation, and manages IAASA's social media and internal communications.
- Enforcement which undertakes the Authority's statutory investigations and enquiries.
- Corporate Services which provides finance, administration, HR, ICT, and facilities. management support to IAASA and a secretariat to the board and certain of its committees.⁷¹

Table 6 shows the staff for each of these units at year end 2023 and 2024. ⁷²

Table 6 - Staff by Unit for year end 2024

Unit	Staff 2023	Staff 2024
Assurance Quality Supervision	11.4	13.4
Corporate Reporting	5.1	6.1
Professional Body Supervision	5.9	5.9
Standards and Policy	2.3	2.3
Organisational Development	0.7	0.7
Enforcement	1.0	1.0
Corporate Services (Inc Chief Executive)	6.0	6.5
Total	32.4	35.9

⁷¹ IAASA Annual Report for 2024 page 39.

See <https://iaasa.ie/wp-content/uploads/2025/06/IAASA-Annual-Report-2024-FINAL.pdf>

⁷² Information for 2023 from IAASA 22 August 2025

At 31 December 2024, IAASA's Enforcement Unit had one senior enforcement counsel. The Authority's Enforcement Unit is overseen by IAASA's chief executive.⁷³

IAASA Staff Grades and Workforce Planning

IAASA has a large proportion of higher-grade staff, in particular Principal Officers (over 40% of total sanctioned staff). This high proportion reflects the technically demanding functions performed by IAASA, including the inspection of statutory audits of public interest entities. These roles require staff with specialised qualifications and experience – typically membership of a recognised accountancy body, and substantial and recent experience at the senior manager level or above within a large audit firm. Around two thirds of IAASA positions, including all senior posts, require membership of a professional organisation.⁷⁴ Around one third of IAASA positions require a third level qualification (QQI 6 equivalent) in an area relevant to the post. Table 7 shows IAASA Sanctioned and Actual Staffing at year end 2024.

Table 7 - Sanctioned and Actual Posts by Grade – Year-end 2024

	Sanctioned Post	Actual	Difference
(CEO) Assistant Secretary	1	1	0
Principal Officer⁷⁵	19	19	0
Assistant Principal Officer	2	0	2
Professional Account Grade 2	2	1.4	0.6

⁷³ See Annual audit programme and activity report for 2024 page 24. See https://iaasa.ie/wp-content/uploads/2025/07/AAPA_2024-DRAFT-KL.pdf

⁷⁴ The majority of people in those positions at present hence hold a QQI level 9 equivalent qualification.

⁷⁵ There are 3 Principal Officers at Higher level and 16 Principal Offers at Standard level.

Professional Account Grade 1	6	5	1
Higher Executive Officer	3	3	0
Executive Officer	8	5	3
Clerical Officer	1.5	1.5	0
Total	42.5	35.9	6.6

IAASA has a sanctioned headcount of 42.5 staff. The gap between actual and sanctioned numbers is 6.6 posts or 15.5%⁷⁶ of total sanctioned positions at year end 2024. IAASA does not consider these posts as vacancies. For the purposes of IAASA workforce planning the posts are deemed not required to be filled at the current level of IAASA operations. None of these posts are at the most senior levels, i.e., Principal Officer level or higher. Of the 6.6 vacancies, 2 were at Assistant Principal Officer, 1.6 at Professional Accountant Grade 1 and 2 and 3 at Executive Officer Level.

As shown above, IAASA has maintained steady sanctioned staff levels both prior to 2014 and after 2016. While actual staff levels lagged the increase in sanctioned staff levels after 2014, this does not indicate significant retention and recruitment issues as set out above. IAASA has employed a range of methods to position the Authority as an attractive place to work, including a series of videos by staff describing what it is like to work for IAASA⁷⁷. Another significant feature of IAASA's working environment is the extensive remote working. Much of the IAASA's functions can be undertaken through remote work. The extensive off-site working arrangements have proven to be an attractive non-financial feature when recruiting and retaining staff, in particular senior skilled staff.

IAASA does, nevertheless, face challenges in a competitive employment market to ensure it has sufficient staff with requisite skills and experience, both now and into the future, including for example, to replace experienced staff when required.

Recommendation: IAASA to review workforce planning to consider any challenges arising in the medium term in areas of work and succession planning.

⁷⁶ The figures quoted are for Full Time Equivalent staff.

⁷⁷ See <https://iaasa.ie/home/careers/>

4.6 IAASA Financial Capacity

IAASA Funding

Since its establishment, IAASA has been partly funded by the Exchequer and partly by the accounting and auditing professions.⁷⁸ In particular and as set out in Sections 916 and 918 of the 2014 Act, IAASA can impose levies on professional bodies and PIE auditors. Funding can be described as follows:

- Supervision of corporate reporting, under the Transparency Directive, is funded by the Exchequer.
- Quality assurance of PIE audits is funded by levies on PIE auditors.
- Supervision of professional bodies is funded 40% by the Exchequer and 60% by levies on professional bodies.
- Other IAASA activities, not listed above, are also funded 40% by the Exchequer and 60% by levies on professional bodies.

Table 8 shows the funding allocations for the period 2021-2024 subdivided into Exchequer, PAB levies and PIE auditor levies.

Table 8 - IAASA Income from Exchequer, Professional Bodies and PIE Auditors

	2024 (€,000)	2023 (€,000)	2022 (€,000)	2021 (€,000)
Exchequer	1,541	1,319	1,212	1,258
Professional Body levies	1,322	1,108	1,076	1,146
PIE Auditor levies	2,428	2,193	1,919	1,943
Other income	159	112	78	64
Total	5,450	4,732	4,285	4,412

Table 8 indicates that for 2024, 28% of IAASA income was from the Exchequer, 24% from levies on PABs and 45% from levies on PIE statutory auditors. While

⁷⁸ Sections 916 and 918 of the 2014 Act, state that IAASA can impose levies on PABs and PIE auditors.

income in all three categories has increased between 2021 and 2024, the relative proportions have remained stable over that period. Averaged proportions for the 2021-2024 period, are 28% for income from the Exchequer, 25% for income from levies on PABs and 45% for income from levies on PIE statutory auditors. The stability in these proportions is indicative of a stable mandate and a consistent pattern of work undertaken by IAASA.

Table 8 shows an increase in total IAASA income. For example, total IAASA income increased by just over 15% from 2023 to 2024 and by almost 24% from 2021 to 2024. Each year an IAASA Programme of Expenditure sets out in detail the rationale for increases in funding. For example, the increase from 2023 to 2024 reflected the requirement to implement the new functions arising from the Corporate Sustainability Reporting Directive.

Other income largely comprises fees charged to third-country audit entities and fine/ settlement income.

The PCR analysis together with the views expressed by stakeholders indicates that IAASA manages well the various sources of income and has, as indicated in Table 8, maintained a stable and relatively strong financial position. The model represents value for the Exchequer which funds less than one third of IAASA annual budget. Some stakeholders, perhaps unsurprisingly, said that the levies are high but proportionate. The PCR view is that stakeholders find the funding model acceptable given IAASA's strong performance in its functions. The PCR found that the situation is in balance and there is no obvious rationale to increase the levies with a view to reducing the Exchequer contribution. The PCR noted that the only 100% Exchequer funded aspect is the functions under the Transparency Directive.

Apportionment of Levy Obligations

The size of the levy obligation of each PAB and each PIE auditor varies. The size of the levy allocated to each professional body is determined by an apportionment model agreed by the bodies and approved by the Board of IAASA and the Minister under section 916(4) of the 2014 Act. Similar arrangements apply, under section 918 of the 2014 Act, for the apportionment of fees payable by each PIE auditor. The variation in levies, across PABs and across statutory auditors enables a proportionate approach.

It is worth noting that the current model for apportioning levies among the PABs was agreed with the professional bodies in 2005. After subsequent review by IAASA and the professional bodies in recent years, the apportionment formula has been retained without amendment. Similarly, the PIE auditor model has remained unchanged since its adoption in 2016. The longevity of the apportionment model indicates a stable and generally accepted basis for

identifying the funding obligations on the Exchequer, professional bodies and PIE auditors.

Expenditure

Table 9 shows IAASA total year end expenditure for the period 2021-2024.

Table 9 - IAASA Expenditure 2021 - 2024

	2024 (€,000)	2023 (€,000)	2022 (€,000)	2021 (€,000)
Approved Programme of Expenditure	6,324	5,750	5,609	6,007
Actual Expenditure	5,450	4,732	4,285	4,412
Refunded/carried forward	866	1,018	1,324	1,595

IAASA's income (as set out in Table 8) is matched for accounting purposes to its expenditure as any excess (i.e., where approved expenditure is greater than actual expenditure) is, deferred to the following year as required under section 921 of the 2014 Act. Each year IAASA returns any Exchequer underspends to the Department and sets out the detail of the reason for any underspends. The equivalent professional body and PIE Audit Firm levy underspend amounts are carried forward and credited against future levies.

Key drivers for the excesses refunded/carried over are:

- a provision of approximately €600 thousand for consultancy and legal costs which could arrive in investigation and/or enforcement, which has not been required to date; and
- provisions for building works which IAASA has been unable to commence due to delays within OPW.

Reserve Fund

Section 919 of the 2014 Act requires IAASA to maintain a Reserve Fund for the purposes of funding investigative and/or enforcement actions. The Reserve Fund is funded by the Exchequer and by the levies on the prescribed accountancy bodies outlined above. Fine income from IAASA enforcement action is credited to the Reserve Fund and largely accounts for the increases in fund size year on year. For example, fine income pursuant to section 933 of the 2014 Act in 2024 was €59,022.⁷⁹ Table 10 shows the size of the Reserve Fund at year end for the period 2021-2024.

Table 10 - IAASA Reserve Fund

	2024 (€000)	2023 (€000)	2022 (€000)	2021 (€000)
Reserve Fund	680.2	675.8	616,6	603.0

The Department's analysis together with the views expressed by stakeholders indicates that IAASA manages well the various sources of income and has, as indicated in Table 10, maintained a stable financial position.

It should be noted that the Reserve Fund is limited to actions undertaken under sections 933 and 934 of the Act only. Other investigation, enquiry and enforcement actions are funded through current expenditure. For prudence, IAASA includes provision for potential actions in its annual Programme of Expenditure. This provision generally remains largely unspent, resulting in a carry-over of excess levy receipts carried forward to the subsequent year.

4.7 Payroll Services

At the time IAASA was established it had a total of seven staff and entered into an arrangement whereby the Department provided payroll services to IAASA and its staff. IAASA provides monthly refunds to the Department of the excess over the required Exchequer funding. The PCR does not conclude that this arrangement necessarily requires reform. It provides costs and other resources

⁷⁹ IAASA Annual Report for 2024 page 63.

See <https://iaasa.ie/wp-content/uploads/2025/06/IAASA-Annual-Report-2024-FINAL.pdf>

savings, being a type of shared services approach preferred by the guidance on periodic critical reviews. Given the time since IAASA's establishment, the PCR sees merits in reviewing the current arrangement with a view to confirming strengths in the current arrangement and areas, if any, for potential reform.

Recommendation: IAASA and the Department should review the current payroll arrangement between the Department and IAASA with a view to confirming strengths in the current arrangement and areas, if any, for potential reform.

4.8 Premises

A decision was made prior to IAASA's establishment to locate in Naas, Co Kildare and all IAASA staff have been based there since January 2006. As such, IAASA is fully decentralised. IAASA occupies two floors of Millenium Park, which are leased on behalf of the State by the OPW and in turn IAASA rents the premises from the OPW. The accommodation is accessible and fit for purpose. In light of changing work practices, in particular remote working, IAASA will complete a downsizing of its premises from two floors to one by September 2025, thereby saving IAASA, considerable costs on rent and related expenditure into the future, while also effectively halving its carbon footprint.

4.9 Conclusion

IAASA operates within well-established external governance and reporting relationships to the Oireachtas, the Minister and Department. Similarly, there are sound internal IAASA governance practices to underpin IAASA performance and capacity.

A stable statutory mandate contributes to IAASA's ability to maintain its organisational capacity to perform its functions. IAASA does not rely on outsourcing. Analysis of IAASA human resources data and financial information, for example, as presented in Tables 8 and 9, indicate that IAASA manages well the various sources of income and has maintained a stable financial position and good organisational capacity to deliver on its mandate. This conclusion is also supported by stakeholder engagement which indicated a positive view of IAASA's organisational capacity to deliver on its mandate and its professionalism in performing its functions.

IAASA has also demonstrated agility and resilience when responding to changes in functions brought about by EU policy reform. For example, IAASA adapted to its expanded functions arising from the introduction of the EU Transparency Directive and the direct scrutiny of PIE audits, as outlined in Chapter 2. IAASA has also made effective strategic decisions in how it should implement CSRD, i.e., by augmenting already existing functions rather than establishing a new CSRD function within IAASA.

In light of the above, and taking into account the views expressed by stakeholders, the PCR does not make recommendations for IAASA rationalisation or consolidation. The PCR acknowledges that an argument could be made, e.g., on grounds of administrative efficiencies, to combine IAASA's functions into a larger agency covering a wider range of corporate regulatory matters. The PCR also notes, however, that amalgamation into a larger body could risk diluting the current focused mandate, which stakeholders have identified as a key IAASA strength. The stated preference of the Review Group on Auditing, for a separate distinct body, remains relevant today.

Two areas, the CLG corporate structure and the current IAASA payroll arrangements, warrant further review by IAASA and DETE.

Chapter Five – Conclusions and Recommendations

IAASA's mandate, as expressed in its vision and mission, is aligned with the strategic goals of the Department of Enterprise, Tourism and Employment. For example, high quality corporate reporting and an accountable profession are part of ensuring that business regulation facilitates sustainable investment and development, competition in the marketplace and credible corporate governance.

While, IAASA's mandate has evolved since its establishment in December 2005 changes to IAASA's, roles and functions, have remained consistent with IAASA's original objects as expressed in the 2003 and 2014 Acts. Stakeholder engagement, undertaken as part of the PCR, has indicated that IAASA's clear and focused statutory mandate is a significant strength.

The PCR finds that IAASA is performing its functions well and doing so consistently. As set out in Chapter 3, IAASA performs well in its standard setting, supervisory enforcement and advisory functions. Links established by IAASA at EU and international level are beneficial to IAASA and support its performance in implementing its statutory mandate. Stakeholder engagement, undertaken as part of the PCR, has indicated a positive view of IAASA's performance and effective relationship management.

The PCR finds that IAASA operates within well-established internal and external governance and reporting structures. These arrangements contribute to the organisational capacity, both financially and in terms of skilled and experienced staff to deliver on IAASA's statutory mandate. Stakeholder engagement conveyed a positive view of IAASA's professionalism and capacity to perform its functions.

The PCR does not make recommendations for IAASA rationalisation or consolidation. The rationale underpinning the recommendations of the Review Group on Auditing in 2000, particularly with respect to an independent supervisory body for audit, remains valid today. IAASA's statutory mandate provides the foundation for its supervisory functions which significantly derive from EU law.

An argument could be made, e.g., on grounds of administrative efficiencies, to combine IAASA's functions into a larger agency covering a wider range of corporate regulatory matters. The PCR notes, however, that amalgamation into a larger body could risk diluting IAASA's current focused mandate, which stakeholders have identified as a key strength. The stated preference of the Review Group on Auditing, for a separate distinct Oversight Board, remains

relevant today. Stakeholder engagement indicated support for retaining IAASA as an independent and distinct agency with a focused mandate.

The PCR makes the following recommendations.

1. IAASA should continue its engagement and maintain regular dialogue with the Department, professional bodies and PIE auditors on the implications and consequences arising from the change in EU level of ambition on CSRD.
2. The Department should review with IAASA the statutory oversight of PABs in light of amendments in 2024 and potential new roles under the 6th Anti-Money Laundering Directive.
3. IAASA should liaise with the Department on the question of the alignment of Irish auditing standards. This could also inform any consideration of the alignment of the accounting standards used in Ireland.
4. IAASA should review its website from a user perspective with a view to increasing accessibility and navigability to enhance the user experience and promote the availability of IAASA related information.
5. IAASA should report to the Department on its follow-up actions if any on the results of the perceptions survey in 2023 and on the potential scope and timing of future surveys.
6. The Department and IAASA should continue to liaise to ensure that board vacancies are anticipated and filled promptly. The Department and IAASA should include in relevant procedures manuals arrangements for annual meetings between the Chair and the Minister.
7. The Department and IAASA to review IAASA CLG structure having regard to other State regulatory bodies.
8. IAASA to review workforce planning to consider any challenges arising in the medium term in areas of work and succession planning.
9. IAASA and the Department should review the current payroll arrangement between the Department and IAASA with a view to confirming strengths in the current arrangement and identify areas, if any, for potential reform.

Glossary of Key Terms

Accounting Directive	Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC
Anti-Money Laundering Directive	Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849
Audit Directive	Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC
Audit Regulation	Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC
Company Limited by Guarantee (CLG)	Not for profit corporate structure without shareholders or share capital
CEAOB	Committee of European Auditing Oversight Bodies providing a framework for EU co-operation between national audit oversight bodies

CSRD	Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting
DETE	Department of Enterprise, Tourism and Employment
DPER	Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation
ESMA	European Securities and Markets Authority the EU's financial markets regulator and supervisor
Financial Reporting Council (FRC)	The regulatory body for accounting and auditing in the UK
International Forum of Independent Audit Regulators (IFIAR)	An international body of independent audit regulators from 56 jurisdictions across representing Africa, North America, South America, Asia, Oceania, and Europe
Issuers	Entities whose securities (shares and debt) are admitted to trading on a regulated European market
Prescribed Accountancy Body (PAB)	A professional accountancy body that comes within the supervisory remit of IAASA
Public Interest Entity (PIE)	Entities whose securities are traded on a regulated market in the EU, a credit institution, or an insurance undertaking and whose audits are inspected by IAASA
Recognised Accountancy Body (RAB)	A PAB which can approve its members to work as statutory auditors and can approve statutory auditors for the purposes of the assurance of sustainability reporting

Statutory Audit	A mandatory, legally required examination of a company's financial records, undertaken by an independent auditor.
Statutory Auditor/Firm	A person or firm approved for the purposes of carrying out statutory audits
Transparency Directive	Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC

Appendix 1 – Membership of Working Group

Department of Enterprise, Tourism and Employment

Orla O'Brien (Chair)

Andrew Rae

Conor Verdon

Katherine Griffin

John Wheatley

Irish Auditing and Accounting Supervisory Authority

Eileen Townsend

Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation

Emma Lynch

James Eighan

Cara Barton

Appendix 2 – Stakeholder Engagement

Organisation	Stakeholder ⁸⁰	Method
DETE	Assistant Secretary Commerce, Consumer, and Competition (CCC) Division	Interview in person
	Principal Officer, Assistant Principal & Higher Executive Officer Liaison Unit	Group Interview in person
IAASA	Chair	Interview in person
	Board	Group Interview In person
	Chief Executive Head of Standards, Policy and Organisational Development	Interview In person
Government Departments		
DPER	Assistant Principal Vote Section	Interview via Teams
Department of Finance	Principal Officer Transparency Directive	Interview via Teams
Other Government		
Central Bank	Lead Transparency Directive	Interview via Teams with Department of Finance

⁸⁰ Stakeholders are defined by their relationship with IAASA i.e., direct link vs indirect and the depth and frequency of the interaction and expressed as categories including governance, regulatory mandate and functions, funders, peer public bodies.

Organisation	Stakeholder ⁸⁰	Method
PAB/RAB		
Chartered Accountants Ireland (CAI)		Interview via Teams
Association of Chartered Certified Accountants (ACCA)		Interview via Teams
Chartered Institute of Management Accountants (CIMA)		Interview via Teams
Association of International Accountants (AIA)		Interview via Teams
Chartered Institute of Public Finance and Accountancy (CIPFA)		Interview via Teams
PIE Audit Firms 2024 - Ireland		
PwC		Group Roundtable via Teams
KPMG		
Deloitte		
EY		
BDO		
Forvis Mazars		
Grant Thornton		
Corporate Reporting Supervision		
83 Companies listed on a main EU stock exchange		Results of Stakeholder Perceptions Survey
Other		
Accountants and Auditors		Results of Stakeholder Perceptions Survey

Appendix 3 – IAASA Standards Updates 2024

Number	Updated Standard ⁸¹
ISQM 1	Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements - Updated September 2024
ISA 220	Quality Management for an Audit of Financial Statements - Revised December 2021
ISA 230	Audit Documentation - Updated October 2023
ISA 240	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements - Updated October 2022
ISA 250A	Consideration of Laws and Regulations in an Audit of Financial Statements - Updated October 2023
ISA 260	Communication with Those Charged with Governance - Updated October 2023
ISA 300	Planning an Audit of Financial Statements - Updated October 2023
ISA 315	Identifying and Assessing the Risks of Material Misstatement - Updated October 2023
ISA 320	Materiality in planning and performing an audit
ISA 402	Audit Considerations Relating to an Entity Using a Service Organization - Updated October 2022
ISA 501	Audit Evidence - Additional Considerations for Specific Items - Updated October 2022

⁸¹ All 22 updates concern conforming amendments to ISA 600 which deals with special considerations applying to group audits, in particular those that involve component auditors. See <https://iaasa.ie/publications/isa-ireland-600-3>. ISQM 1 refers also to CSRD.

Number	Updated Standard⁸¹
ISA 510	Initial Engagements - Opening Balances
ISA 550	Related Parties - Updated October 2022
ISA 610	Using the Work of Internal Auditors - Updated October 2023
ISA 700	Forming an Opinion and Reporting on Financial Statements - Updated October 2023
ISA 701	Communicating Key Audit Matters in the Independent Auditor's Report - Updated October 2023
ISA 705	Modifications to the Opinion in the Independent Auditor's Report
ISA 706	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
ISA 710	Comparative Information - Corresponding Figures and Comparative Financial Statements
ISA 720	The Auditor's Responsibilities Relating to Other Information - Updated October 2023
ISA 805	Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement - Updated October 2023
ISQM 2	Engagement Quality Reviews - Updated October 2024