

CHAPTER 2

*Principal goals &  
organisational structure*

## Principal goals & organisational structure

### 1. Principal goals

#### 1.1 Work Programme 2009-11

In accordance with section 13 of the Act, the Authority developed a draft Work Programme covering the three year period 2009-11 and issued same for public consultation in November, 2008.

The draft Work Programme was drawn up having regard to, amongst other considerations:

- the Authority's objects, as set out in section 8 of the Act (as amended);
- the Authority's functions, as set out in section 9 of the Act (as amended);
- the Authority's powers, as set out in section 10 of the Act (as amended);
- ancillary considerations, including the Authority's obligations and responsibilities as a statutory body and as a company incorporated under the Companies Acts;
- an analysis of the environment within which the Authority operates; and
- the resources available to the Authority.

#### 1.2 Principal Goals

Based on the foregoing, the draft Work Programme set out the following as being the Authority's key strategic goals for the period 2009 to 2011:

- i. to support and enhance public confidence in the accountancy profession through effective, independent supervision and, where appropriate, statutory Enquiry and Investigation;
- ii. to support and enhance public confidence in financial reporting through the exercise of

effective, independent supervision and, where appropriate, enforcement action;

- iii. to support and enhance public confidence in the accountancy profession and in financial reporting through the promotion of adherence to high professional standards and the provision of high quality advice to the Minister; and
- iv. to provide a consistent high standard of service to all stakeholders.

#### 1.3 Developments during the year under review of relevance to the Work Programme

During the year under review:

- the Authority was designated as the competent authority for the purposes of the European Communities (Transitional Period Measures in Respect of Third Country Auditors) Regulations 2009<sup>9</sup>; and
- the extent of the additional functions and responsibilities to be conferred on the Authority upon transposition of the revised European 8th Company Law Directive<sup>10</sup> ("Statutory Audit Directive") became somewhat clearer.

The significance of the latter is such that the Authority considered it appropriate to defer finalisation of the Work Programme pending what it believed was the imminent transposition of the Directive.

#### 1.4 Structure of this Report

The Authority's activities during the year in seeking to achieve Goals i to iv above are elaborated upon in Chapters 3 to 6 of this Report.

<sup>9</sup> S.I. No. 229 of 2009, which gave effect to European Commission Decision 2008/627/EC.

<sup>10</sup> Directive 2006/43/EC.

## 2. Organisational structure

### 2.1 Overview

In reflecting the work streams that flow from the foregoing goals, the Authority is structured into four Units, i.e.:

- Regulatory & Monitoring Supervision, which is concerned principally with supervision of the Prescribed Accountancy Bodies, registration of third country auditors and audit entities and ancillary activities;
- Financial Reporting Supervision, which is concerned principally with financial reporting review and ancillary activities;
- Legal Services, which, in addition to providing in-house legal advice and related services to the Authority, provides a Secretariat to the Board and to certain of its Committees; and

- Finance & Administration, which provides corporate services support to the Authority.

While many of the activities flowing from the Authority’s goals fall logically into the preceding structure, it is also the case that the nature of certain activities, taken together with the Authority’s size, is such that more than one Unit may be involved in certain activities.

### 2.2 Approved staff complement

In accordance with the provisions of section 17(2) of the Act, the numbers, grades, and terms and conditions of the Authority’s staff shall be determined by the Authority with the approval of the Minister, given with the consent of the Minister for Finance. Accordingly, any amendments to the Authority’s approved staff complement require both Ministers’ prior approval. Details of the Authority’s approved and actual staff complements are set out in the Table below.

**Table 7: Approved and actual staff complements**

	Approved	Actual <sup>11</sup>
Chief Executive	1	1
Heads of Function	3	3
Project Managers - Professional Staff (Accountants)	6	5
Head of Finance & Administration	1	1
Administrative Executive	2	1
Clerical Support Staff	2	1
<b>Total</b>	<b>15</b>	<b>12</b>

The difference between approved and actual staff complements since the Authority’s establishment had been attributable to a combination of the:

- i. considerable difficulties that the Authority had encountered in recruiting suitably experienced professional staff at the salary levels approved for those posts; and

- ii. Authority’s policy of recruiting administrative support staff in line with the increase in its workload.

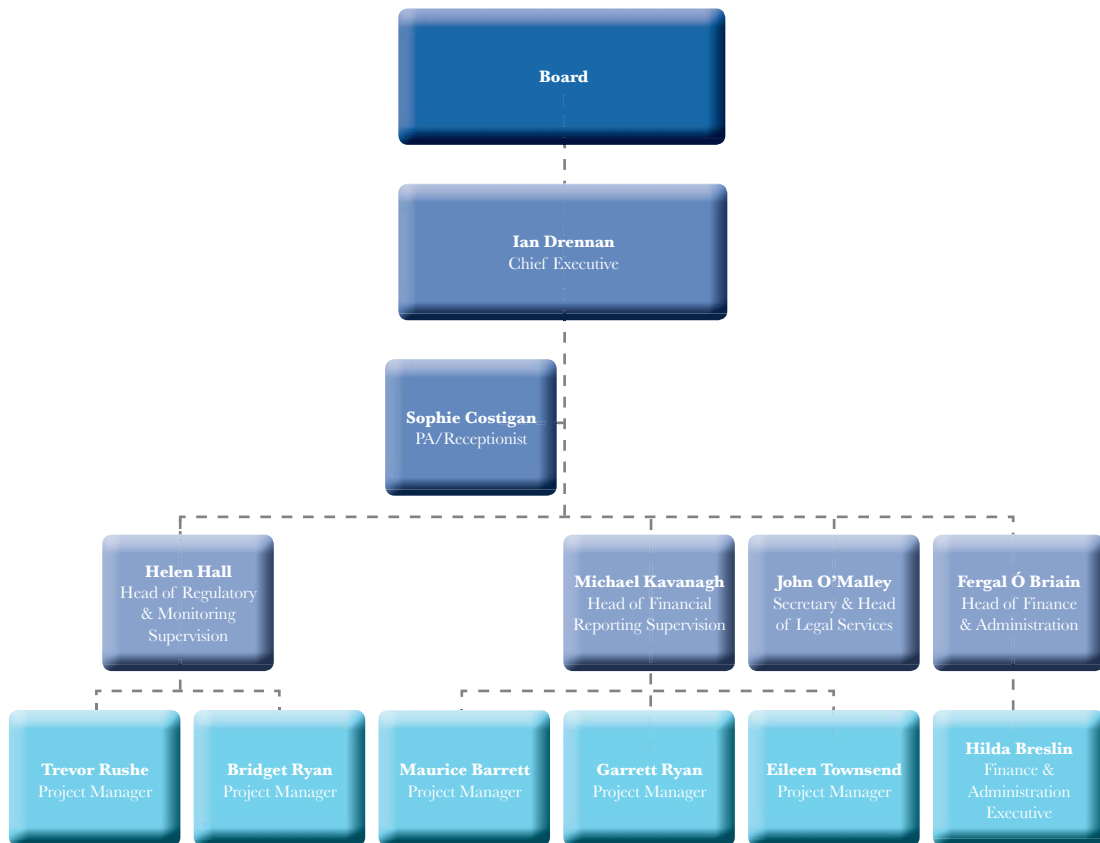
While current economic conditions are such that, were the Authority in a position to recruit professional staff, the recruitment of such staff would be expected to be considerably less problematic

<sup>11</sup> At 31 December, 2009.

than has previously been experienced, the Authority is currently precluded from all recruitment by Government Decision<sup>12</sup>.

### 2.3 Organisational structure

The Authority’s organisational structure as at 31 December, 2009 was as set out in the organisation chart below.



<sup>12</sup> Government Decision S180/20/10/0964B of 8 July, 2008 on public service expenditure.