

Annual Report | 2011

Irish Auditing & Accounting Supervisory Authority

Supervisory constituencies

Prescribed Accountancy Bodies

The Authority's supervisory constituency comprises of nine Prescribed Accountancy Bodies ('PABs'). As at 31 December, 2011:

- the PABs' aggregate membership resident in Ireland stood at 30,890 an increase of 3% on the previous year; and
- the PABs' aggregate student membership resident in Ireland stood at 16,835, a decrease of 2% on the previous year.

Listed entities

The Authority's financial reporting supervisory remit extends to equity issuers, closed ended funds and issuers of debt instruments. As at 31 December, 2011, the Authority's financial reporting review constituency stood at 146 issuers, a decrease of 8% on the previous year. During the year those issuers published a total of 276 periodic financial reports, a decrease of 6% on the previous year.

Supervision of the PABs

Statutory Enquiries

During the year the Authority established 1 new Preliminary Enquiry.

Complaints

During the year a total of 26 complaints were received, an increase of 13% on the previous year.

In total, 22 complaints were closed during the year, consistent with the previous year.

Referrals

The Authority received 23 referrals from other regulatory bodies during the year relating to apparent non-compliance with professional standards, the Central Bank Act, 1997, and/or company law on the part of certain members/member firms of the RABs.

Approvals

During the year the Authority granted 22 approvals in respect of PABs' constitutional documents.

Statutory Audit Directive Regulations

Implementation

Following the transposition of the Statutory Audit Directive in 2010, the Authority continued to

devote considerable resources towards implementing the provisions of the transposing Regulations.

Registration of third country auditors and audit entities

Following the transposition of the Statutory Audit Directive, the Authority continued the development of a registration system – including guidance material – for the purpose of facilitating 'full' registrations under Regulation 113 of the Statutory Audit Directive Regulations.

Examination of certain listed entities' statutory financial reporting

During the year the Authority:

- conducted 59 reviews of issuers' periodic financial reports;
- raised 192 matters with issuers' Boards of directors;
- obtained a total of 126 undertakings in respect of future financial reports from a total of 20 issuers' Boards of directors; and
- agreed to the voluntary publication of revised financial reports by 2 issuers following reviews.

Advocacy & advisory

Advocacy

During the year, and pursuant to its statutory mandate to promote adherence to high professional standards, the Authority:

- published its observations on selected financial reporting issues for Boards' and Audit Committees' benefit; and
- published a comprehensive Guide to the provisions of the Statutory Audit Directive Regulations for stakeholders' benefit.

Advisory

During the year the Authority also provided specialist advice to the Minister and his officials on a range of other matters including a proposal for a Directive on the annual accounts of micro-entities, the Companies Consolidation and Reform Bill, a proposal for a single Directive to replace the two current accounting Directives, concerns of the IASB communicated to ESMA, and the draft Legal Services Bill.