

Results of monitoring visits to firms holding UK and Irish audit registration carried out in 2024

ACCA has recognition in the UK and Ireland to register firms as statutory auditors. In the UK it operates under the oversight of the Financial Reporting Council (FRC) and in Ireland under the oversight of the Irish Auditing and Accounting Supervisory Authority (IAASA). ACCA is required to undertake a comprehensive programme of monitoring visits to firms. This work is undertaken by ACCA's Compliance department and is designed to examine compliance with auditing standards, ACCA's Global Practising Regulations (GPRs) and the Code of Ethics and Conduct.

ACCA uses risk factors to determine whether a firm should be visited within the normal cycle of every six years, or earlier. Risk factors taken into account include the outcome of the previous visit, the number and types of audit clients, and the quality of the firm's action plan to remediate any deficiencies found in its work.

Where ACCA finds that a firm needs to make improvements to its audit work, the firm will normally be scheduled for a follow-up visit within four years; but where the audit work is found to be seriously unsatisfactory and significant improvements are required, the follow-up visit will normally take place within two years.

The outcomes of monitoring of firms holding UK audit registration¹ carried out in 2024 were as follows:

OUTCOME	No	%
Good or satisfactory	163	71
Unsatisfactory	47	20
Unsatisfactory and regulatory action required ²	20	9
Total	230	100

Of the 230 firms monitored above, 96 held no audit appointments or the audit work was not inspected, the majority of which were monitored on a desk-top basis. The desk-top monitoring confirmed the firms were eligible for registered auditor status and monitored compliance with the GPRs.

The outcomes of monitoring of firms holding Irish audit registration¹ carried out in 2024 were as follows:

OUTCOME	No	%
Good or satisfactory	42	78
Unsatisfactory	7	13
Unsatisfactory and regulatory action required ²	5	9
Total	54	100

Of the 54 firms monitored above, 12 held no audit appointments or the audit work was not inspected, the majority of which were monitored on a desk-top basis. The desk-top monitoring confirmed the firms were eligible for registered auditor status and monitored compliance with the GPRs.

¹ A number of firms hold both UK and Irish audit registration and will be included in both tables.

² 'Regulatory action' includes referrals to the regulatory assessor and/or the Admissions and Licensing Committee, a referral to the Investigations Department for a serious breach of an applicable standard or regulation, or both. Not all such referrals are the result of an unsatisfactory standard of work.