

IAASA Work programme 2023-2025

A consultation paper issued for public consultation by the Irish Auditing and Accounting Supervisory Authority (IAASA)

Comments from ACCA
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GENERAL COMMENTS

ACCA welcomes the opportunity to comment on IAASA's proposed Work Programme for the period 2023-2025. We therefore hope that our feedback will assist IAASA in finalising the work programme.

Ensuring Ireland has a strong regulatory environment and a high-quality auditing and accounting profession is important to our future members, members and firms in Ireland. We are therefore pleased to be able to support IAASA in the effective achievement of its strategy over the next three years.

ACCA is supportive of IAASA's draft Work Programme which clearly sets out the key strategies and activities that the Authority will pursue in the period 2023-2025. Overall, the forthcoming strategic period appears to be one of consolidation rather than of significant new direction, as the improvements to regulation and standards will require time to embed and deliver the desired outcomes.

Oversight of the professional accountancy bodies is critical to the effective regulation of the accounting profession in Ireland in the public interest, and open and constructive engagement with the professional bodies is therefore a key element of the Work Programme 2023-2025. Over the next strategic period, IAASA should prioritise supporting and promoting the high standards of qualified and regulated accountants, in particular with the Government and general public. It will also be important to engage with the UK regulator as it transitions to the Audit, Reporting and Governance Authority (**ARGA**).

The content of the Work Programme is determined by Section 910 of the Companies Act (**the Act**) and therefore it broadly follows the structure of the current programme. However, we believe there is an opportunity to set out more detail about resources, challenges and opportunities, and how success will be measured. This additional information would provide greater transparency and accountability in terms of how IAASA is progressing its key strategies, activities and outputs, and measuring the Authority's success in furthering its objects and performing its functions. The suggested enhancements are highlighted in our responses to the questions raised where appropriate. We have also identified some spelling and grammatical errors and trust that these will be amended in the final publication.



AREAS FOR SPECIFIC COMMENT

Question 1: Does the programme clearly set out the key strategies and activities that the Authority will pursue in the period 2023-2025?

The draft Work Programme is aligned to the requirements of the Act and clearly sets out the key strategies and activities that the Authority will pursue in the period 2023-2025. While we believe the overall structure and content of the Work Programme is clear, logical and engaging, the Authority should guard against giving the impression that it is simply responding to the statutory requirement to prepare a three-year work plan. In our opinion, there is an opportunity to set out more detail about resources, challenges and opportunities, and how success will be measured. We comment on this further in our responses to the questions below.

Question 2: Does the programme identify the appropriate strands, strategies and enablers for the Authority?

The draft Work Programme identifies the appropriate strands, strategies and enablers for the Authority in accordance with the Act. The programme is wide-ranging and will need to be planned and prioritised to ensure the successful delivery of each strategy and maximise impact.

ACCA recognises that the majority of the activities and outputs set out in the Work Programme are ongoing and will remain broadly unchanged. We note that the programme also includes new strategies, for example a new regulatory strategy relating to the implementation of the Corporate Sustainability Reporting Directive and new activities in relation to Innovating. However, one-off additional activities have not been specifically highlighted. Therefore, it is difficult to see the impact of specific developments on the activities of the Authority.

We believe that additional value would be derived from identifying specific challenges facing the Authority and its stakeholders and specific projects over the coming three years (and also in the shorter term). The Work Programme could also be enhanced by an explanation of how the Authority will prioritise its activities. However, we appreciate that these aspects may be addressed in the Chief Executive's Introduction which is yet to be completed.

We believe that there remains a disconnect between IAASAs efforts '*to promote high standards in the ... accounting profession*' (Strand 3, Strategy 2) while the use of the description 'accountant' continues to be unrestricted. One area activity that causes most concern is tax advice provided by unregulated accountants. We believe that considerable amelioration of this



position could be achieved by IAASA taking a supporting position on the controls discussed in the European Parliament paper *Regulation of intermediaries, including tax advisers, in the EU/Member States and best practices from inside and outside the EU*¹. We would support IAASA adding in a supporting role in Strand 3, Strategy 2 for the protection of the business community through supporting the implementation of safeguards over the activities of tax advisors in Ireland.

Question 3: Does the programme adequately convey the outputs that the Authority aims to achieve for the period 2023-2025?

Within the draft Work Programme, each strategic activity is supported by a number of outputs which adequately describe how the Authority will achieve the strategy. However, we suggest that the outputs for Strand 3 (Maximising our Impact) include a reference to the role of Sustainability in developing and improving IAASA's processes. In addition, we believe the Work Programme would benefit from the inclusion of strategic measures, as this would provide greater transparency and accountability in terms of how IAASA is progressing its key strategies, activities and outputs, and measuring the overall success of the programme.

Question 4: Does the programme clearly convey the staff, resources and expenditure that will be required to pursue the strategies and activities?

The Work Programme sets out the enablers that will influence the Authority's capacity to achieve the outputs disclosed in the programme together with the activities that the Authority carries out to maximise these resources. However, the document appears to focus on resources at the commencement of the Work Programme 2023-2025 and past achievements, rather than the future staff, resources and expenditure needs.

While a briefer document can provide greater focus and clarity, we believe the Work Programme should provide a better understanding of the necessary staff, resources and expenditure that will be required to deliver the strands of the programme for the next three years. This could be achieved in part by differentiating between ongoing activities and new responsibilities and challenges faced by the Authority in pursuing the strategies and activities identified in the programme. In particular, ACCA would welcome further detail on the annual programme of expenditure, given that the IAASA's activities are partially funded through a levy on the Prescribed Accountancy Bodies (**PABs**).

¹ [https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733965/IPOL_STU\(2022\)733965_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/733965/IPOL_STU(2022)733965_EN.pdf)



Question 5: Do you have any other comments on the draft programme?

We have no further comments.

