

In Practice News

2019 Profile of the Profession

The Irish Auditing and Accounting Supervisory Authority (IAASA) has published its annual 'Profile of the Profession for 2019', which provides readers with an insight into:

- the Prescribed Accountancy Bodies' ('PABs') membership, student numbers and public practice profiles;
- the nature and scale of the PABs' regulatory and monitoring activities; and
- the Recognised Accountancy Bodies' ('RABs') auditor population and related audit quality and continuing professional development ('CPD') monitoring activities.

IAASA's role in relation to the accountancy bodies includes supervising the manner in which the PABs regulate their members. It also extends to oversight of the RABs' performance of the regulatory functions assigned to them under legislation in respect of statutory auditors, including approval and registration, continuing education, quality assurance and investigation and discipline.

Additional information regarding IAASA's supervision of the PABs and oversight of statutory auditors and audit firms is available in IAASA's Annual Audit Programme and Activity Report 2019 and Annual Report 2019 published on our website.

At 31 December 2019:

- there were 40,027 PAB members located in Ireland, an increase of 4% from 2018 (2018: 38,530). Of these, 61% work in business;
- the PABs' aggregate student membership located in Ireland was 16,830, a small increase of 2% from the previous year (2018: 16,462);
- the number of audit firms approved to audit in Ireland was 4,341 (2018: 4,568) with 1,207 (2018: 1,260) of those located in Ireland; and
- the number of individual statutory auditors approved to audit in Ireland was 9,657 (2018: 10,000) with 1,894 (2018: 1,956) of those individuals located in Ireland.

Prescribed Accountancy Body (PAB) Membership

There has been a 2.9% increase in PAB worldwide membership in the year, although the geographical split has remained largely unchanged.

Important notice – Changes to Eligibility Criteria for Audit Qualification

Members and students are advised of changes to CPA Ireland's Bye Law 13, Practice and Audit Regulations, from 1st July 2020.

Bye Law 13 sets out the requirements for CPA members who wish to obtain a practising certificate or become a statutory auditor.

Some of the key changes are in the area of the eligibility criteria for audit qualification. If you are considering making an application for audit qualification to enable you to act as a statutory auditor in the future, you should be aware of some significant changes in this regard and plan your training and education accordingly.

For further information please visit the Going into Practice section of the CPA Ireland website at www.cpaireland.ie

Of the PAB's, ACCA continues to have the largest membership worldwide representing just over 39%. In Ireland, ICAI continue to have the highest membership with almost 48% of members.

As in prior years, four PABs account for around 98% of PAB members located in Ireland

- ICAI (48%)
- ACCA (29%)
- CIMA (11%)
- CPA (10%)

In Ireland, the majority gender profile of members is male, in contrast to the student profile, where the majority gender profile is female. However, CPA continues to be the only Recognised Accountancy Body (RAB) with a majority female membership at 51%.

Prescribed Accountancy Body Student Population

Total students in Ireland represent 3% of PABs' worldwide students in 2019 and 67% of students continue to be located outside the EU. There has been a minor increase of approximately 1% in PAB student numbers worldwide in the year, with the geographical split by location remaining largely unchanged. ACCA continues to have the most students worldwide, and the most students in Ireland.

As in prior years, four PABs accounted for almost all of Irish students:

- ACCA (50%);
- ICAI (34%);
- CIMA (10%); and
- CPA (5%).

Prescribed Accountancy Body Members Holding Practising Certificates

PAB members worldwide authorised to practice has decreased marginally by 1.5% from 2019; there was a modest increase in those authorised to practice in Ireland from 2018.

As in prior years, the vast majority (96%) of those authorised to practise in Ireland and located in Ireland are members of:

- ICAI (53%),
- ACCA (23%), and
- CPA (20%)

The majority (71%) of worldwide PAB members holding practising certificates are members of ICAEW.

Statutory Audit Firms and Statutory Auditors

Over the past 2 years statutory audit firms and statutory auditors, approved by the RABs to perform statutory audits in Ireland, located worldwide and in Ireland, are detailed below.

The number of statutory audit firms worldwide has declined by 5%. Individually, the degree of decline varies:

- ACCA (3%);
- ICAEW (5%);
- ICAI (4%);
- ICAS (3%); and
- CPA (7%)

Year on year, ICAEW account for the largest proportion of approved statutory audit firms and statutory auditors located worldwide, whilst ICAI account for the largest proportion located in Ireland. Statutory audit firms located in Ireland.

Statutory audit firms located in Ireland have also declined by 18% in the period. Individually, the degree of decline varies across the RABs concerned:

- ACCA (11%);
- ICAEW (50%);
- ICAI (19%); and
- CPA (5%)

Statutory auditors located in Ireland have declined by 15% in the period. Again, individually, the degree of decline varies across the RABs concerned:

- ACCA (11%);
- ICAEW (50%);
- ICAI (13%); and
- CPA (5%)

The document also reports on PABs' investigation and disciplinary activities, RAB's quality assurance of statutory audit firms and PABs' activities in continuing education of members during 2019. The full document can be downloaded from the IAASA website at www.iaasa.ie.

Source: www.iaasa.ie

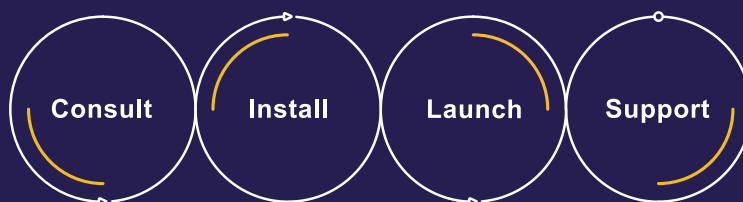
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