

In Practice News

IAASA Annual Report 2023

IAASA's annual report has been laid by the Minister before the Houses of the Oireachtas. Commenting on the report, Chief Executive Keving Prendergast said:

"IAASA continues to support the highest standards of auditing and corporate reporting quality. This is achieved through our regulatory approach that sets a benchmark in terms of our expectations on quality, and where necessary a robust enforcement policy where there are significant departures from that benchmark. IAASA also maintains quality throughout the profession by the issue of high-quality auditing standards and through its oversight of the regulatory activities of the prescribed accountancy bodies. Looking to the future, IAASA is preparing for the impact of the Corporate Sustainability Reporting Directive and its corporate reporting and assurance requirements. While IAASA is focussing on its public interest entity population, these will in time impact on thousands of companies in Ireland."

[Find out more](#)

FRC restructure creates new Market Intelligence and Digital Reporting Functions

The FRC recently announced a strategic review of its economic analysis, data analysis, research and market monitoring functions, existing resources have been reorganized into two newly structured teams to enable delivery of better stakeholder outcomes across the FRC's remit and regulatory scope. These two new functions are Market Intelligence and Insights led by Laura Warren, and Digital Reporting and Taxonomies led by Phil Fitz-Gerald. The work previously undertaken by FRC Lab on reporting and market insights will be absorbed into these new functions.

The Market Intelligence & Insights function will focus on providing more comprehensive, evidence-based analysis and insights across the FRC's policy development, monitoring and regulatory activities. Separately, the new Digital Reporting & Taxonomies function has been established, reflecting the importance of these rapidly evolving areas. It will focus on building the FRC's knowledge and capability, improving the quality of digital reporting, and developing tools to support the reporting ecosystem.

[Find out more](#)

Company Size Thresholds Increased by 25%

The Minister for Enterprise Peter Burke signed into law the European Union (Adjustments of Size Criteria for Certain Companies and Groups) Regulations 2024 which increases the balance sheet and turnover thresholds for 'micro', 'small', 'medium', and 'large' companies in the Companies Act 2014 by 25 per cent.

The legislation comes into effect from 1st July

2024 and the measures apply for financial years beginning on or after 1 January 2024, enabling companies to benefit from the adjusted thresholds immediately. Companies may elect to apply the measures on or after 1 January 2023.

Category	Criterion	New Thresholds
Micro	Balance Sheet Total not exceeding	€450,000
	Net Turnover not exceeding	€900,000
	No. of employees not exceeding	10
Small	Balance Sheet Total not exceeding	€7.5m
	Net Turnover not exceeding	€15m
	No. of employees not exceeding	50
Small Group	Balance Sheet Total not exceeding	€7.5m (or €9m gross)
	Net Turnover not exceeding	€15m (or €18m gross)
	No. of employees not exceeding	50
Medium	Balance Sheet Total not exceeding	€25m
	Net Turnover not exceeding	€950m
	No. of employees not exceeding	250
Medium Group	Balance Sheet Total not exceeding	€25m (or €30m gross)
	Net Turnover not exceeding	€50m (or €60m gross)
	No. of employees not exceeding	250
Large	Balance Sheet Total not exceeding	€25m
	Net Turnover not exceeding	€50m
	No. of employees not exceeding	250

[Find out more](#)

Quality Assurance Reviews – Notification – frequency of reviews

IAASA wishes to highlight that the statutory requirement regarding quality assurance reviews conducted by the Recognised Accountancy Bodies (RABs) is not limited to every six years.

Key messages for statutory auditors and audit firms:

- 1. Legislation – Companies Act 2014 – Section 1496** - The legislation explicitly states that a quality assurance review should take place at least every six years.
- 2. Risk Assessment** - RABs risk assess statutory auditors and audit firms to determine content and frequency of quality assurance review.
- 3. Timing** - A visit may be conducted by the RABs earlier than a six-year interval if deemed necessary or appropriate. Failure to comply may result in regulatory action.

[Find out more](#)

ESMA publishes material supporting corporate sustainability reporting

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has published:

- Final Report on the "Guidelines on Enforcement of Sustainability Information" (GLESII), and
- Public Statement on the first application of the European Sustainability Reporting Standards (ESRS).

These documents are designed to support the consistent application and supervision of sustainability reporting requirements across the EU.

The purpose of the GLESII is to provide guidance to build convergence on supervisory practices in the area of sustainability reporting.

Through the Public Statement on the first-time application of the ESRS, ESMA aims to support large issuers addressing the learning curve associated with the implementation of these new reporting requirements.

[Find out more](#)