

# 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.

#### 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.

## 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) to devise a programme of education in accordance with Bye Law 13.22.1.

#### 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

#### 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) withdraw registrations;

- h) impose restrictions or conditions it considers appropriate on how a *Statutory Auditor* or *statutory audit firm* carries out audit work;
- i) grant or refuse dispensation from the requirements of this Bye Law 13
- j) 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);
- k) 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)
- l) 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; and
- m) compile and maintain the Register of *Statutory Audit Firms* in accordance with S.I 312 of 2016 and a Register of Public Auditors and supply information to the Registrar of Companies in the Republic of Ireland or the designated competent authority under law and;
- n) In line with the requirements of S.I. No. 312 of 2016, assign an individual identification number for each *Statutory Auditor* and *statutory audit firm* and ensure a written record is maintained of all such numbers assigned.
- o) review all returns and reports made under this Bye Law 13;
- p) make a complaint under Bye Law 6 where it believes that such a complaint should be made and;

### 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; and

- 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 13.3.2; and
- g) Members or representatives of *Authorised Firms* and/or their legal representatives.
- h) Anyone else the Committee permits.

### 13.7

#### **Regulatory Actions, Restrictions**

##### 13.7.1

#### **Waiver**

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 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 Regulation 38 of SI 312 of 2016

### 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, 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; and

## 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 13.3.2; 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.

**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

- (ii) or sporting body, or to similar bodies of a non profit making nature, or 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**

13.17.1

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.

**13.18****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 13.18.2 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 13.18.3 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

An *Authorised Firm* that intends to cease to act as a public auditor due to the incorporation of its public practice activities, must notify the Committee of that intention not later than one month before it ceases.

## 13.18.8

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.

## 13.18.9

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

Subject to the provisions of Article 5(b) relating to A.I.P.A / F.I.P.A members, 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.

The Registration Committee will consider an application from an A.I.P.A/F.I.P.A for the initial grant of a Practising Certificate if the applicant holds a practising certificate from the Institute of Incorporated Public Accountants at the date of transfer. Such applicants will be considered without the need to satisfy a); c); d); e) or f) above.

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.

13.23.1(a)

A practising certificate may be issued to an A.I.P.A / F.I.P.A upon admission to membership and shall expire on the 31<sup>st</sup> March 2018.

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 a Practising Certificate**

13.24.1

An application for the initial grant of a Practising Certificate 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 initial grant of a Practising Certificate 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 initial grant of a Practising Certificate 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 initial grant of a Practising Certificate 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*;
- (b) he/she has evidenced current compliance, to the satisfaction of the Committee, with the *Institute's Continuing Professional Development Bye-Law*;
- (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

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.

#### 13.26.5

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*. 13.26.6  
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
- (d) the *Member* has failed to comply with this Bye Law 13 and the restrictions and/or conditions are justified; or
- (e) the *Member* continuing to hold an unrestricted Practising Certificate could be prejudicial to the public interest.

The Registration Committee may at any time revoke an order made under this Bye Law 13.29.1. 13.29.2

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* is more than 30 days late in submitting the complete and required application documents for an application to renew a practicing certificate
- (d) 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

- (e) 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;
- (f) 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 of a Practising Certificate**

#### 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.

## **STATUTORY AUDITORS**

### 13.32.1

A *Statutory Audit* means an audit of individual accounts or group accounts in so far as required by law.

A *Statutory Auditor* means a natural person who is approved by the Registration Committee of the *Institute* to carry out a *Statutory Audit*.

A public auditor means a natural person who is eligible for appointment as an auditor under S.1441(2) of the Companies Act 2014. Approval by the Registration Committee as a statutory auditor shall also meet the qualification requirement under S.1441(2) of the Companies Act 2014 as a public auditor subject to Bye Law 13.38.3.

A *Statutory Audit Firm* 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* and a public auditor, subject to Bye Law 13.38.3 by the *Institute* 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 Regulation 38 of SI 312 of 2016, the Registration Committee may approve an individual as a *statutory auditor* who holds a qualification to audit accounts under the law of another EEA member state other than the UK and Ireland, and has passed an aptitude test in accordance with Regulation 49 of SI 312 of 2016. 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 three years experience working under the direct supervision of a Statutory Auditor in accordance with law, at least two of which must be post admission to *Membership* and at least 20% of the time spent during those two years must be in an area of *Statutory Audit*; and
- (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* and
- (d) Completion of the educational requirements outlined in Schedule 1 of S.I. 312 of 2016, 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 S.I. 312 of 2016.
- (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 an audit qualification and authorisation to act as a statutory auditor, from a recognised accountancy body at the date of application or at the date of transfer.

#### 13.32.2

Obtaining an audit qualification as outlined in 13.32.1 will meet the qualification requirement under S.1441(2) of the Companies Act 2014 for a public auditor.

#### 13.32.3

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 that other recognised accounting body.

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

#### 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 must maintain an appropriate level of competence in the conduct of audits.

## 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 a sufficiently high level.

## 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 *Institutes* 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*.

## REGISTRATION OF FIRMS

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

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* may accept an appointment as a public auditor in accordance with S.1441(2) of the *Companies Act 2014* subject to Bye Law 13.38.3.

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 Regulations 37 to 45 of SI 312 of 2016 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 Regulation 38 of SI 312 of 2016. If the firm is a sole practice and requires registration as a *Statutory Audit Firm* then the sole practitioner must be a *statutory auditor*.
- iv. if a firm is a partnership or body corporate the partnership or body corporate must comply with Bye Law 13.36 and 13.38
- v. the firm has appointed a Compliance Principal as required under these Bye Laws whose name and address has been given to the *Institute*.
- vi. where appropriate there is a continuity of practice agreement in place, that complies with Bye Law 13.25.
- vii. 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 (vii) 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 Regulation 38 of SI 312 of 2016.
- 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 another EEA member state other than the UK and 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 individuals who hold a qualification to audit accounts under the law of an EEA member state other than the UK and Ireland in a *Statutory Audit Firm*
  - ii). at least 51% of the voting rights are *Practising Certificate* holders in a *Non-Audit Firm*.
- e). if the *Firm's* policies are set by or implemented under the dictation of a Management Committee, Board or other body, at least 75% of the voting rights in that body are held by *Statutory Auditors* or individuals who hold a qualification to audit accounts under the law of an EEA member state other than the UK and Ireland in an Audit Firm or *Practising Certificate* holders in a *non-audit firm*.

##### 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

##### 13.38.3

A *Statutory Audit Firm* offering services to the public which involves the acceptance of the appointment as a public auditor in accordance with S.1441 of the Companies Act 2014 cannot be established as a body corporate.

### 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*;
- (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 as 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.

#### 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.

#### 13.41

### **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 53.5(b) of S.I 312 of 2016, 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
- (d) the *Authorised Firm* has failed to comply with Bye Law 13 and the restrictions and/or conditions are justified;
- (e) unrestricted registration could be prejudicial to the public interest.

#### 13.43.2

The Registration Committee may at any time revoke 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.

#### 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, S.I.No.312 2016.

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 if 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'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.

#### 13.45.1

At any time the Registration Committee may withdraw the registration of a *Statutory Audit Firm* if circumstances arise (involving acts or omissions on the part of Statutory Audit Firm or Statutory Auditor through whom it acts) from which it 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.

#### 13.45.2

A *Firm* 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 paragraph 33(10) S.I.No.312 of 2016.

#### 13.45.4

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 paragraph 37(b) S.I.No.312 of 2016. Notification of withdrawal of approval will be published by the Registration Committee in whatever manner the Committee sees fit.

#### 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 practicing 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 Regulation 38 of SI 312 of 2016 must be an individuals who hold a qualification to audit accounts under the law of an EEA member state other than the UK and 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 Regulation 38 of SI 312 of 2016 is also responsible for insuring that at all times during the registration of the firm, complies with the requirements of Regulations 37 to 45 of SI 312 of 2016.

#### 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*.

#### 13.47.3

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;

- b) is a fit and proper person to be granted *Responsible Individual* status;
- c) has agreed to comply with this Bye Law 13 and relevant law;
- d) has agreed to observe and uphold the Code of Ethics and
- e) 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.

#### 13.47.4

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 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**

#### 13.47.1

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 13.48.2 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*.

#### 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.

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
- (k) 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.

#### 13.54

##### **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 13.53.2 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.

#### 13.54.5

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.

### **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 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.