

BYE LAW 13

PRACTICE & AUDIT REGULATIONS

13.1

Introduction

13.1.1

In this Bye Law 13, a reference to any statute or statutory provision includes reference to that statute or statutory provision as from time to time amended, extended or re-enacted, with or without amendment.

13.1.2

In this Bye Law 13, unless there is something inconsistent in the subject or context, words denoting the singular number only, include the plural and vice-versa; words denoting one gender only, include the other genders; words denoting individuals include corporations and vice-versa; and references to "person" include reference to a *Firm*, or corporation, or other body of persons; words such as "hereunder", "hereto", "hereof" and "herein" and other words commencing with "here" shall refer, unless the context clearly indicates to the contrary, to the whole of this Bye Law 13 and not to any particular section or paragraph thereof.

13.1.3

The headings and captions to the paragraphs in this Bye Law 13 are inserted for convenience of reference only and do not affect its construction or interpretation.

13.1.4 The defined terms set out in Article 1 and Article 48 of the *Articles* have the same meaning in this Bye Law 13.

13.2

Registration Committee & Registration Appeals Committee

13.2.1

The Registration Committee of the *Institute*, as appointed by *Council* annually shall be responsible for the application and implementation of this Bye Law concerning practice and audit regulations.

13.2.2

The Committee must:

- (a) consist of at least eight people; and
- (b) include at least two persons who are not *Members*; and
- (c) have a quorum of three persons, one of whom is required to be a non-*Member*.

13.2.3

No *Member* of *Council* is eligible to be a *Member* of the Registration Committee. No *Member* of the *Investigation Committee*, the *Disciplinary Committee*, the Appeals Panel or the Registration Appeals Committee is eligible to be on the Registration Committee.

13.3 Responsibilities & Powers of the Registration Committee

13.3.1

The Registration Committee is responsible for the development of policy in relation to practising certificates and auditing certificates. The Registration Committee shall decide the content of the initial application form and the annual renewal application and shall recommend to *Council* amendments to this Bye Law 13.

The Registration Committee is responsible for the oversight of the continuing education function applicable to statutory auditors. In doing so it shall set and monitor key performance indicators for CPD compliance, monitoring and enforcement.

13.3.2

In the execution of its duties under this Bye Law 13, the Registration Committee shall have the power to:

- (i) require the co-operation of any *Member, Authorised Firm, Affiliated Partner or Responsible Individual* and the production of any document it considers appropriate to the proper performance of its duties;
- (ii) authorise any sub-Committee, the Secretariat or other duly appointed agent to enquire into any matters as required by the Committee or its Chairman.

13.4 Practising Certificates

13.4.1

The Registration Committee has the power to:

- a) grant applications for Practising Certificates;
- b) grant applications for Practising Certificates with restrictions and/or conditions;
- c) refuse applications for Practising Certificates;
- d) renew Practising Certificates;
- e) renew Practising Certificates with restrictions and/or conditions;
- f) refuse to renew Practising Certificates;
- g) review all returns and reports made under this Bye Law 13;
- h) grant or refuse dispensation from the requirements of this Bye Law 13;
- i) make appropriate enquires into the eligibility of a *Member* to hold a Practising Certificate (by *Writing*, or authorising a quality assurance review or visit to the *Firm's* office or offices, or in any other way);
- j) make appropriate enquiries to confirm that a *Member* holding a Practising Certificate is complying with this Bye Law (by Ordering that the *Firm* be written to or visited, using a periodic return, or in any other way);
- k) publish in any manner it decides its orders or decisions if it believes this to be appropriate following the expiration of any appeal period or appeal process provided for in bye law 13; and



- l) make a complaint under Bye Law 6 where it believes that such a complaint should be made and;
- m) withdraw a Practising Certificate in accordance with bye law 13.31.



- n) grant or reject re-applications for a practising certificate
- o) grant re-applications for a practising certificate subject to restrictions or conditions
- p) suspend a practising certificate in accordance with 13.31.2
- q) to devise a programme of education in accordance with Bye Law 13.22.1.
- r) refer a matter to the CPD Compliance Committee where it believes that such a referral should be made.

13.4.2

If the Committee has reasonable grounds to question the current competence or integrity of a *Member* holding a Practising Certificate or applicants, it may seek, from whatever source, such additional information as it deems necessary.

13.4.3

Members holding Practising Certificates and applicants for the initial grant or renewal of a Practising Certificate must provide the Committee with such information as it requests regarding their current competence and integrity.

13.4.4

The Committee may delegate at its own discretion any of its responsibilities and powers to any sub-Committee, *employees of the Institute* or other duly appointed agent other than:

- (a) refusing to grant or renew Practising Certificates or
- (b) imposing restrictions or conditions on Practising Certificates
- (c) reject re-applications for a practising certificate and firm registration
- (d) Impose restrictions or conditions to re-applications for a practising certificate and firm registration
- (e) suspend a practising certificate and firm registration in accordance with 13.31.2
- (f) withdraw a Practising Certificate and firm registration in accordance with bye law 13.31.

13.4.5

Where such delegations occur a summary of delegations made must be presented to the Registration Committee on an annual basis.

13.5

Registration of Statutory Audit Firms and Non Audit Firms

13.5.1

The Registration Committee has the power to:

- a) grant applications for registration;
- b) grant applications for registration subject to restrictions or conditions;
- c) reject applications for registration;
- d) renew applications for registration;
- e) renew applications for registration subject to restrictions or conditions;



- f) grant or reject applications for renewal of registration;
- g) grant or reject re-applications for registration;
- h) grant re-applications for registration subject to restrictions or conditions
- i) suspend the firms registration in accordance with 13.31.3
- j) withdraw registrations;
- k) impose restrictions or conditions it considers appropriate on how a *Statutory Auditor or Statutory Audit firm* carries out audit work;
- l) grant or refuse dispensation from the requirements of this Bye Law 13;
- m) make appropriate enquiries into the eligibility of an applicant for registration (by way of *Writing* or ordering a quality assurance review or a visit of the office or offices of a *Firm*, or in any other way) and may exchange information to other Recognised Accountancy Bodies on a regulator to regulator basis.
- n) make appropriate enquiries to confirm that a *Statutory Auditor or Statutory Audit firm* is complying with this Bye Law 13 (by *Writing*, visiting a *Firm's* office or offices, using a periodic return, or in any other way);
- o) publish, in any manner it decides, its orders or decisions if it considers it appropriate following the expiration of any appeal period or appeal process provided for in bye law 13;
- p) compile and maintain the Register of *Statutory Auditors* and *Statutory Audit Firms* in accordance with Schedule 20, Companies Act 2014 and supply information to the Registrar of Companies in the Republic of Ireland or the designated competent authority under law and;
- q) In line with the requirements of Schedule 20, Companies Act 2014, assign an individual identification number for each *Statutory Auditor* and *Statutory Audit Firms* and ensure a written record is maintained of all such numbers assigned;
- r) review all returns and reports made under this Bye Law 13;
- s) make a complaint under Bye Law 6 where it believes that such a complaint should be made.
- t) refer a matter to the CPD Compliance Committee where it believes that such a referral should be made.

13.6 Registration Committee Procedures

Subject to these Bye-Laws 1-14 inclusive, the Registration Committee may, in carrying out their duties under this Bye Law 13 decide on its own procedures provided such procedures are not in conflict with these Bye Laws 1-14 inclusive.

13.6.1

Only the following at the discretion of the Registration Committee, may attend a meeting of the Registration Committee:

- a) Members of the Committee;
- b) the Secretary of the Committee;
- c) any *employees* appointed by the *Institute* to advise or to inform the Committee of its responsibilities, duties, powers or procedures, including the Bye Laws, the law;
- d) a representative of Irish Auditing and Accounting Supervisory Authority;
- e) Persons to whom delegations have been made at 13.4.4;
- f) Persons authorised in accordance with 13.2;
- g) Members or representatives of *Authorised Firms* and/or their legal representatives; and
- h) Anyone else the Committee permits.

13.7 Waivers

13.7.1

A *Member, Authorised Firm, Affiliated Partner or Responsible Individual* who is unable to comply with one or more of the provisions set out in this Bye Law 13 must advise the Registration Committee *In Writing* as soon as possible of the particular Bye Law(s) with which he/ she is unable to comply with, the extent of, and the reason(s) for, his/her inability to comply and of the actions he/she proposes to take to remedy the position.

13.7.2

If the Registration Committee considers that the actions proposed in accordance with 13.7.1 will remedy the position it may grant a waiver from the requirements to comply with one or more of the provisions set out in this Bye Law 13 subject to relevant legislation. The period of the waiver granted will depend upon how long the Registration Committee considers the *Member, Authorised Firm, Affiliated Partner or Responsible Individual* will need in order to remedy the non-compliance.

13.7.3

The Registration Committee may at its discretion waive or alter the requirements of this Bye Law 13, subject to relevant legislation, with or without extra conditions (in order to adapt them to the particular circumstances where relevant of the *Member, Affiliated Partner, Responsible Individual or Authorised Firm* for the particular kinds of business carried on and the procedures used) if the Registration Committee considers that:

- (a) complying with the relevant requirements is too burdensome for the *Member, Affiliated Partner or Responsible Individual or Authorised Firm* compared to any benefit which compliance might give to clients or the public; and
- (b) altering the requirements set out in this Bye Law 13 will not result in any undue risk to clients or the public.

13.7.4

The Registration Committee's decision to grant or refuse to grant a waiver with or without conditions shall be final and is not open to appeal. Waivers shall only be granted in exceptional cases by the Registration Committee and at its sole discretion and shall be decided on a case by case basis. The Registration Committee shall not grant a waiver or alter the requirements of this Bye Law if the requirements that the *Member, Affiliated Partner, Responsible Individual or Authorised Firm* is unable to comply with are requirements provided for by law.

13.8

Disclosure of Information

13.8.1

In exercising its powers and carrying out its duties under this Bye Law 13 the Registration Committee will treat all information as confidential but may disclose any information if it believes it is appropriate to do so in the following circumstances:

- (a) to individuals appointed to investigate complaints against *Members, Affiliated Partner or Responsible Individuals* or *Authorised Firms* in accordance with Bye Law 6;
- (b) to any *Institute* Committee empowered by *Council* in the regulatory and disciplinary areas;
- (c) in connection with the discharge by the *Institute* of its functions as a regulatory body under the legislation governing accounting, auditing and investment business practice in the Republic of Ireland; and
- (d) if it is required to do so by law
- (e) to the Irish Auditing and Accounting Supervisory Authority
- (f) to another Recognised or Prescribed Accountancy Body in connection with the discharge by the *Institute* of its functions as a regulatory body
- (g) to a competent authority in another Member State with regard to a firm authorised in accordance with Section 1465 Companies Act 2014.

13.9

The Registration Appeals Committee

13.9.1

The *Council* shall appoint a Registration Appeals Committee (the Appeals Committee) of at least six people, to include at least two persons who are non-*Members*; and which shall have a quorum of three persons, at least one of whom is required to be a non - *Member*.

13.9.2

No member of *Council* is eligible to be on the *Appeals Committee*. No member of the *Investigation Committee*, the *Disciplinary Committee*, the Appeals Panel or the Registration Committee is eligible to be a member of the Registration Appeals Committee.

13.9.3

If a *Member, Affiliated Partner, Responsible Individual, Authorised Firm* or an applicant for authorisation in accordance with Bye Law 13, is dissatisfied with a decision of the Registration Committee in relation to the refusing to grant or renew an authorisation, to withdraw a practising certificate, to withdraw the registration of an *Authorised Firm*, to refuse to grant registration to a *Statutory Audit Firm*, to impose conditions or restrictions on a practising certificate or to impose restrictions or conditions on how a statutory auditor carries out audit work, he/she may appeal the decision before the Appeals Committee. The *Member, Affiliated Partner, Responsible Individual*, applicant for authorisation in accordance with Bye Law 13 or *Authorised Firm* must so appeal *In Writing* (setting out the grounds of the appeal and all accompanying documentation) to the Appeals Committee within ten business days of the notice of the Registration Committee's decision being served.

13.9.4

A *Member, Affiliated Partner, Responsible Individual*, applicant for authorisation in accordance with Bye

Law 13 or *Authorised Firm* can only appeal on the grounds that the Registration Committee:

- (a) was wrong in law;
- (b) wrongly interpreted any relevant Bye Law; or
- (c) did not comply with this Bye Law 13.

13.9.5

As soon as is practicable after notice of the appeal has been received under this Bye Law 13, the Registration Appeals Committee will consider the appeal and may:

- i. allow the appeal and require the Committee to grant or renew the authorisation;
- ii. allow the appeal and require the Committee to reverse the decision to withdraw the practising certificate;
- iii. allow the appeal and require the committee to reverse the decision to withdraw the authorisation of the Firm;
- iv. allow the appeal and require the committee to reverse the decision to refuse to grant the registration of a *statutory audit firm*;
- v. impose a less severe restriction and/or condition;
- vi. send the matter back to the Committee to be considered again; or
- vii. dismiss the appeal.
- viii. make appropriate enquiries into eligibility of an applicant for registration (by way of *Writing*, or ordering a quality assurance review or a visit of the office or offices of a *Firm*, or in any other way);
- ix. make appropriate enquiries to confirm that a *Statutory Auditor* is complying with this Bye Law 13 (by *Writing*, visiting a *Firm's* office or offices, using a periodic return, or in any other way)
- x. publish its orders or decisions in accordance with the publication policy of the Institute following the expiration of any appeal period or appeal process provided for in bye law 13.

13.9.6

The Appeals Committee shall order the *Member, Affiliated Partner, Responsible Individual*, an applicant for authorisation in accordance with Bye Law 13 or *Authorised Firm* to contribute to the costs of the hearing if the appeal is dismissed.

13.9.7

Any previous disciplinary finding, conviction, decision, sentence or judgement (including criminal and civil court decisions) will not be re-opened before the Registration Committee, or the Appeals Committee.

13.9.8

The decision of the Appeals Committee is final.

13.10**Procedures of the Registration Appeals Committee**

13.10.1

Subject to these Bye Laws 1-14 inclusive, the Registration Appeals Committee may, in carrying out its duties under this Bye Law 13 decide on its own procedures provided such procedures are not in conflict with these Bye Laws 1-14 inclusive.

13.11**Representation Before the Registration Appeals Committee**

13.11.1

Only the following may attend a meeting of the Registration Appeals Committee:

- (a) Members of the Committee;
- (b) Secretary of the Committee;
- (c) Representative of the Irish Auditing and Accounting Supervisory Authority;
- (d) Any *employee* appointed by the *Institute* to advise or to inform the Committee of its responsibilities, duties, powers or procedures, including the Bye-Laws, or the law; and;
- (e) Anyone else the Committee permits;
- (f) Persons to whom delegations have been made at 13.4.4;
- (g) Persons authorised in accordance with 13.2 ; and
- (h) Members or representatives of *Authorised Firms* and/or their legal representatives.

At meetings of the Appeals Committee the *Member, Affiliated Partner, applicant under Bye Law 13 or Responsible Individual* and the *Institute* have a right to attend and be heard and represented by an agent or a legal advisor.

13.12**Notification to Committees**

13.12.1

The Registration Committee and the Registration Appeals Committee shall make a complaint in accordance with the Disciplinary Bye Laws (Bye Law 6) about any fact or matter which:

- (a) suggests that an *Authorised Firm, Member, Affiliated Partner or Responsible Individual* may be liable to disciplinary action under these Bye Laws 1-14 inclusive and
- (b) in the opinion of the Committee needs to be investigated.

13.12.2

Information can be exchanged for regulatory purposes between the *Institute* departments and the Registration Committee, the Registration Appeals committee, CPD Committee, CPD Compliance Committee and the committees referred to in Bye Law 6. Information may also be exchanged with bodies on a regulator to regulator basis.

13.13

PRACTICE REGULATIONS

13.13.1

This Bye Law 13 applies to all *Members, Authorised Firm, Affiliated Partners and Responsible Individuals* intending to engage in *Public Practice in accordance with this Bye Law 13 and the Memorandum and Articles of Association*, and those *Members* who are or have been engaged in *Public Practice*.

13.14

Responsibility

13.14.1

It is each *Member's, Authorised Firm's, Affiliated Partner's and Responsible Individual's* own personal responsibility to ensure that he/she only engages in *Public Practice* if he/she complies with this Bye Law 13 and holds a Practising Certificate granted by the Registration Committee of this *Institute* or granted by a recognised accountancy body or so deemed by the Registration Committee to be equivalent.

13.14.2

In determining whether an *Authorised Firm, Member, Affiliated Partner or Responsible Individual* is engaging in *Public Practice* the decision of the Registration Committee shall be final.

13.15

Conditions for engaging in *Public Practice*

13.15.1

A *Member, Authorised firm, Affiliated Partner or Responsible Individual* shall not engage in *Public Practice* other than in accordance with this Bye law 13.

13.15.2

A *Member* who engages in *Public Practice* must hold a current Practising Certificate.

13.15.3

Public Practice is the provision of services; including accounting and related services, for which the relevant skills have been acquired by a *Member, Affiliated Partner or Responsible Individual* by reason of his/her training and qualification to persons other than his/her employer.

13.15.4

Members and Firms engage in *Public Practice* in accordance with these Bye Laws if, otherwise than as an employee, they hold themselves out as offering services to the public normally performed by a Certified Public Accountant. Examples of such services include (but without prejudice to the generality) Auditing, Accounting, Taxation, Management Consultancy and Company Secretarial Services.

13.15.5

Members and Firms are also deemed to be in *Public Practice* if they conduct a part-time practice while in full time employment with a public accountant or in *Industry, Commerce* or the public sector.

13.15.6

Accountancy services include preparing and advising on accounts (including management accounts) or

financial information, auditing and financial reporting, taxation, and financial and management consultancy but in the case of consultancy work only where the principal consultancy activity is accountancy related.

13.15.7

The services described at 13.15.4 can be deemed to be core services. A *Member* carrying out related services i.e. book-keeping and payroll services, company secretarial support services and consultancy where the principal consultancy activity is not accountancy related will not be deemed to be engaging in public practice in accordance with this Bye Law when carrying out related services alone, provided the nature of these services is assisting clients in the maintenance of books and records and does not include the provision of further advice, and these services are not promoted in such a way as to create the impression of a connection with the supply of a core service or in circumstances referred to in 13.15.9.

13.15.8

A *Member or Firm* will be deemed to be in *public practice* if they hold themselves out in such a way as to create an impression to the public that the quality of services provided will be enhanced by virtue of the provider being a Certified Public Accountant

13.15.9

For the purpose of determining whether a *Member or Firm* is engaged in *Public Practice*, but without prejudice to any other provision in this Bye Law:

- (a) A *Member* who is employed in *Public Practice* is not engaged in *Public Practice* by virtue of his/her employment, provided he/she is not a director or owner of the *Public Practice*.
- (b) A *Member* who *acts* as a director of a company or companies is not thereby engaged in *Public Practice* unless one or more of these companies is a *Public Practice*.
- (c) A consultant to a *Firm* is not engaged in *Public Practice* by virtue of his consultancy if he/she provides accountancy and related services to the *Firm* and not directly to the clients of the *Firm* and the consultancy.
- (d) A sub-contractor to a *Firm* is not engaged in *Public Practice* by virtue of his/her sub-contract if he/she provides accountancy and related services under a written agreement indemnifying him/her from risk and in no way holds himself out to be a partner of the *Firm*.
- (e) A *Member* who gratuitously or for a nominal fee
 - (i) provides accountancy services to a small charitable, community, religious or sporting body, or to similar bodies of a non profit making nature, or
 - (ii) provides accountancy or tax services for family members or friends provided these third parties are aware that the services are not being provided by way of a business and no fee is charged or a nominal fee is charged;

is not engaged in *Public Practice* virtue by only of so providing or so acting.

In the circumstances detailed in 13.15.9 (a) to (e) inclusive a *Member* does not require a Practising Certificate.

13.16

Required Information

13.16.1

A *Member, Authorised Firm, Affiliated Partner or Responsible Individual* in Practice must provide such returns, *Statements* or other information as the Registration Committee considers necessary. These must be in the form (electronic or otherwise) determined by the Registration Committee.

13.17

Incomplete Applications and Re-Applications

13.17.1- Incomplete Applications

Incomplete applications for the initial grant or renewal of a practising certificate or for the initial grant or renewal of registration as a statutory audit firm or non audit firm or for the initial grant or renewal of registration as a *Responsible Individual* or an *Affiliated Partner* shall not be considered by the Registration Committee.

13.17.2 – Re-Applications

The Registration Committee may accept abridged applications for practising certificates for audit qualification, non-audit, responsible individuals and affiliated partners from previous holders of such in circumstances where a Practising Certificate was surrendered.

A re-application must be made in such form (including in electronic form) and contain such information as the Registration Committee requires.

13.18

Cessation of Public Practice

13.18.1

A *Member, Affiliated Partner or Responsible Individual* who intends to cease engaging in public practice must notify the Committee of that intention not later than one *Month* before he ceases.

13.18.2

An *Authorised Firm* that intends to cease to act as a *Statutory Audit Firm* must notify the Committee of that intention not later than one *Month* before it ceases.

13.18.3

An *Authorised Firm* that intends to cease to act as a *Statutory Audit Firm* and to apply for registration as a *Non Audit Firm* must notify the committee of that intention not later than one month before it ceases and must make an application in accordance with Bye Law 13.40.

13.18.4

An *Authorised Firm* that intends to cease to act as a *Non Audit Firm* and to apply for registration as a *Statutory Audit Firm* must notify the committee of that intention not later than one month before it ceases and must make an application in accordance with Bye Law 13.40.

13.18.5

Upon cessation in accordance with Bye Law 13.18.1, a *Member, Affiliated Partner or Responsible Individual* must satisfy the Committee on the following matters in relation to himself/herself:

- (a) that there are no outstanding regulatory or disciplinary matters;
- (b) that all returns due have been submitted;
- (c) that all fees due have been paid;

- (d) that the *Professional Indemnity Insurance Bye-Laws* have been complied with;
- (e) that provision has been made for the continuity of the practice.

13.18.6

Upon cessation in accordance with Bye Law 13.18.2, an *Authorised Firm* must satisfy the Committee on the following matters in relation to itself:

- (a) that there are no outstanding regulatory or disciplinary matters;
- (b) that all returns due have been submitted;
- (c) that all fees due have been paid;
- (d) that the *Professional Indemnity Insurance Bye-Laws* have been complied with;
- (e) that provision has been made for the continuity of the practice.

13.18.7

If a *Member, Affiliated Partner or Responsible Individual* ceases to engage in *public practice* the Registration Committee has the right if it believes it necessary to make a *Complaint* under Bye Law 6 in relation to any alleged breaches of these Bye laws 1-14 inclusive. The cessation of practice does not prevent disciplinary action in accordance with Bye Law 6 being taken against a *Member, Authorised Firm, Affiliated Partner or Responsible Individual*. Where considered appropriate by the Registration Committee, the Recognised or Prescribed Accountancy Body of a *Member, Affiliated Partner or Responsible Individual* may be advised of the matter.

13.18.8

If an *Authorised Firm* ceases to operate as an *Authorised Firm* the Registration Committee has the right if it believes it necessary to make a *Complaint* under Bye Law 6 in relation to any alleged breaches of these Bye Laws 1-14 inclusive. The cessation of registration does not prevent disciplinary action in accordance with Bye Law 6 being taken against a firm.

13.19

Continuing Responsibilities after a Practising Certificate or Audit Registration has expired or has been surrendered

13.19.1

A *Member or Responsible Individual* who has held a Practising Certificate, which has, for whatever reason, expired or been surrendered, may still be subject to regulatory and/or disciplinary action in respect of his/her conduct during the time that he/she did hold a Practising Certificate or if he fails to comply with any Bye-Law or other obligation having a continuing effect after his/her Practising Certificate has expired.

An *Authorised Firm*, which has, for whatever reason, ceased to operate, may still be subject to regulatory and/or disciplinary action in respect of conduct during the time that the firm was registered, or if it fails to comply with any Bye-Law or other obligation having a continuing effect after its registration as a *statutory audit firm or non audit firm* has expired.

13.19.2

The *Institute's* right to recover any unpaid fees or other amounts due from a *Member, Affiliated Partner or Responsible Individual*, including any fines imposed or costs awarded, under these Bye Laws 1-14 inclusive does not end if authorisation as a *Member, Affiliated Partner, Responsible Individual* ceases.

The *Institute's* right to recover any unpaid fees or other amounts due from an *Authorised Firm*, including any fine imposed or costs awarded, under these Bye Laws 1-14 inclusive does not end when it is no longer operates as an *Authorised Firm*.

Practising Certificate

13.20

Eligibility to hold a Practising Certificate

13.20.1

The Registration Committee will consider an application from a *Member* for the initial grant of a Practising Certificate only if he/she meets the following eligibility criteria as set out hereunder from a) to i):

- a) he/she has obtained at least two years Approved Post *Membership* Experience in accordance with this Bye Law 13;
- b) he/she has evidenced compliance, to the satisfaction of the Committee, with the *Institute's* Professional Indemnity Insurance Bye-Law;
- c) he/she has completed Advanced Taxation examination at Professional 2 level in accordance with Bye Law 12 and the Institute Examination Regulations or deemed equivalent examinations of a Recognised Accountancy Body in Ireland.
- d) he/she has evidenced compliance, to the satisfaction of the Committee, with the *Institute's* Continuing Professional Development Bye-Law over the previous two years;
- e) he/she has attended within the previous 36 months a Practice Orientation programme and has passed the associated exam.
- f) he/she confirms that he has an up to date knowledge of the Institute's Code of Ethics;
- g) he/she is a fit and proper person to hold a Practising Certificate;
- h) he/she has applied in accordance with this Bye Law 13; and
- i) he/she has a continuity of practice agreement in place if he/she is so required by Bye Law 13.25.

13.21

Post *Membership* Experience

13.21.1

Subject to Article 5(b) for a *Member* to be eligible for a Practising Certificate he must have obtained at least two years Approved Post *Membership* Experience.

13.21.2

Approved Post *Membership* Experience (APME) is defined as supervised experience obtained by a *Member* after admission to the *Profession* which is relevant to their intended area of *Public Practice*, as an employee of an accountant in *Public Practice* or as an employee in *Commerce* or *Industry*. This experience must be supervised by a qualified accountant. This APME can be gained in any environment provided it is relevant to the area(s) in which the *Member* wishes to engage in *Public Practice*. The Registration Committee is entitled to make such enquires as it believes reasonable to verify this information. This shall include third party confirmation.

13.21.3

If the Committee believes that the APME gained is either not relevant or too remote from the date of the application, it may issue the Practising Certificate with restrictions or conditions. The Registration Committee may refuse to issue a Practising Certificate if the Committee believes that the *Member* does not have APME as defined in Bye Law 13.21.2

13.21.4

The APME does not have to have been obtained in Ireland. However, *Members* wishing to use experience gained elsewhere to support an application for a Practising Certificate must to the satisfaction of the Registration Committee consider whether they require a period of adaptation before they are able to satisfy the fundamental principles of the *Institute's* Code of Ethics.

13.21.5

Members can commence their APME any time after the date of admission into *Membership* of the Profession. However, *Members* should note that, whilst the two years APME can be achieved at any time after they become eligible to do so, that the Committee in determining whether to issue a Practising Certificate will place greater emphasis on relevant experience obtained in the four years preceding the application. If the Committee believes that the experience gained is either not relevant or too remote from the date of the application, it may issue the Practising Certificate with restrictions and/or not issue it.

13.22

Practice Orientation Programme

13.22.1

The Practice Orientation Programme is a programme of education devised by the Registration Committee. This programme must be undertaken and the associated examination passed within the preceding 36 months before an application for a practising certificate can be made by a *Member*.

13.23

Issue of a Practising Certificate

13.23.1

A Practising Certificate will normally be issued for a period not exceeding 12 *Months* and ending on the 31 March and shall be renewed annually for the period of 12 *Months* from 1 April to 31 March subject to the requirements this Bye Law 13.

13.23.2

The Registration Committee may issue a Practising Certificate for a period of less than 12 months in circumstances where it deems it appropriate to do so.

13.23.3

A *Member* who ceases to engage in public practice shall forthwith return their Practising Certificate to the *Institute*.

13.23.4

An *Authorised Firm* registered as a *Statutory Audit Firm* who ceases their statutory audit registration shall forthwith return their Auditing Certificate.

13.23.5

Practising Certificates will be issued for a twelve *Month* period from 1 April to the following 31 March therefore Practising Certificates issued to persons who have applied during the course of the year will be for a period of less than twelve *Months*.

13.24

Application for the Initial Grant of or Re-application for a Practising Certificate

13.24.1

An application for the grant of a Practising Certificate (initial or re-application) must be made in such form (including in electronic form) and contain such information, as the Registration Committee requires.

13.24.2

An application for the grant of a Practising Certificate (initial or re-application) must be received at least eight weeks before the date the *Member* intends to commence in *Public Practice*.

13.24.3

When considering an application for the grant of a Practising Certificate (initial or re-application) the Registration Committee may take into account such factors, and make such enquiries, as it reasonably believes to be relevant. This will include, but not be restricted to, any Orders made by the *Investigation Committee*, the *Disciplinary Committee*, the *Disciplinary Tribunal* the *Appeal Tribunal* and the Registration Appeals Committee and orders made and conditions or restrictions imposed by another regulatory body. The Registration Committee is empowered to undertake such enquiries as it believes appropriate to assess the validity of details contained in the application. This may include third party enquiry.

13.24.4

On receipt of an application for the grant of a Practising Certificate (initial or re-application) the Registration Committee may:

- (a) grant the Practising Certificate; or
- (b) grant the Practising Certificate with conditions and / or restrictions; or
- (c) refuse to grant the Practising Certificate.

In the event of (b) or (c) above the Registration Committee shall advise the *Member* of its reasons *In Writing*.

If a condition or restriction is in effect in relation to an A.I.P.A /F.I.P.A applicant at the date of transfer the Registration Committee shall impose a similar condition or restriction.

13.24.5

Where the Committee grants a Practising Certificate with restrictions and/or conditions the certificate will not be valid until the *Member* notifies the Committee *in Writing* of his acceptance of the restrictions and / or conditions.

13.24.6

Incomplete applications for a practising certificate shall not be considered by the Registration Committee.

13.25

Continuity Provisions

13.25.1

It is a requirement in relation to a *Member* who is a sole practitioner or the only *Practising Certificate* holder in the *Firm* that before he/she can be granted a Practising Certificate and or have a Practising Certificate renewed, he/she must satisfy the Registration Committee that he/she has a continuity of practice agreement in place. This continuity of practice agreement must be valid and must be made with another *Firm* who holds the same or a higher level of authorisation.

13.26

Application for the Renewal of a Practising Certificate

13.26.1

The Committee will consider an application from a *Member* for the renewal of a Practising Certificate only if he/she meets the following eligibility criteria:

- a) he/she has evidenced compliance, to the satisfaction of the Committee, with the *Institute's Professional Indemnity Insurance Bye-Law 9*;
- b) he/she has evidenced current compliance, to the satisfaction of the Committee, with the *Institute's Bye-Law 8, Continuing Professional Development*;
- c) he/she is a fit and proper person to hold a Practising Certificate;
- d) he/she has applied in accordance with this Bye Law 13; and
- e) he/she has a valid continuity of practice agreement in place if so required by Bye Law 13.25.

13.26.2

An application for the renewal of a Practising Certificate must be made in such form (including electronic form) and contain such information as the Registration Committee requires.

13.26.3

An application for the renewal of a Practising Certificate must be received at least one *Month* prior to the expiry of the existing certificate or as otherwise directed by the Registration Committee.

13.26.4

Failure to submit the renewal returns required under regulation 13.26.2 may result in the withdrawal of a practising certificate.

13.26.5

When considering an application for renewal of a Practising Certificate the Committee may take into account such factors, and make such enquiries, as it reasonably believes to be relevant.

13.26.6

On receipt of an application for renewal of a Practising Certificate the Committee may:

- (a) renew the Practising Certificate;
- (b) renew the Practising Certificate with conditions and / or restrictions; or
- (c) refuse to renew the Practising Certificate.

In the event of (b) or (c) above the Committee must advise the *Member* of its reasons *In Writing*.

13.26.7

Where the Committee renews a Practising Certificate with restrictions and/or conditions the certificate will not be valid until the *Member* notifies the Committee *In Writing* of his/her acceptance of the restrictions and /or conditions.

13.27

Changes in Circumstances

13.27.1

A *Member* in Practice is required to notify the *Institute* as soon as practicable, but not later than ten business days after the event, of any matter in relation to his/her continuing eligibility to hold a Practising Certificate or any changes to the *Firm(s)* through which the *Member* engages in *Public Practice*. This includes changes to address/ place of business(s), partnership structure etc.

13.28**Provision of Information to the Committee**

13.28.1

In exercising its powers and carrying out its duties under this Bye Law 13, the Registration Committee (and any of its sub-Committees, the Secretariat, or any other duly appointed agent) has the power to require a *Member, Authorised Firm, Affiliated Partner or Responsible Individual* to provide (and, if so required, the *Member, Authorised Firm, Affiliated Partner or Responsible Individual* shall provide) access to any of the firm's places of business and any information about the *Member, Authorised Firm, Affiliated Partner or Responsible Individual*. This information may include books, papers and records about the *Member, Authorised Firm, Affiliated Partner, Responsible Individual* or clients.

13.29**Restrictions & Conditions**

13.29.1

The Registration Committee may impose by order such restrictions and/or conditions on a *Member's* Practising Certificate as it decides are appropriate if it considers that:

- (a) the *Member* no longer meets one of the eligibility requirements set out in this Bye Law 13; or
- (b) the *Member* has failed to submit within 30 days of the notified due date such returns or reports as are required under this Bye Law 13;
- (c) the *Member* has failed to comply with this Bye Law 13 and the restrictions and/or conditions are justified; or
- (d) the *Member* continuing to hold an unrestricted Practising Certificate could be prejudicial to the public interest.

13.29.2

The Registration Committee may at any time revoke or change an order made under this Bye Law.

An order may be revoked or changed where the Registration Committee forms an opinion that the member has demonstrated that 13.29.1 (a), (b), (c) or (d) applies.

13.29.3

The Registration Committee may only impose restrictions and/or conditions on a Practising Certificate at the time that the said Certificate is granted or renewed.

13.30**Refusal to Renew a Practising Certificate**

13.30.1

At any time, the Registration Committee may refuse to renew a *Member's* Practising Certificate if:

- (a) it considers that the *Member* no longer meets one of the eligibility requirements set out in this Bye Law 13;
- (b) it considers that the *Member* is not complying with the *Professional Indemnity Insurance* Bye Law; or

- (c) the *Member* has failed to comply with an order attached by the Committee
- (d) the *Member* is more than 30 days late in submitting the complete and required application documents for an application to renew a practising certificate;
- (e) the *Member* has not paid any fees/charges that are due under this Bye Law 13 (including without prejudice to the generality the annual fee or the application fee due) within 30 days of the serving the notice requiring payment of same;
- (f) the *Member* or *Firm* has not paid in the time set any fines or costs ordered or imposed by any Committee or tribunal appointed under the *Institute* Bye- Laws 1-14 inclusive;
- (g) the *Member* continuing to hold an unrestricted Practising Certificate could be prejudicial to the public interest.

13.30.2

If the Registration Committee decides not to renew the practising certificate, this will be constituted as *withdrawal of approval*.

Where no application to renew the practising certificate is made within time, this lapse or expiry also falls within the term *withdrawal of approval*.

13.31

Withdrawal or Suspension of a Practising Certificate and Firm Registration

13.31.1

At any time, the Registration Committee may withdraw a *Member's* Practising Certificate if the *Member* has not paid in the time set any fines or costs ordered or imposed by any Committee or Tribunal appointed under the *Institute's* Bye Laws 1-14 inclusive. Notification to the *Institute* that a *Member* is no longer insured in accordance with Bye Law 9 shall result in the Registration Committee withdrawing his/her Practising Certificate.

13.31.2

At any time, the Registration Committee may suspend a practising certificate for a period of time when it considers that;

- (a) the *member* no longer meets one of the eligibility requirements set out in this Bye Law 13;
- (b) the *member* has failed to submit within 30 days of the notified due date such returns or reports as are required under this Bye Law 13;
- (c) the *member* has failed to comply with Bye Law 13 and the restrictions and/or conditions are justified;
- (d) unrestricted registration could be prejudicial to the public interest.

13.31.3

At any time, the Registration Committee may suspend a firm registration for a period of time when it considers that;

- (a) the *Authorised Firm* no longer meets one of the eligibility requirements set out in this Bye Law 13;

- (b) the *Authorised Firm* has failed to submit within 30 days of the notified due date such returns or reports as are required under this Bye Law 13;
- (c) the *Authorised Firm* has failed to comply with Bye Law 13 and the restrictions and/or conditions are justified;
- (d) unrestricted registration could be prejudicial to the public interest.

13.31.4

In the case of statutory auditors, during a period of suspension, a statutory auditor;

- a) need not resign from any appointment as Auditor;
- b) may accept re-appointment as auditor;
- c) must not accept any new appointments; and
- d) may only sign audit reports with the permission of the Registration Committee

13.32

Statutory Auditors

13.32.1

A *Statutory Audit* means an audit of Individual financial statements or group financial statements in so far as required by law

A *Statutory Auditor* means an individual (within the meaning of Part 27 of the Companies Act 2014) that stands approved by the Registration Committee of the *Institute* to carry out a *Statutory Audit*.

A *Statutory Audit Firm* (within the meaning of Part 27 of Companies Act 2014) is an entity regardless of its legal form that is approved by the Registration Committee of the *Institute* to carry out *Statutory Audits* and as such is registered by the *Institute* as a *Statutory Audit Firm*.

A person shall be approved by the Registration Committee and registered as a *Statutory Auditor* if he is an individual who holds a current practising certificate with audit qualification which was granted by the *Institute* or another Recognised Accountancy Body.

For the purposes of an approval of a firm in accordance with Section 1465 Companies Act 2014, the Registration Committee may approve an individual as a *statutory auditor* who holds a qualification to audit Individual financial statements or group financial statements under the law of another member state other than Ireland and has passed an aptitude test in accordance with Section 1476 Companies Act 2014. Such an individual must also apply to become an *Affiliated Partner* in accordance with Bye Law 13.52. Such an individual must provide proof of such a qualification, dated not more than three months before it is provided to the Registration Committee.

An audit qualification is obtained by:

- (a) Completing a minimum of three years training working under the direct supervision of a Statutory Auditor in accordance with Schedule 19 Companies Act 2014, at least two of which must be post admission to *Membership*. A substantial part of such practical training shall be in statutory audit work and at least forty weeks of such practical training shall be completed post admission to membership *in statutory audit* as defined in legislation supervised by a statutory auditor or an audit firm post admission to *Membership*;

- (b) Completion of an approved Practice and Audit Orientation Programme and achieving an appropriate result in the associated examination. This examination must be completed no more than three years prior to the date of application for audit qualification.
- (c) Completing eight hours of Structured Continuing Professional Development in the subject area of Auditing in the twelve Months prior to application to become a *statutory auditor*;
- (d) Completion of the educational requirements outlined in Schedule 19, Companies Act 2014 inclusive of the elective option - Audit Practice Assurance Services examination at Professional 2 level, in accordance with Bye Law 12 and the Institute's Examination Regulations or deemed equivalent examinations of a Recognised Accountancy Body in Ireland subject to the requirements of Companies Act 2014;
- (e) Satisfying the Registration Committee that he/she is a fit and proper person.

In addition, an audit qualification may be granted to applicants (without the need to complete steps (a) to (d) above if they hold a recognised audit qualification and authorisation to act as a statutory auditor in Ireland, from a recognised accountancy body at the date of application or at the date of transfer.

13.32.2

A *Statutory Auditor* shall apply on an annual basis for renewal of his/her registration by the Institute. On making an application to be registered as a Statutory Auditor or for his/her registration to be renewed he/she must satisfy the Registration Committee that he/she either has a Practising Certificate from the *Institute* and satisfies the *Institutes* CPD requirements or that he/she holds a Practising Cert with audit qualification from another recognised accounting body and that he/she satisfies the CPD requirements of this Bye Law 13.

As part of the annual renewal process in accordance with 13.26, the *Statutory Auditor* shall also satisfy the Registration Committee that he/she is a fit and proper person.

The Registration Committee may issue guidance or policies on the matter of CPD requirements from time to time as they deem appropriate.

13.33

Maintaining Competence

13.33.1

A Statutory Audit Firm or Statutory Auditor must make arrangements so that all principals and employees conducting audit work are, and continue to be, competent to carry out the audits for which they are responsible or employed.

13.33.2

A Statutory Auditor shall maintain an appropriate level of Professional Competence for Audits of Financial Statements in accordance with IES 8 - Professional Competence for Engagement Partners Responsible for Audits of Financial Statements. A *statutory auditor* shall develop and maintain professional competence that is demonstrated by the achievement of the learning outcomes of Table A of IES 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised). Such statutory auditors shall undertake CPD that develops and maintains the professional competence required for the role of an engagement partner.

13.33.3

A *Statutory Auditor* shall take part in appropriate programmes of continuing education in order to maintain his or her theoretical knowledge, professional skills and values, including, in particular, in relation to auditing, at



Statutory auditors are required to achieve a total of 120 hours CPD over a three year CPD cycle, of which 75 hours are Structured CPD and 45 hours are Unstructured CPD.

The minimum annual requirement is 30 hours of CPD of which at least 15 hours must be structured.

A *statutory auditor* is required to ensure that they keep their professional knowledge up to date in areas of core competency, completing a total of 40 hours of the Structured CPD requirement from any combination of the following six areas over a three year CPD cycle:

- Financial Accounting
- Auditing
- Law & Regulation
- Taxation
- Professional Ethics
- Practice Management

A statutory auditor is required to ensure that they keep their professional knowledge up to date in;

- i) the Irish auditing framework,
- (ii) financial reporting standards in use in Ireland and
- (iii) Irish and EU legislation relevant to the preparation of financial statements and to statutory audit and auditors.

To achieve this a statutory auditor shall complete 20 hours of their 40 hour core competency requirement in the following areas;

- Financial Accounting
- Auditing
- Law & Regulation

13.33.4

A statutory auditor is required to:

- (i) plan their CPD activities by reflecting on the knowledge, skills and values required to competently fulfil their professional responsibilities, identifying their learning and development needs and deciding on the CPD activities necessary to address them.
- (ii) complete sufficient, relevant and appropriate CPD each year to meet their learning and development needs and thereby maintain and enhance their professional knowledge, skills and values in all of the areas of work that they undertake.
- (iii) evaluate the effectiveness of their CPD activities regularly and revise their approach as necessary to ensure it remains effective in achieving its objective of maintaining their professional knowledge, skills and values at a sufficiently high level.
- (iv) be able to demonstrate their compliance through the retention of appropriate written records of CPD planning, completion and evaluation. Such records should include supporting documentation which evidences that they undertook the CPD activity.
- (v) retain their CPD records for a period of six years to facilitate review of their compliance.
- (vi) Make an annual CPD return and declaration in the format determined by the Registration Committee.

13.33.5

The Registration Committee may refer a matter to the CPD Compliance Committee where it believes that

such a referral should be made.

13.34 Monitoring

13.34.1

A *Statutory Audit Firm* or *Statutory Auditor* must monitor, at least once per year, how effectively it is complying with these Bye Laws. An annual review shall focus on whether audit work is being carried out in accordance with these Bye Laws and all accounting standards issued by the Financial Reporting Council (FRC) and IFRS as endorsed/adopted by the EU as relevant, all auditing standards adopted/issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) or the FRC as relevant, ethical standards adopted/issued by IAASA or the FRC as relevant and all quality control standards adopted/issued by IAASA or the FRC as relevant, the *Institute's* Code of Ethics, relevant legislation and other matters as the *Council* may from time to time deem to be appropriate.

13.34.2

The annual compliance review must consist of at least the following two parts;

The first part the *Statutory Audit Firm* or *Statutory Auditor* must assess its/his/her compliance under this Bye Law 13 such as:

- Independence;
- Ethical standards, including the ethical standards issued by IAASA or APB as appropriate and the *Institute's* Code of Ethics;
- Fit and proper status;
- Competence
- Appointment and re-appointment;
- *Professional indemnity insurance*; and
- Continuing eligibility.

The second part is that the *Statutory Audit Firm* or *Statutory Auditor* must conduct 'cold' reviews of completed audit work on an annual basis to ensure that the *Statutory Audit Firm's* or *Statutory Auditor's* audit procedures were followed. At a minimum, a file of each *statutory auditor* within the *Statutory Audit Firm* should be reviewed. The following factors should be considered when deciding which files to review; employee turnover, high risk clients, changes to auditing standards and new statutory and accounting standard requirements. The cold review must be carried out by another *Statutory Auditor* or a training firm recognised for this purpose by the *Institute*.

13.35 Practice & Audit Orientation Programme

13.35.1

The Practice & Audit Orientation Programme is a programme of education devised by the Registration Committee. This programme must be undertaken and the associated examination passed within the preceding 36 months before an application for a Practising Certificate or to become a *Statutory Auditor* can be made by a *Member*.

13.36 Registration of Firms

13.36.1

A *Statutory Audit Firm* is an entity regardless of its legal form, that is approved in accordance with these Bye Laws and as such is registered by the *Institute* as a *Statutory Audit Firm*.

A *Non Audit Firm* is an entity regardless of its legal form that is approved to engage in public practice in accordance with this Bye Law and as such is registered by the *Institute* as a *Non Audit Firm*.

A *Statutory Audit Firm* when registered with the *Institute* is provided with an auditing certificate which is valid from the 1st of April until the 31st of March the following year.

A *Non-Audit Firm* when registered with the *Institute* is provided with a registration which is valid from the 1st of April until the 31st of March the following year.

The Registration Committee may approve an audit firm which is approved in another Member State as a *Statutory Audit firm* in circumstances where the requirements of Sections 1464 to Section 1473 Companies Act 2014 have been met. Such a firm must provide proof of its eligibility as an audit firm in another Member State in the form of a certificate, dated not more than three months before it is provided to the Registration Committee.

13.37

Granting Applications for Registration

13.37.1

The Registration Committee may register a firm only if the Registration Committee is satisfied that:

- i. the firm is fit and proper;
- ii. the firm has professional indemnity insurance or other appropriate arrangements as required by *Professional Indemnity Insurance Bye-Laws*;
- iii. if the firm is a sole practice the sole practitioner must hold a valid practising certificate in accordance with these Bye Laws, with the exception of a firm approved in accordance with Section 1465, Companies Act 2014.
- iv. If the firm is a sole practice and requires registration as a *Statutory Audit Firm*, then the sole practitioner must be a *statutory auditor*;
- v. if a firm is a partnership or body corporate the partnership or body corporate must comply with Bye Law 13.36 and 13.38;
- vi. the firm has appointed a Compliance Principal as required under these Bye Laws whose name and address has been given to the *Institute*;
- vii. where appropriate there is a continuity of practice agreement in place, that
- viii. complies with Bye Law 13.25;
- ix. the firm agrees to be bound by this Bye Law 13.

The Registration Committee may renew an *Authorised Firm's* registration on an annual basis provided that 13.37.1 (i) to (ix) inclusive are satisfied. *Authorised Firms* are obliged to apply in whatever form (including electronic form) that is determined by the Registration Committee for renewal of the *Authorised Firm's* registration by the last day of February.

13.38

Registration of a *Firm* which is a Partnership / Body Corporate

13.38.1

Any Firm offering services to the public in accordance with bye law 13.15.3 must register that Firm in accordance with this Bye Law.

The Committee may register a Firm which is a partnership or a body corporate only if the Committee is satisfied that:

- a) the partnership or body corporate meets the requirements set out in this Bye Law 13;

- b) at least one partner/director is a *Member* of the *Institute* holding a valid Practising Certificate with the exception of a firm registered in accordance with Section 1465 Companies Act 2014
- c) each partner/ director is either:
 - 1. a *Member* of the *Institute* holding a valid Practising Certificate;
 - 2. an *Affiliated Partner*; or
 - 3. a Statutory Audit Firm in accordance with Irish law;
 - 4. an individual who holds a qualification to audit accounts under the law of a member state other than Ireland and who is also an *Affiliated Partner* and has been approved by the Registration Committee.
- d) (i) at least 51% of the voting rights are held by *Statutory Auditors* or *statutory audit firms* or individuals who hold a qualification to audit accounts under the law of a member state other than Ireland in a *Statutory Audit Firm*;
- (ii) at least 51% of the voting rights are *Practising Certificate* holders in a *Non-Audit Firm*.
- e) The majority of the members in a Management Committee, Board or other body are;
 - i. individuals who are eligible for approval in the State or in any other Member State as statutory auditors;
 - ii. audit firms approved as statutory audit firms in the State or in any other Member State, or
 - iii. a combination of such individuals and audit firms.
- f) Where a Management Committee Board or other body, of a firm has no more than 2 members, then, for the purposes of *subsection (e) (i),(ii), (iii)*, one of those members shall satisfy at least the requirements of that subsection.

13.38.2

For a *Firm* to be eligible to apply to register with the CPA *Institute*, any partner or director who is not a *Member* of the *Institute* must become an *Affiliated Partner* of the *Institute* in accordance with Bye Law 13.45

13.39

Issue of an Auditing Certificate

13.39.1

An Auditing Certificate will be issued to all Statutory Audit Firms. An Auditing Certificate will normally be issued for a period not exceeding 12 *Months* and ending on the 31 March and may be renewed annually for the period of 12 *Months* from 1 April to 31 March subject to the requirements of this Bye Law 13.

13.39.2

A *Firm* who ceases to be eligible for an Auditing Certificate shall forthwith return it to the *Institute*.

13.39.3

Auditing Certificates will be issued for a twelve *Month* period from 1 April to the following 31 March therefore Auditing Certificates issued to *Firms* who have applied during the course of the year will be for a period of less than twelve *Months*.

13.39.4

The Registration Committee may issue an Auditing Certificate for a period of less than 12 months in circumstances where it deems it appropriate to do so.

13.40**Application for Registration**

13.40.1

A Firm that wishes to register must apply in the manner that the Registration Committee decides. The application must include the following:

- a) any information that the Registration Committee may require to assess the ability of the Firm to carry out audit work if the Firm wishes to register as a *Statutory Audit Firm*, and may include regulator to regulator checks with other Recognised Accountancy Bodies.
- (b) a declaration by the Firm that it agrees to be bound by these Bye Laws 1- 14 inclusive and will ensure that it complies with these Bye Laws 1-14 inclusive at all times;
- (c) a declaration by the Firm that it will deal with the *Institute* in an open and co-operative manner and inform the *Institute* promptly about anything concerning the *Firm* that these Bye Laws 1-14 inclusive require: and
- (d) an acknowledgement by the Firm that none of the *Institute*, its officers, staff, *Members* of its *Council* or Committees can be held liable in damages for anything done or not done in dealing with registration under the *Acts* or under these Bye Laws 1-14 inclusive or enforcing the terms of either or the monitoring of compliance with these Bye Laws 1-14 inclusive in any respect, unless the act or omission is shown to have been in bad faith.

13.40.2

Applications must be made *In Writing* in such a format (including electronic format) as the Registration Committee determines from time to time.

13.40.3

The Registration Committee may:

- (a) grant the application;
- (b) reject the application;
- (c) grant the application with restrictions and/or conditions; or
- (d) postpone consideration of the initial application for registration to aid further enquiries to be made.

In the event of (b), (c) or (d) above the Committee must advise the Firm of its reasons *In Writing*.

If a condition or restriction is in effect in relation to an A.I.P.A /F.I.P.A application at the date of transfer, the Registration Committee shall impose a similar condition or restriction.

13.40.4

The Registration Committee may decide that it can only properly consider a Firm's application after it has

more information about the Firm. The Committee may decide this is best achieved by a Quality Assurance visit to the Firm.

13.40.5

In carrying out its duties in deciding whether to grant the application (including an application to renew the registration) or otherwise the Committee can consider any disciplinary findings, orders, or any other information concerning or affecting the fit and proper status of any *Statutory Auditor*, the Firm or its Partners including any disciplinary findings, orders and quality assurance findings of another Recognised Accountancy Body.

13.40.6

A Firm can appeal a decision to refuse registration or to grant it with restrictions and /or conditions to the Registration Appeals Committee *in Writing* within 10 business days of the decisions being served on the Firm, in accordance with Bye Law 13.9.

13.40.7

The Registration Committee may take up such references and conduct such enquiries as are deemed necessary including the conduct of regulator to regulator checks for the purposes of the consideration of an application made under Bye Law 13. Such regulator to regulator checks may include enquiries relating to the regulatory and/or disciplinary history of an applicant. The committee may request information from an applicant on these matters.

13.41

Change in Circumstances

13.41.1

An *Authorised Firm* must notify the Committee as soon as practicable, but not later than ten business days after the event:

- (a) of any matter, whether relating to the *Authorised Firm* or to any of its Principals or employees, which could mean that the *Authorised Firm* is no longer fit and proper,
- (b) if the *Authorised Firm* is no longer complying with *Professional Indemnity Insurance Bye Laws*;
- (c) of any other changes which might affect an *Authorised Firm's* eligibility to be registered; and
- (d) of any change to:
 - (i) the name or trading names of the *Authorised Firm*;
 - (ii) the addresses of the *Authorised Firm's* offices;
 - (iii) the names or principal business address of any of the *Authorised Firm's* Partners or Directors or *Responsible Individuals*; or
 - (iv) the name of the *Authorised Firm's* Compliance Principal;
 - (v) the voting rights structure.

13.42

Waiver

13.42.1

An *Authorised Firm* who is unable to comply with one or more of these Bye Laws 1 to 14 must advise the Registration Committee *in writing* as soon as possible of the particular Bye Law(s) with which it is unable to comply with, the extent of, and the reason(s) for the *Authorised Firm's* inability to comply and of the actions it proposes to take to remedy the position.

13.42.2

If the Registration Committee considers that the actions proposed will remedy the position it may grant a waiver from the requirements to comply with any of the provisions of Bye Laws 13, subject to the requirements of relevant law. The period of the waiver will depend upon how long the Registration Committee considers the *Authorised Firm* will need to remedy the non-compliance, having regard to the provisions of Section 1480(5) Companies Act 2018, where appropriate for a *Statutory Audit Firm*.

13.42.3

The Registration Committee may alter the requirements of this Bye Law 13 subject to the requirements of relevant law, with or without extra conditions, in order to adapt them to the particular circumstances of the *Authorised Firm* for the particular kinds of business carried on and the procedures used, if the Committee considers that:

- (a) complying with the relevant requirements is too burdensome for the *Authorised Firm* compared to any benefit which compliance might give to clients or the public; and
- (b) altering the requirements set out in this Bye Law 13 will not result in any undue risk to clients or the public.

13.42.4

The Registration Committee decision to grant or refuse to grant a waiver with or without conditions shall be final and is not open to appeal. Waivers shall only be granted in exceptional cases by the Registration Committee at its sole discretion and shall be decided on a case by case basis.

13.43

Restrictions & Conditions

13.43.1

The Registration Committee may impose by order such restrictions and/or conditions on registration as it decides are appropriate if it considers that:

- (a) the *Authorised Firm* no longer meets one of the eligibility requirements set out in this Bye Law 13;
- (b) the *Authorised Firm* has failed to submit within 30 days of the notified due date such returns or reports as are required under this Bye Law 13;
- (c) the *Authorised Firm* has failed to comply with Bye Law 13 and the restrictions and/or conditions are justified;
- (d) unrestricted registration could be prejudicial to the public interest.

13.43.2

The Registration Committee may at any time revoke, or extend an order made under Bye Law 13.42.1.

13.44

Refusal to Renew Registration

13.44.1

The Registration Committee may refuse to renew registration if:

- (a) it considers that the *Authorised Firm* no longer meets one of the eligibility requirements set out in this Bye Law 13

- (b) it considers that the *Authorised Firm* is not complying with the *Professional Indemnity Insurance* Regulations; or
- (c) the *Authorised Firm* is more than 30 days late in submitting the complete and required application documents for an application to renew a practicing certificate
- (d) the *Authorised Firm* has not paid any fees/charges that are due under this Bye Law 13 (including without prejudice to the generality the annual fee or the application fee due) within 30 days of the serving the notice requiring payment of same
- (e) the *Authorised Firm* has not paid in the time set any fines or costs ordered or imposed by any Committee or tribunal appointed under the *Institute* Bye-Laws 1-14 inclusive.
- (f) the *Authorised Firm* has failed to facilitate any Quality Assurance matters in accordance with Bye Law 7

13.44.2

If the Registration Committee decides not to renew the audit registration this will be constituted as *withdrawal of approval* in accordance with Section 1479 and Section 1480 of the Companies Act 2014.

Where no application to renew the audit registration is made within time, this lapse or expiry also falls within the term *withdrawal*.

With the exception of a voluntary surrender of a Practising Certificate, where no application to renew the audit registration is made within time, this lapse or expiry also falls within the term *withdrawal*.

13.45

Withdrawal of Registration

13.45.1

At any time, the Registration Committee may withdraw registration where an *authorised Firm, member, affiliated partner or responsible individual* has not paid in the time set any fines or costs ordered or imposed by any Committee or Tribunal appointed under the *Institute's* Bye Laws 1-14 inclusive. Notification to the *Institute* that an *Authorised Firm* is no longer insured in accordance with Bye Law 9 shall result in the Registration Committee withdrawing its registration.

13.45.2

At any time, the Registration Committee may withdraw the registration of a *Statutory Audit Firm or Statutory Auditor* in accordance with section 1479 and 1480, Companies Act 2014.

13.45.3

If circumstances arise (involving acts or omissions on the part of a Statutory Audit Firm) from which the Registration Committee can reasonably conclude that the firm's good repute is seriously compromised or if the conditions set out in Bye Law 13.38.1(d) and Bye Law 13.38.1(e) are no longer being complied with the Registration Committee shall either;

- i). withdraw the registration of the Statutory Audit Firm or
- ii) refer the matter in accordance with Bye Law 6 if in the opinion of the committee the matter needs to be investigated

For the purposes of section 1480, the cases that can constitute circumstances of a statutory audit firm's good repute being seriously compromised include cases of professional misconduct or want of professional skill on the part of the audit firm or any of the one or more auditors through whom it acts.

13.45.4

If circumstances arise (involving acts or omissions on the part of a Statutory Auditor) from which the Registration Committee can reasonably conclude that the statutory auditor's good repute is seriously compromised the Registration Committee shall either;

i). withdraw the registration of the statutory auditor *or*

ii) refer the matter in accordance with Bye Law 6 if in the opinion of the committee the matter needs to be investigated

For the purposes of section 1479, the cases that can constitute circumstances of a statutory auditor's good repute being seriously compromised include cases of professional misconduct or want of professional skill on the part of the statutory auditor.

At any time, the Registration Committee may withdraw the registration of a *Statutory Auditor* if he/she;

- a) no longer falls within *section 1470(a) or (b) of the Companies Act 2014*;
- b) is not registered as a statutory auditor on the public register; and
- c) is not subject to the regulation of a recognised accountancy body.

13.45.5

The Registration Committee shall on a decision to withdrawal the registration of a *Statutory Auditor* serve a notice in writing on the *Statutory Auditor* stating;

- (a) it is satisfied that *Section 1479 (2)(a), (b) Companies Act 2014*; applies in the case of the auditor;
- (b) the auditor shall take specified steps to cause *subsection (2)(a), (b)* to cease to apply to him or her within a specified period (which shall be not less than one month), and
- (c) if those steps are not taken, it shall withdraw the approval of the auditor.

13.45.6

Where the approval of a *Statutory Audit Firm* is withdrawn for any reason, the fact and the reasons for the withdrawal shall be communicated to the competent authority with supervisory and other functions and the competent authority with registration functions, in line with *Section 1482 Companies Act 2014*.

The Registration Committee shall have the discretion to order the publication of such a withdrawal in such a manner as it considers appropriate in accordance with the publication policy of the Institute.

13.45.7

A *Statutory Audit Firm or Statutory Auditor* can appeal a decision to withdraw registration to the *Registration Appeals Committee in Writing* within 10 business days of the decision being served on the *Firm*. All reasonable steps will be taken to ensure that any appeal is carried out as expeditiously as possible in line with *section 1480(12) Companies Act 2014*

13.45.8

Where in the opinion of the Registration Committee a matter needs to be investigated the committee shall make a complaint in accordance with *Bye Law 6*.



13.46

Regulation of *Firms*

13.46.1

Compliance Principal

Each *Authorised Firm* (other than a sole practitioner) must appoint a partner or director, who is a practising certificate holder, as the Compliance Principal. A sole practitioner will be the Compliance Principal. In *Statutory Audit Firms* the Compliance Principal must be a *Statutory Auditor*.

The compliance principal of a firm approved in accordance with Section 1465 Companies Act 2014 must be an individual who hold a qualification to audit accounts under the law of a member state other than Ireland.

The Compliance Principal:

- (a) is responsible for monitoring that the *Firm* has complied with and is likely to continue to comply with, these Bye Laws; and
- (b) is the first point of contact with the *Institute* in connection with these Bye Laws.
- (c) in the case of the compliance principal of a firm approved in accordance with Section 1465 Companies Act 2014, the compliance principal is also responsible for insuring that at all times during the registration of the firm, the firm complies with the requirements of Sections 1464 to Section 1473 Companies Act 2014.

13.46.2

The role of the Compliance Principal is to be responsible for, and make sure that the *Authorised Firm* complies with this Bye Law 13 including the provisions in relation to monitoring. The Compliance Principal need not carry out the reviews personally but should make sure that they are carried out satisfactorily and any appropriate action taken. The Compliance Principal is the individual that the *Institute* will first contact on matters related to the *Authorised Firm* registration and regulation.

13.46.3

An *Authorised Firm* must be controlled in accordance with 13.38.

13.46.4

A sole practitioner must be a *Statutory Auditor* if it is a *Statutory Audit Firm*.

13.47

Responsible Individual

13.47.1

A *Statutory Audit Firm* may designate employees as *Responsible Individuals*. To be a *Responsible Individual* one must be a *Statutory Auditor*.

13.47.2

To sign an audit report or to be responsible for an audit an employee must register as a *Responsible Individual* with the *Institute*.

13.47.3

Authorised Firms which designate employees as *Responsible Individuals* must have procedures on how the employees exercise the *Authorised Firm's* authority. If the employee is not an *Institute Member* the

individual must register as a *Statutory Auditor* with the *Institute*.

13.47.4

The Registration Committee shall have the power in its absolute discretion to grant *Responsible Individual* status to persons not being *Members* of the *Institute* if it is satisfied that the applicant:

- a) holds a valid Practising Certificate with audit qualification from another recognised accountancy body and holds an appropriate qualification as referred to in section 1472, Companies Act 2014
- b) is a fit and proper person to be granted *Responsible Individual* status;
- c) has maintained their competence in audit through the completion of 8 hours relevant CPD in the previous 12 months
- d) has agreed to comply with this Bye Law 13 and relevant law;
- e) has agreed to observe and uphold the Code of Ethics and
- f) has agreed to provide the *Institute* with all the information it requires.

The above conditions must be satisfied if an applicant is seeking renewal of *Responsible Individual* status. Applicants must apply to renew their *Responsible Individual* status on an annual basis.

13.47.5

The Registration Committee may:

- (a) grant the application;
- (b) reject the application;
- (c) grant the application with restrictions and/or conditions; or
- (d) postpone consideration of the application in relation to an application for an initial grant where considered appropriate for example in order to aid further enquiries to be made.

In the event of (b), (c) or (d) above the Committee must advise the applicant for *Responsible Individual* status of its reasons *In Writing*.

13.48

Withdrawal of *Responsible Individual* Status

13.48.1

The Registration Committee may withdraw a person's *Responsible Individual* status if the *Responsible Individual* fails to pay the annual subscriptions within 30 days of the date of notice to renew *Responsible Individual* status or failure to pay any other amount due to the *Institute* within 3 *Months* or such longer period as may be ordered.

13.49

Cessation of *Responsible Individual* Status

13.49.1

Responsible Individual status will end if:

- (a) the *Authorised Firm* in which the *Responsible Individual* is an employee ceases to be an *Authorised Firm*
- (b) the *Responsible Individual* ceases to be an employee in the *Authorised Firm* to which the grant of *Responsible Individual* status related.

13.49.2

Responsible Individual status will not end under this Bye Law 13 if:

- (a) the *Authorised Firm* in which the *Responsible Individual* is an employee merges with or is acquired by another *Authorised Firm* registered with the *Institute*; or
- (b) the *Responsible Individual* leaves the *Authorised Firm* in which he is employed and immediately becomes an employee in another *Authorised Firm* registered with the *Institute*.

13.49.3

Bye Law 13.49.2 will apply only if the *Institute* is informed of the change within ten business days. If not, disciplinary action may be taken and status as a *Responsible Individual* may be withdrawn.

13.49.4

If a *Responsible Individual* is an employee in an *Authorised Firm* which ceases to trade, *Responsible Individual* status ceases.

13.50

Change in Circumstances

13.50.1

A *Responsible Individual* must inform the *Institute* within ten business days of any changes to circumstances and / or contact details that impact on their ability to be a *Responsible Individual*.

13.51

Appeal of Regulatory Decisions

13.51.1

If a *Responsible Individual* is dissatisfied with a decision of the Registration Committee, he may appeal the decision to the Registration Appeals Committee. An appeal must be made *In Writing* stating the exact grounds for the making of the appeal within 10 days of decision being sent to the *Responsible Individual*.

13.51.2

The procedures, attendances and representation at the Registration Committee and the Registration Appeals Committee is as set out in Bye Law 13.9 to 13.11 inclusive.

13.52

Affiliated Partner

13.52.1

A *Firm* can only register under this Bye Law 13 as a *Non Audit Firm* or as a *Statutory Audit Firm* if all partners or directors of the *Firm* are bound by this Bye Law 13.

13.52.2

An *Affiliated Partner* can only be responsible for Audit work in a *Statutory Audit Firm* if the person is also a *Statutory Auditor* holding a valid Practising Certificate with audit qualification from another recognised

accountancy body and holds an appropriate qualification as referred to in section 1472 Companies Act 2014

13.52.3

The Registration Committee shall have the power in its absolute discretion to grant *Affiliated Partner* status to persons not being *Members* of the *Institute* if it is satisfied that the applicant:

- (a) is a fit and proper person to be granted *Affiliated Partner* status;
- (b) has agreed to comply with this Bye Law 13 and relevant law;
- (c) has agreed to observe and uphold the Code of Ethics and
- (d) has agreed to provide the *Institute* with all the information it requires.
- (e) has provided evidence that his/her activities are covered by the firm's professional indemnity insurance policy in accordance with Bye Law 9

The above conditions must be satisfied if an applicant is seeking renewal of *Affiliated Partner* status. Applicants must apply to renew their *Affiliated Partner* status on an annual basis.

13.52.4

The Registration Committee may:

- (a) grant the application;
- (b) reject the application;
- (c) grant the application with restrictions and/or conditions; or
- (d) postpone consideration of the application in relation to an application for an initial grant where appropriate for example to aid further enquiries to be made.

In the event of (b), (c) or (d) above the Committee must advise the applicant for *Affiliated Partner* status of its reasons *In Writing*.

13.53

Withdrawal of *Affiliated Partner* Status

13.53.1

The Registration Committee may withdraw a person's *Affiliated Partner* status if the *Affiliated Partner* fails to pay the annual subscriptions within 30 days of the date of notice to renew *Affiliated Partner* status or failure to pay any other amount due to the *Institute* within 3 *Months* or such longer period as may be ordered.

13.53.2

At any time, the Registration Committee may withdraw the registration of an *Affiliated Partner* in accordance with section 1479 Companies Act 2014

13.53.3

The Registration Committee shall on a withdrawal of registration of an *Affiliated Partner* serve a notice in writing on a Responsible Individual in accordance with Section 1479 (5) Companies Act 2014.

13.53.4

Where in the opinion of the Registration Committee a matter needs to be investigated the committee shall make a complaint in accordance with Bye Law 6.



13.54

Cessation of *Affiliated Partner* Status

13.54.1

Affiliated Partner status will end if:

- (a) the *Authorised Firm* in which the *Affiliated Partner* is a Partner or Director ceases to be an *Authorised Firm* or the *Authorised Firm* has its registration withdrawn or not renewed;
- (b) the *Affiliated Partner* ceases to be a Partner or Director in the *Authorised Firm* to which the grant of *Affiliated Partner* status related.

13.54.2

Affiliated Partner status will not end under this Bye Law 13 if:

- (a) the *Authorised Firm* in which the *Affiliated Partner* is a Partner or Director merges with or is acquired by another *Authorised Firm* registered with the *Institute*; or
- (b) the *Affiliated Partner* leaves the *Authorised Firm* in which he is Partner or Director and immediately becomes a Partner or Director in another *Authorised Firm* registered with the *Institute*.

13.54.3

Bye Law 13.54.2 will apply only if the *Institute* is informed of the change within ten business days. If not, disciplinary action may be taken and status as an *Affiliated Partner* may be withdrawn.

13.54.4

If an *Affiliated Partner* is a Partner or Director in an *Authorised Firm* which ceases to trade, *Affiliated Partner* status ceases.

13.55

Change in Circumstances

13.55.1

An *Affiliated Partner* must inform the *Institute* within ten business days of any changes to circumstances and / or contact details that impact on their ability to be an *Affiliated Partner*.

13.56

Appeal of Regulatory Decisions

13.56.1

If an *Affiliated Partner* is dissatisfied with a decision of the Registration Committee, he may appeal the decision to the Registration Appeals Committee. An appeal must be made *In Writing* stating the exact grounds for the making of the appeal within 10 days of decision being sent to the *Affiliated Partner*.

13.56.2

The procedures, attendances and representation at the Registration Committee and the Registration Appeals Committee is as set out in Bye Law 13.9 to 13.11 inclusive.

13.57**Disciplinary Arrangements**

13.57.1

The disciplinary procedures under Bye-Law 6 of the *Institute* will apply to breaches of these Bye Laws 7 and 13 and all accounting standards issued by the FRC, IFRS as endorsed/adopted by the EU as relevant, all auditing standards adopted/issued by IAASA or the FRC as relevant, ethical standards adopted/issued by IAASA or FRC as relevant, all quality standards adopted/issued by IAASA or FRC as relevant, the *Institutes* Code of Ethics, and all relevant law as appropriate by an *Affiliated Partner* or a *Responsible Individual* in the same way as they apply to breaches by a *Member*.

13.57.2

An *Affiliated Partner* or *Responsible Individual* is liable to disciplinary action under this Bye Law 13 for any acts or omissions during the period in which the *Affiliated Partner* or *Responsible Individual* status was held. If an *Affiliated Partner* becomes a *Member* of the *Institute* he shall be liable as a *Member* for breaches by him of this Bye Law 13 when he was an *Affiliated Partner* or *Responsible Individual*. The process for such disciplinary action is set out in Bye Law 6.

13.58**Fit & Proper Status**

13.58.1

An *Authorised Firm* must be 'fit and proper'. The responsibility is on the *Authorised Firm* to ensure that the partners, directors and employees engaged in audit work are and continue to be fit and proper.

13.58.2

For an *Authorised Firm* to be fit and proper, the Partners, Directors and employees engaged in audit must also be fit and proper.

13.58.3

An *Authorised Firm's* procedures must provide for assessing the fit and proper status of:

- a) the sole practitioner or the principals;
- b) employees involved in audit work (including *Students*);
- c) consultants involved in audit work on the *Authorised Firm's* behalf;
- d) sub-contractors doing audit work on the *Authorised Firm's* behalf; and
- e) anyone else whose work a principal relies on when carrying out audit work.

13.59**Annual Fees and Charges**

13.59.1

Council shall set the amount of the annual renewal of authorisation fee and the application fee and has the power to change the amounts from time to time. Such amount shall be notified to *Members*, *Authorised Firms*, *Affiliated Partners* or *Responsible Individuals* in advance of such fees becoming due.

13.59.2

Members holding a Practising Certificate must pay a Practising Certificate fee for each year. Such fee becomes due on the 1 January annually. Firms shall pay an annual fee each year on 1 January. *Affiliated Partners* and *Responsible Individuals* must pay an annual subscription which becomes due on 1 January

annually.

13.59.3

An application fee may be payable on application for a Practising Certificate, *Responsible Individual* status, or *Affiliated Partner* status. A late application fee may become payable on the late application for renewal of a Practising Certificate and this shall be solely at the discretion of the Registration Committee. An application fee for Firms may be payable on initial application.

13.59.4

A *Member* holding a Practising Certificate, *Affiliated Partner* or *Responsible Individual* who fails to pay his/her annual fee and submit his/her renewal application before the expiration of three *months* after it becomes due shall cease to be eligible for such a certificate/authorisation unless the Registration Committee decides otherwise. Such a decision shall be entirely at the discretion of the Registration Committee and the Registration Committee's decision shall be final.

13.59.5

An *Authorised Firm* who fails to pay its annual fee and submit its renewal application before the expiration of three *months* after it becomes due, shall cease to be eligible for registration unless the Registration Committee decides otherwise. Such a decision shall be entirely at the discretion of the Registration Committee and the Registration Committee's decision shall be final.

13.59.6

The Registration Committee may require an applicant for the grant or renewal of a Practising Certificate or grant or renewal of Firm's registration, to pay any such charges it decides to make for any investigation it deemed necessary to carry out to verify any such application or renewal.

13.59.7

The Registration Committee may require an applicant for the grant of a Practising Certificate or grant of Firm registration, to pay any such charges it decides to make for a pre-approval quality assurance review it deemed necessary to verify any such application in accordance with Bye law 13.4.1 and Bye law 13.5.1

13.60

Publication Policy

The Registration Committee shall have the discretion to order the publication of any matter it considers appropriate in accordance with the publication policy of the Institute.