

# In Practice News

## IAASA publishes Profile of the Profession 2023

IAASA recently published its annual Profile of the Profession for 2023. This contains statistical data provided by the six Prescribed Accountancy Bodies ('PABs') within IAASA's supervisory remit. The Profile of the Profession presents an overview of the PABs' members and students and includes statistics about the PABs' regulatory and monitoring activities.

There is continued growth in the number of members in Ireland, with a further 3% increase in 2023. There were 44,547 members in Ireland at the end of the year and 16,801 students.

From year-ended 2021 to year-ended 2023, there has been a 13% reduction in the number of statutory audit firms approved and a decrease of 12% statutory auditors. At the end of the year there were 1,169 statutory audit firms and 1,942 statutory auditors approved to audit in Ireland.

The number of new complaints made to PABs reduced by 10% during 2023 whereas the number of complaints to RABs relating to statutory auditors/audit firms increased by 6% during the year.

[Find out more](#)

## Publication of financial reporting decision – Dalata Hotel Group plc

IAASA recently published a financial reporting decision relating to Dalata Hotel Group plc's accounting treatment of the proceeds from the sale of residential units as revenue in its 31 December 2022 annual financial statements.

The examination considered the requirements of IFRS 15 where the issuer sold residential units to a third party and recognized the proceeds from the sale as revenue. The costs of the residential units are presented in cost of sales and the profit from the sale is presented in operating profit.

### Findings by IAASA

IFRS 15 defines 'revenue' as 'income arising in the course of an entity's ordinary activities' (IFRS 15, Appendix A).

IFRS 15.6 states that 'A customer is a party that has contracted with an entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration'.

IAASA concluded that, based on the specific facts and circumstances pertaining to the

issuer, including that the 'primary activities' description in the annual report made no reference to residential development, and the fact this was the first time that the issuer had incorporated residential development into a hotel development project, the sale of residential units was not part of the ordinary activities of the issuer and, consequently, it did not meet the definition of revenue under IFRS 15. The transaction did not, in this instance, constitute part of the issuer's ordinary activity and, therefore, required separate presentation within the consolidated statement of profit or loss and other comprehensive income.

IAASA did not challenge the measurement of income from residential development activities nor the cost of residential development activities. In addition, IAASA found that the extent of disclosures in the 2022 annual financial statements regarding the accounting treatment applied to the sale of the residential units was transparent.

[Find out more](#)

## IFRS Foundation and EFRAG publish interoperability guidance

The IFRS Foundation and EFRAG recently published guidance material to illustrate the high level of alignment achieved between the International Sustainability Standards Board's IFRS Sustainability Disclosure Standards (ISSB Standards) and the European Sustainability Reporting Standards (ESRS) and how a company can apply both sets of standards, including detailed analysis of the alignment in climate-related disclosures.

Having first worked during the development of the ISSB Standards and ESRS to deliver a high degree of alignment, the recent publication now provides practical support that explains how companies can efficiently comply with both sets of standards.

[Find out more](#)