

Memorandum of Understanding on Reciprocal Arrangements under the Companies Acts in the UK and Republic of Ireland

Between

The Financial Reporting Council Limited

&

The Irish Auditing and Accounting Supervisory Authority

Participants

1. The Participants to this Memorandum of Understanding on Reciprocal Arrangements (**MOURA**) are:
 - 1.1. The Financial Reporting Council (**FRC**), 125 London Wall, London, EC2Y 5AS, United Kingdom which is the competent authority for statutory audit in the United Kingdom (**UK**), and
 - 1.2. The Irish Auditing and Accounting Supervisory Authority (**IAASA**), Willow House, Millennium Park, Naas, Co. Kildare, Ireland, which is the competent authority for statutory audit in the Republic of Ireland.

Scope

2. Prior to the UK's departure from the European Union (**EU**), and during the subsequent transition period, the UK and the Republic of Ireland had reciprocal arrangements in place for the approval of auditors from the other's jurisdiction as statutory auditors in their jurisdiction.
3. Following the completion of the transition period, the UK and the Republic of Ireland are third countries to each other within the meaning of the Audit Directive¹.
4. The FRC and IAASA, as the relevant competent authorities, are committed to maintaining equivalent reciprocal approval arrangements following the UK's departure from the EU. Those arrangements are set out below and demonstrate the ongoing reciprocity of the approval arrangements for statutory auditors between the UK and the Republic of Ireland.

Post-departure arrangements - UK

5. A person approved to conduct statutory audits in the Republic of Ireland may be approved to conduct statutory audits in the UK, provided that that person satisfies the relevant requirements of UK legislation.
6. Those requirements are set out in Sections 1212, 1219 and 1222 of, and paragraph 6 of Schedule 10 to the Companies Act 2006².

Post-departure arrangements - Ireland

7. A person approved to conduct statutory audits in the UK may be approved to conduct statutory audits in the Republic of Ireland, provided that person satisfies the relevant requirements of Republic of Ireland legislation.
8. Those requirements are set out in Sections 1464, 1470, 1472 (including Schedule 19), 1476 to 1478 and 1572 of the Companies Act 2014, as amended by the Companies (Statutory Audits) Act 2018.

¹ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, as amended.

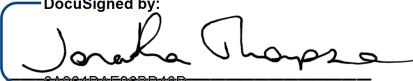
² C. 46, as amended; see in particular the amendments made by the Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/177).

Legislative changes

9. The Participants will notify each other of any changes to their domestic legislation as referred to in paragraphs 6 and 8 above.

Status of the Memorandum

10. The MOURA is not legally binding and does not create any legal rights or obligations that are enforceable by either of the Participants, or by any third parties to the MOURA.
11. The Participants are committed to pursuing the aims and purpose of this MOURA in good faith and intend to act in accordance with its provisions on a voluntary basis to enhance mutual co-operation.
12. This MOURA commences on the date signed by the Participants and will continue in effect until terminated by the participants.
13. This MOURA may be amended or terminated with the approval of the Participants, or terminated by either Participant giving not less than three months written notice to the other.

Signed:  DocuSigned by:
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Name: Sir Jonathan Thompson

Position: Chief Executive Officer

Date: 07 December 2020

For and on behalf of The Financial Reporting Council Limited

Signed:  DocuSigned by:
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Name: Kevin Prendergast

Position: Chief Executive

Date: 21 December 2020

For and on behalf of the Irish Auditing and Accounting Supervisory Authority