**Extract from Part 27 of the Companies Act 2014**

 SCHEDULE 19

STANDARDS RELATING TO TRAINING AND QUALIFICATIONS FOR APPROVAL OF INDIVIDUAL AS STATUTORY AUDITOR

Section 1472

1. An individual shall have attained university entrance or equivalent level and then —

(a) completed a course of theoretical instruction,

(b) undergone practical training, and

(c) passed an examination of professional competence which is of at least the standard required in the State for university final or equivalent examination level.

2. (1) The examination of professional competence referred to in paragraph 1 shall be such as guarantees the necessary level of theoretical knowledge of subjects relevant to statutory audit and the ability to apply such knowledge in practice. Part at least of that examination shall be in writing.

(2) The test of theoretical knowledge included in the examination shall include the following subjects in particular:

(a) general accounting theory and principles;

(b) legal requirements and standards relating to the preparation of entity and group financial statements;

(c) international accounting standards;

(d) financial analysis;

(e) cost and management accounting;

(f) risk management and internal control;

(g) auditing and professional skills;

(h) legal requirements and professional standards relating to statutory audit and statutory auditors;

(i) international auditing standards as referred to in *section 1526*;

(j) professional ethics and independence.

3. The examination shall also include at least the following subjects in so far as they are relevant to auditing:

(a) company law and corporate governance;

(b) the law of insolvency and similar procedures;

(c) tax law;

(d) civil and commercial law;

(e) social security law and employment law;

(f) information technology and computer systems;

(g) business, general and financial economics;

(h) mathematics and statistics;

(i) basic principles of the financial management of undertakings.

4. (1) In order to ensure the ability to apply theoretical knowledge in practice, a test of which is included in the examination, a trainee shall complete a minimum of 3 years practical training in, amongst others, the auditing of entity financial statements, group financial statements or similar financial statements. A substantial part of such practical training shall be in statutory audit work and at least two thirds of such practical training shall be completed with a statutory auditor or an audit firm approved in any Member State.

(2) All such training shall be carried out with persons who a recognised accountancy body is satisfied possess, to an adequate standard, the ability to provide practical training.