



Financial Reporting Council

# Public Interest Entity (PIE) Auditor Registration

## Guidance for Applications and Registration

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# 1. Introduction

1. The Public Interest Entity (PIE) Auditor Registration Regulations (Regulations)<sup>1</sup> took effect on 20 April 2026 and supersede those which previously took effect on 5 December 2022. Regulation 1.3 has the effect that, from 20 April 2026 any outstanding matters, commenced under the previous version of the Regulations, shall be conducted pursuant to the Regulations, including but not limited to:
  - any ongoing or pending Application or assessment thereof;
  - any ongoing, pending, or contemplated Registration Decision;
  - any existing or contemplated Condition, Undertaking, waiver, suspension, urgent decision, or removal from the FRC's PIE Auditor Register (PAR); or
  - any requirement imposed under the previous version of the Regulations.
2. The Regulations require that, to undertake Statutory Audit Work for PIEs, (i) Statutory Audit Firms and (ii) Responsible Individuals (RIs) who are, or may be, responsible for signing an audit report for a PIE must be on the PAR.<sup>2</sup> The Regulations are separate from, and impose requirements which are additional to, the Recognised Supervisory Bodies' (RSBs) audit registration process for Statutory Auditors (which continues to apply).
3. It is up to the Statutory Audit Firm or RI to determine whether they are undertaking, or plan to undertake, Statutory Audit Work for a PIE (see paragraphs 8 to 10 below). For the purposes of Regulation 1.5, a firm shall be regarded as undertaking Statutory Audit Work for a PIE from the earlier of: (i) the day on which the Statutory Audit Firm is appointed as Statutory Auditor for the PIE, pursuant to the Companies Act 2006; or (ii) the day on which the Statutory Audit Firm first commences audit work for the PIE in respect of an Accounting Reference Period for which it is subsequently appointed as Statutory Auditor.
4. This Guidance is designed to assist Statutory Audit Firms and RIs in the making of Applications and in maintaining their registration on the PAR. It should be read in conjunction with the Regulations, which take precedence over this Guidance. If Statutory Audit Firms or RIs have any questions regarding the application of the Regulations and/or the making of Applications which are not addressed in this Guidance, they are encouraged to liaise with the FRC in a timely manner. All enquiries should be directed to [registration@frc.org.uk](mailto:registration@frc.org.uk).
5. Definitions and interpretations of the terminology used in this Guidance appear in Part 2 of the Regulations.
6. Non-compliance with the Regulations may, amongst other things, result in the FRC investigating the non-compliance and, where appropriate, taking enforcement action.

<sup>1</sup> [https://www.frc.org.uk/documents/9244/PIE\\_Auditor\\_Registration\\_Regulations\\_April\\_2026\\_RIprExp.pdf](https://www.frc.org.uk/documents/9244/PIE_Auditor_Registration_Regulations_April_2026_RIprExp.pdf)

<sup>2</sup> Unless an exemption pursuant to Regulation 1.7 has been granted.

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## 2. How to register?

7. To become a PIE Registered Audit Firm or a PIE Registered RI, a Statutory Audit Firm or RI, as appropriate, must submit an Application in accordance with the Regulations.

### Determining whether registration is required

8. Regulation 1.6 specifies when a Statutory Audit Firm or RI must be registered on the PAR. Any request for exemption (under Regulation 1.7) from the requirement in Regulation 1.6 should be made before any Statutory Audit Work for a PIE is undertaken. On receipt of a request for an exemption pursuant to Regulation 1.7, the FRC will determine whether it is in the public interest for the exemption to be granted. If granting an exemption, the FRC shall state the date from which the exemption applies. The FRC may develop guidance as to when an exemption may be granted. Requests for exemptions should be made to the FRC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk).
9. The types of audited entities most likely to fall within the scope of the PIE definition in the Regulations include (but are not limited to): UK-incorporated (or otherwise registered or constituted) entities listed on the London Stock Exchange (or other UK-regulated market); UK-registered banks, building societies or other credit institutions (but not credit unions or friendly societies); or UK insurance entities within the scope of the Solvency II regulations as it stood at 30 December 2020 (even if they are no longer subject to Solvency II after that date).
10. For the avoidance of doubt, any temporary suspension of the listing of an entity's securities, and/or the admission to trading of those securities, will not affect whether an entity meets the definition of a PIE for the purposes of the Regulations.

### Notifications and correspondence

11. All Applicants should use their name and RSB registration or membership number in all correspondence with the FRC regarding their Application. These details should match the information registered/to be registered on the Register of Statutory Auditors. If the Application is granted, the FRC will use the Applicant's name and either their RSB registration or membership number in all casework and correspondence concerning the Applicant.
12. All correspondence from the FRC regarding Applications and registration matters (including Registration Notices and Formal Notifications) will be addressed to the Applicant Statutory Audit Firm's or PIE Registered Audit Firm's Principal Authorised Contact (PAC) (and/or any Authorised Contact (AC) appointed and authorised by the PAC). An AC can perform administrative tasks on behalf of the PAC under the Regulations, but may not make decisions on behalf of the PIE Registered Audit Firm.
13. In general, where the Application or registration matter relates to an Applicant RI or a PIE Registered RI, all correspondence will be addressed to their Applicant Statutory Audit Firm or PIE Registered Audit Firm (via the PAC). The Applicant Statutory Audit Firm or PIE Registered Audit Firm, as applicable, should provide a copy of the correspondence to the Applicant RI

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or PIE Registered RI, as applicable. The FRC will only copy the Applicant RI or PIE Registered RI if their contact information has been provided to the FRC. In certain situations (such as in relation to matters arising from an individual's previous employment at a different audit firm), and if contact information has been provided, the FRC may consider it appropriate to communicate directly with the Applicant RI or PIE Registered RI.

## Submitting an Application: audit firms

14. Before a Statutory Audit Firm submits an Application, it should provide details of its PAC to the FRC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk).
15. To apply for registration on the PAR, a Statutory Audit Firm or its PAC must:
  - Send an email to [registration@frc.org.uk](mailto:registration@frc.org.uk) to request access to the Application documents (set out below).
  - Complete an Application form using an online MS Forms<sup>3</sup> document. The FRC will only accept Application forms using the online MS Forms document.
  - Submit a list (in an Excel spreadsheet provided by the FRC) of:
    - a. the RIs designated by the Applicant Statutory Audit Firm (each such RI must also submit an Application (see paragraphs 20 and 22 below)). Where the Applicant is a PIE Registered Audit Firm which is planning to change legal form (for example, from general partnership to an LLP) or to transfer all or part of its audit business to another entity, and the Applicant Statutory Audit Firm wishes to transfer the same PIE Registered RIs to the new entity, the FRC will require a list of the RIs to be transferred, but the FRC may not require each designated RI to submit a new Application; and
    - b. details of the Applicant Statutory Audit Firm's PIE engagements for 24 months from the date of the Application, comprising:
      - the Applicant Statutory Audit Firm's PIE engagements for the 12 months from the date of the Application; and
      - the Applicant Statutory Audit Firm's expected PIE engagements for the following 12 months;including the RIs assigned to each PIE engagement.
  - Submit a supporting statement (see paragraph 17 below) which explains how it meets the Registration Requirements in Part 4 of the Regulations, unless the FRC in its discretion dispenses with the need for such a statement.
16. All supporting documentation should be submitted through the Applicant's dedicated FRC registration SharePoint<sup>4</sup> site. Instructions on how to access the registration SharePoint site will be sent to the Applicant Statutory Audit Firm's PAC.

<sup>3</sup> Any references to 'the MS Forms document' in this Guidance includes any alternative format in which the relevant form may be issued by the FRC at any time in the future.

<sup>4</sup> Any references to SharePoint in this Guidance include any alternative secure file sharing platform or process which may be used by the FRC at any time in the future.

## Supporting statement

17. As noted at paragraph 15 above, each Applicant Statutory Audit Firm is required to submit a supporting statement as part of its Application. In this supporting statement, the Applicant needs to explain how they meet certain Registration Requirements in Part 4 of the Regulations. The table below sets out which of the Registration Requirements must be explained in the supporting statement.
18. Using the relevant Registration Requirements as headings, the supporting statement of each Applicant Statutory Audit Firm should include a description of the relevant policies, procedures and resources that the Applicant Statutory Audit Firm has in place in respect of its Statutory Audit Work for PIEs.

### Table of Registration Requirements: Statutory Audit Firms

19. The table below provides guidance on how Applicant Statutory Audit Firms should demonstrate, in an Application, their compliance with each of the Registration Requirements. The FRC expects responses to be proportionate to the size and complexity of the Applicant Statutory Audit Firm and the number of PIEs for which it will undertake Statutory Audit Work.

Registration Requirement	Guidance for Applicants
Reg 4.1(i) and (ii) – The audit firm meets the Eligibility Criteria and is a Statutory Audit Firm	<p>To be confirmed in the Application form. The audit firm must confirm whether it is on the Register of Statutory Auditors.</p> <p>If the audit firm is in the process of applying to an RSB for status as a Statutory Auditor, it must provide relevant details in the Application form.</p>
Reg 4.1(iii)a) knows, or has reasonable grounds to believe, that it will undertake Statutory Audit Work for at least one PIE within the period of 24 months, (unless the FRC agrees a longer period) following: <ol style="list-style-type: none"><li>i. the date on which its Application is received by the FRC; and</li><li>ii. the date on which any Annual Return is submitted to the FRC</li></ol>	<p>To be confirmed in the Application form. The Statutory Audit Firm must also complete the Excel spreadsheet providing details of its PIE audits.</p>
Reg 4.1(iii)b) has designated one or more individuals to apply to be PIE Registered RIs and has authorised and	<p>To be confirmed in the Application form. The Statutory Audit Firm must also complete the Excel spreadsheet providing detail of its designated RIs. Separately, each designated RI should complete a full</p>

supports the Applications of these individuals to be PIE Registered RIs

RI Application (save where the FRC has dispensed with the need for this in the case of a PIE Registered Audit Firm).

Reg 4.1(iii)c) has in place, and will maintain, procedures to determine the continuing competence, experience and fit and proper status both of its designated PIE Registered RIs and of all of its Principals and employees involved in Statutory Audit Work for PIEs (including any such Principal or employee who is not a PIE Registered RI)

To be explained and confirmed in the supporting statement.

### **Continuing competence and experience**

The Statutory Audit Firm must explain the procedures it has in place for ensuring the ongoing training and development of all staff involved in Statutory Audit Work for PIEs, and should supply a copy of its annual training plan.

The Statutory Audit Firm may wish to reference the following in its supporting statement:

- How personal development plans are formulated.
- How the Statutory Audit Firm meets the training requirements of the relevant RSBs.
- Whether the Statutory Audit Firm provides any sector-specific training pertinent to its PIE audit portfolio.
- Whether the Statutory Audit Firm subscribes to any periodicals.
- How the Statutory Audit Firm ensures staff comply with its prescribed training plans.
- How the Statutory Audit Firm evaluates the success of training.
- How the Statutory Audit Firm ensures learning has been embedded.

### **Fit and proper procedures**

The Statutory Audit Firm must provide an overview of what internal processes are in place for confirming the fitness and propriety of its staff involved in Statutory Audit Work for PIEs (for example, by explaining if the Statutory Audit Firm carries out an annual fit and proper check).

The Statutory Audit Firm should also outline its processes for alerting its RSB to fit and proper matters affecting the Statutory Audit Firm and its Principals and staff.

Reg 4.1(iii)d) has in place, and will maintain, procedures to ensure all Principals and employees involved in Statutory Audit Work for PIEs are aware of, and comply with, these Regulations

To be explained and confirmed in the supporting statement.

The Statutory Audit Firm must explain how all staff involved in Statutory Audit Work for PIEs, including those who are not required to be registered with the FRC, will be made aware of the requirements of the Regulations.

Furthermore, the Statutory Audit Firm must set out the processes it will put in place to enable all its PIE Registered RIs to comply with the Registration Requirements found in Part 5 of the Regulations. This will include ensuring appropriate and timely notifications to the FRC when there is a Relevant Change affecting a PIE Registered RI.

Reg 4.1(iii)e) can satisfy the FRC of its suitability to be a PIE Registered Audit Firm including demonstrating that it is fit and proper

To be confirmed in the Application form.

The Statutory Audit Firm must confirm whether:

- it has any open or closed regulatory/disciplinary matters with its RSB; and
- it has any fit and proper matters to disclose to its RSB.

The Statutory Audit Firm must confirm whether it has disclosed all matters to its RSB affecting its fit and proper status occurring within the last seven years. Where the Statutory Audit Firm has any fit and proper matters which it has not disclosed to its RSB, it must provide details of these outstanding matters. These must either be uploaded to the Statutory Audit Firm's dedicated registration SharePoint folder or emailed to [registration@frc.org.uk](mailto:registration@frc.org.uk).

Reg 4.1(iii)f) has provided all necessary evidence and information with its Application, along with any further explanations required by the FRC

To be confirmed in the Application form.

Reg 4.1(iii)g) has paid to the FRC and/or its RSB, any registration fees set by the FRC and/or its RSB in relation to its Statutory Audit Work, including for PIEs

To be confirmed in the Application form.

Fees relate to the relevant RSB's fees for registration as a Statutory Auditor. The FRC has not currently set any additional fees for registration on the PAR.

Reg 4.1(iii)h) has, and will maintain, in place appropriate resources and an appropriate system of quality management to enable it to perform Statutory Audit Work for PIEs to the required standards

To be explained and confirmed in the supporting statement.

### **Appropriate resources**

The Statutory Audit Firm must explain how it has sufficient financial and non-financial resources enabling it to perform Statutory Audit Work for PIEs to the required standards.

Audit firms may wish to reference the following:

- How the Statutory Audit Firm plans and allocates resources (including people and other costs) for its Statutory Audit Work for PIEs.
- Staffing levels (and trends in levels) for audit teams dealing with Statutory Audit Work for PIEs.
- Industry and technical specialisms of audit teams dealing with Statutory Audit Work for PIEs.
- Processes and measures for assessing appropriate capacity of audit teams working on Statutory Audit Work for PIEs.
- Methods of seeking regular feedback from teams working on Statutory Audit Work for PIEs, e.g. feedback surveys.
- Budgeting and forecasting for future resource needs in Statutory Audit Work for PIEs.

### **Appropriate systems of quality management**

The requirements for Statutory Audit Firms in respect of systems for quality management are specified in the International Standard on Quality Management (ISQM (UK)1). A Statutory Audit Firm must summarise how it complies with ISQM (UK) 1. The response should focus on the following areas of quality management:

- System of quality management.
- The Statutory Audit Firm's risk assessment process.
- Complying with the ethical requirements.
- Acceptance and continuance of client relationships and specific engagements.
- Engagement performance.
- Information and communication.

- Monitoring and remediation process.
- Evaluating the system of quality management.

The summary should include a description of the internal resources the Statutory Audit Firm has allocated to quality management.

The FRC would expect a Statutory Audit Firm's approach to quality management to be proportionate to the size and complexity of the Statutory Audit Firm and the size and complexity of its PIE audit portfolio.

Reg 4.1(iii)i) has, and will maintain, governance arrangements, Principals, management and ownership interests in the PIE Registered Audit Firm, which are suitable to operate and/or control a business that carries out Statutory Audit Work for PIEs

To be explained and confirmed in the supporting statement.

The FRC issues the Audit Firm Governance Code (AFGC), which the FRC expects Statutory Audit Firms should apply if they audit 20 or more PIEs or if they audit one or more FTSE 350 companies.

The AFGC states that Statutory Audit Firms that fall below this threshold may wish to apply the AFGC in a manner that is proportionate to the size and nature of the entities they audit.

It is not a requirement that all Statutory Audit Firms applying for PIE auditor registration should apply the full AFGC, unless the thresholds are met. Nonetheless, Applicant Statutory Audit Firms may wish to use the AFGC to structure this section of their supporting statement, setting out how the Statutory Audit Firm's leadership, as well as its people, values and behaviours, are appropriate for a Statutory Audit Firm working in the PIE audit market.

All Statutory Audit Firms must comply with ISQM (UK) 1 in relation to governance. Statutory Audit Firms who are not in scope of the AFGC may wish to reference how they comply with the relevant ISQM (UK) 1 requirements in their response.

Statutory Audit Firms must provide a complete description of their governance arrangements including, but not limited to, an explanation of how the Statutory Audit Firm is 'controlled by qualified persons' as defined in Paragraph 7 of Part 2 of Schedule 10 to the Companies Act 2006. For the purposes of the Regulations, governance

arrangements include, but are not limited to, arrangements for the ownership, corporate or legal structure, control, governance and/or management of, and ownership interests in, a PIE Registered Audit Firm.

Statutory Audit Firms may also wish to provide a high-level organisational chart, indicating which individuals perform key roles in respect of Statutory Audit Work for PIEs.

Reg 4.1(iii)j) has in place (or will have in place prior to commencing any Statutory Audit Work for PIEs), and will continue to have in place during the period that it is registered, at least the Minimum Level of Professional Indemnity Insurance and has supplied its Professional Indemnity Insurance information to the FRC

To be explained and confirmed in the supporting statement.

The Statutory Audit Firm must confirm it meets the minimum requirements as set by its RSB. The Statutory Audit Firm should also confirm that its actual level of cover is commensurate with the size and risk of its portfolio of PIE audits. The Statutory Audit Firm may also wish to discuss any risk assessments that have been undertaken in respect of Professional Indemnity Insurance (PII) cover for its Statutory Audit work for PIEs.

The FRC may request that the Statutory Audit Firm provides a copy of its PII policy schedule.

Reg 4.1(iii)k) has agreed that the FRC, the FRC's directors and staff and the FRC's Board and Committees cannot be held liable for damages for anything done or not done in dealing with the functions connected with registration under these Regulations, unless the act or omission is shown to have been in bad faith

To be confirmed in the Application form.

Reg 4.1(iii)l) has provided the FRC with the contact details of its Principal Authorised Contact

To be confirmed in the Application form.

Before a Statutory Audit Firm submits an Application, it should provide details of its PAC to the FRC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk), and request access to (1) the relevant Application documents and (2) the FRC's registration SharePoint site.

Reg 4.1(iii)m) has supplied and will supply information or documents that

To be confirmed in the Application form.

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may be required by the FRC to demonstrate compliance with the Registration Requirements

Reg 4.1(iii)n) commits to, and shall:

To be confirmed in the Application form. Continued compliance is a requirement of maintaining registration.

- i. comply with these Regulations, and other relevant regulations, procedures or rules of the FRC, including the AFGC (where relevant);
- ii. comply with any Conditions and/or Undertakings attached to its entry on the PAR;
- iii. deal with the FRC, including its staff and representatives, in an open, cooperative and timely manner;
- iv. notify the FRC in writing upon becoming aware of a Relevant Change; and
- v. comply with all relevant legislation, auditing standards, ethical standards and quality management standards relating to Statutory Audit Work for PIEs

## Submitting an Application: RIs

20. It is expected that, in most cases, an Application relating to an RI will be made by the RI's PIE Registered Audit Firm's or Applicant Statutory Audit Firm's PAC on their behalf (although it could be submitted by the Applicant RI). To apply for registration of an RI on the PAR, the PAC or the RI, as appropriate, must:
- Email the FRC to request access to the Application documents (set out below).
  - Complete an Application form using the online MS Forms document. The FRC will only accept Application forms using the online MS Forms document.
  - Provide a document which provides details of the RI's completed and planned Continuing Professional Development, including the number of hours (where applicable).
  - Complete a prescribed form (provided by the FRC) to demonstrate the RI's competence in relation to audits of PIEs (or similar or equivalent audits), with reference to the International Education Standard 8 (IES8) competencies, including up to five relevant examples (save where the FRC has dispensed with the need for this in the case of a particular RI). The form should include details of: the sector in which the RI works; the Applicant's proposed PIE portfolio; the Applicant's audit experience, describing the type of work performed by the Applicant in relation to PIEs or similar entities; and outcomes of any external and internal file reviews.
21. All supporting documentation should be submitted through the dedicated FRC registration SharePoint site. Instructions on how to access the registration SharePoint site will be sent to the PAC of the PIE Registered Audit Firm or Statutory Audit Firm of the Applicant RI.

### Table of Registration Requirements: RIs

22. The table below provides guidance on how each Applicant RI should demonstrate, in an Application, their compliance with each of the Registration Requirements. The FRC expects responses to be proportionate to the size and complexity of the Applicant's portfolio, including the risk profile of their PIE engagements.

Registration Requirement	Guidance for Applicants
Reg 5.1(i) and (ii) – The individual meets the Eligibility Criteria and is an RI	To be confirmed in the Application form. The RI must confirm whether they are on the Register of Statutory Auditors.  If the Applicant is in the process of applying to an RSB for status as a Statutory Auditor, the Applicant must provide relevant details in the Application form.
Reg 5.1(iii)a) are designated to be a PIE Registered RI by an Applicant Statutory	To be confirmed in the Application form.

<p>Audit Firm or a PIE Registered Audit Firm</p>	<p>Where the audit firm is applying for registration at the same time as the Applicant RI, the audit firm must have completed the Designated RI Excel spreadsheet (see paragraph 15 above).</p>
<p>Reg 5.1(iii)b) know, or have reasonable grounds to believe, that they will undertake Statutory Audit Work for at least one PIE within the period of 24 months, (unless the FRC agrees a longer period), following:</p> <ul style="list-style-type: none"> <li>i. the date on which their Application is received by the FRC;</li> <li>ii. the date on which any Annual Return is submitted to the FRC by the PIE Registered Audit Firm for whom they are a designated RI</li> </ul>	<p>To be confirmed in the Application form and specified in the prescribed form.</p>
<p>Reg 5.1(iii)c) have sufficient experience and competence to undertake Statutory Audit Work for PIEs</p>	<p>To be explained and confirmed in a prescribed form and separate document (see paragraph 20 above).</p> <p><b>Sufficient experience</b></p> <p>The Applicant must outline their experience of auditing PIEs or similar engagements, for example large and/or complex entities, by providing details of the relevant engagements worked on, addressing relevant IES8 competencies and drawing out issues addressed. The Application must explain their role and responsibilities within the relevant audit(s) described, including whether they acted as director, senior manager or partner.</p> <p><b>Competence</b></p> <p>The Applicant must provide details of all their training and CPD in the last 12 months, including the number of hours undertaken. The Applicant must highlight and explain the training and CPD which is relevant to the audit of PIEs. The Applicant should explain how they are complying with the requirements of IES8 and their RSB’s relevant CPD criteria.</p> <p>The Applicant must provide details of all training and CPD planned for the next 12 months which specifically relates to the audit of PIEs.</p>

The Applicant should also provide details of the grades of any file reviews which have been carried out (by the FRC's Audit Quality Review team, the relevant RSB's audit monitoring team, or internally) in relation to:

- i. PIE audits for which the Applicant was the RI or acted in a senior position, when the PIE audit has been subjected to a file review; and/or
- ii. non-PIE audits for which the Applicant was either the RI or acted in a senior position, when the audit has been graded.

The FRC has the power to refuse an RI Application due to lack of sufficient experience and competence if the Applicant does not have sufficient or relevant audit experience. The FRC will consider each RI Application on a case-by-case basis.

### **Undertakings and Conditions**

In addition to the sufficient experience and competence requirements listed above, when an Applicant has never previously acted as an RI, or has not proven sufficient experience or competence to the satisfaction of the FRC, the FRC may at its discretion, in accordance with the Regulations, request Undertakings or impose Conditions.

Reg 5.1(iii)d) can satisfy the FRC that they are fit and proper to undertake Statutory Audit Work for PIEs

To be confirmed in the Application form.

The RI must confirm whether:

- they have any open or closed regulatory/disciplinary matters with their RSB(s); and
- they have any fit and proper matters to disclose to their RSB(s).

The RI must confirm whether they have disclosed all matters to their RSB(s) affecting their fit and proper status occurring within the last seven years. Where the RI has any fit and proper matters which they have not disclosed to their RSB(s), they must provide details of these outstanding matters. These must either be uploaded to the RI's PIE Registered Audit Firm or Statutory Audit Firm's dedicated registration

SharePoint folder or emailed to  
[registration@frc.org.uk](mailto:registration@frc.org.uk).

Reg 5.1(iii)e) have provided all necessary evidence and information with their Application, along with any further explanations required by the FRC

To be confirmed in the Application form.

Reg 5.1(iii)f) have paid to the FRC and/or their RSB(s), any registration fees set by the FRC and/or their RSB(s) in relation to their Statutory Audit Work, including for PIEs

To be confirmed in the Application form.

Reg 5.1(iii)g) have agreed that the FRC, its directors and staff and its Board and Committees cannot be held liable for damages for anything done or not done in dealing with the functions connected with registration under these Regulations, unless the act or omission is shown to have been in bad faith

To be confirmed in the Application form.

Reg 5.1(iii)h) have supplied and will supply information or documents that may be required by the FRC to demonstrate compliance with the Registration Requirements

To be confirmed in the Application form.

Reg 5.1(iii)i) commit to, and shall:

- i. comply with these Regulations and any other relevant regulations, procedures or rules of the FRC;
- ii. comply with any Conditions and/or Undertakings attached to their entry on the PAR;
- iii. deal with the FRC, including its staff and representatives, in an open, cooperative and timely manner;
- iv. notify the FRC in writing upon becoming aware of a Relevant Change;

To be confirmed in the Application form. Continued compliance is a requirement of maintaining registration.

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- v. maintain their knowledge and expertise of Statutory Audit Work for PIEs by completing appropriate continuing professional development; and
  - vi. comply with all relevant legislation, auditing standards, ethical standards and quality management standards relating to Statutory Audit Work for PIEs

## Processing and assessing an Application

### Receiving an Application

23. Once the FRC receives an Application, the FRC will acknowledge it as quickly as practicable, specifying the processing time, any available means of redress, and that the Application will not be deemed to be granted in the absence of an FRC decision on the Application within the specified time period or its extension.

### Applications and withdrawal

24. Where an incomplete Application is received, the FRC will contact the Applicant as soon as reasonably practicable to:
- request the Applicant to supply any additional documentation or information;
  - set the date by which that information must be supplied; and
  - explain the possible impact that the incomplete Application and the request to correct it will have on the time for processing the Application.
25. If, following the procedure described in paragraph 24, the Applicant has not provided the additional documentation or information required to the FRC's reasonable satisfaction by the date requested, the FRC will grant the Applicant a final opportunity, by a deadline set by the FRC, to either:
- provide the documentation or information; or
  - withdraw the Application.
26. If, on the expiration of the deadline set out in paragraph 25 above, the Applicant has neither withdrawn the Application nor provided the documentation or information requested, the FRC will proceed to assess the Application on the information already provided.

### Information gathering and sharing

27. Prior to making a decision on an Application, the FRC may gather information (including information held by other sections of the FRC) and/or take account of any information that is

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otherwise available to it from any source and which, in either case, it considers to be relevant to the Application.<sup>5</sup>

28. The FRC may also make enquiries of the/any RSB with which the Applicant is registered and of which the Applicant is a member, as appropriate. While the primary purpose of these enquiries is to collect additional information that is relevant to an Application, the FRC may also ask for verification of the information contained in the Application.

### **Time for processing an Application**

29. Once the Applicant has provided a duly completed Application (including all supporting documentation and information), the FRC will process the Application and make a decision on it.
30. Straightforward Applications (that is, Applications which do not raise any compliance issues and in respect of which neither Undertakings nor Conditions are proposed) will be processed, and a decision taken, within 25 working days of the date on which all required documentation and information has been submitted to the FRC (including any required clarifications or confirmations). More complex Applications, such as those where Undertakings are being agreed and/or the FRC is considering or proposing to attach Conditions, will require additional time. Where this is the case, the FRC will notify the Applicant (before the expiry of the above-mentioned 25 working day period) that additional time is needed, why the additional time is needed and by when the FRC's decision will be made. Applications that are not processed within the above-mentioned time periods will not be deemed to have been granted.

### **Assessing an Application**

31. In making a decision, the FRC will decide whether the Applicant meets the Registration Requirements and, if so, whether there is any reason in the public interest not to grant the Application.
32. Where an Applicant Statutory Audit Firm has submitted an Application form on its own behalf and an Application for each of its designated RIs, the FRC may consider these Applications together.
33. Following the assessment of an Application the FRC may:
- grant the Application;
  - invite the Applicant to agree Undertakings to which the Applicant's PAR registration will be subject;
  - inform the Applicant that the FRC is minded to attach Conditions on their PAR registration (which may be in addition to Undertakings); or
  - inform the Applicant that the FRC is minded to refuse the Application.

<sup>5</sup> Regulation 17.2.

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## Granting an Application

34. When an Application is granted, the FRC will issue a Registration Notice to:
  - the Applicant Statutory Audit Firm (via the PAC); and/or
  - the Applicant RI (via their PIE Registered Audit Firm or Applicant Statutory Audit Firm's PAC).
35. Regulation 7.2a) and Regulation 7.2b) list the information that will be included in the Registration Notice.
36. Where an Applicant Statutory Audit Firm has designated RIs, the FRC will set out in the Registration Notice details of the designated RIs whose Applications have been granted (without Undertakings or Conditions). A separate Registration Notice may be issued in relation to the Applicant Statutory Audit Firm's designated RIs whose registration has been approved with Undertakings and/or Conditions.
37. Part 3 of the Regulations sets out the details that will appear on the PAR.

## Granting an Application with Undertakings and/or Conditions

38. In general, where Undertakings and/or Conditions are being considered, an Application will not be granted until any associated process in respect of the agreement of Undertakings or attachment of Conditions has concluded. The process of agreeing Undertakings and attaching Conditions is discussed in section 4 below.
39. If an agreement on Undertakings is not reached, or if a response to the FRC's invitation to agree Undertakings is not received within the specified timeframe, the FRC may consider whether to refuse the Application or whether the Application should be granted with Conditions.
40. If the FRC decides to grant an Application with Conditions, it is open to the Applicant to request an Internal Review of (or subsequently appeal) that decision under Part 14 of the Regulations. If an Applicant requests an Internal Review of a Registration Decision, the effective date for the Applicant's registration on the PAR would be determined as prescribed in Regulation 14.7. If an Applicant appeals the outcome of an Internal Review, the effective date for the outcome of the Internal Review shall be determined as prescribed in Regulation 14.12 and Regulation 14.13.

## Refusing an Application

41. Where the FRC decides that an Application does not meet the Registration Requirements, and/or that it would not be in the public interest to grant the Application, it will follow the process set out in Regulation 7.3.
42. If the FRC decides that the Application should be refused, the FRC will notify the Applicant in accordance with Regulation 7.5. If the FRC decides to refuse an Application, it is open to the Applicant to request an Internal Review of (or subsequently appeal) that decision under Part 14 of the Regulations. A Statutory Audit Firm whose Application has been refused must resign from any formal appointments, and not accept any new appointments, to conduct Statutory Audit Work for a PIE.

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## 3. Maintaining registration

43. At all times it is the responsibility of the PIE Registered Audit Firm to continue to meet the applicable Registration Requirements.
44. Once an Application has been granted, the FRC will monitor the PIE Registered Audit Firm's and/or PIE Registered RI's compliance with the Regulations including through Annual Returns and Registration Reviews. PIE Registered Audit Firms and PIE Registered RIs must also notify the FRC of any Relevant Changes.
45. Where a PIE Registered Audit Firm's registration or a PIE Registered RI's registration is subject to a measure or measures (such as a waiver, Undertakings, Conditions and/or suspension), the FRC may also, from time to time, ask the PIE Registered Audit Firm or PIE Registered RI (usually via the PAC) to provide an update on compliance with the terms of the relevant measures. Any failure to respond to a request for an update on compliance may be taken into consideration when the FRC is assessing a PIE Registered Audit Firm's and/or PIE Registered RI's ongoing registration.

### Relevant Changes

46. Upon becoming aware of a Relevant Change of the type specified in Regulation 15.4a) to Regulation 15.4g), a PIE Registered Audit Firm or PIE Registered RI must notify the FRC within the timescales set out in Regulation 15.3a).
47. A PIE Registered Audit Firm must notify the FRC if the former is anticipating, considering or carrying out changes of the types set out in Regulation 15.4h) and/or Regulation 15.4i). In those circumstances, the PIE Registered Audit Firm must also confirm or update the details of its PAC and/or AC to the FRC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk), within the timescales set out in Regulation 15.3b).
48. The PIE Registered Audit Firm must notify the FRC of any anticipated change under Regulation 15.4h) and/or Regulation 15.4i) in advance, in order to give the FRC enough time to assess whether the Statutory Audit Firm will comply with the Registration Requirements following the completion of the change. As to this:
  - the PIE Registered Audit Firm must formally notify the FRC PIE Auditor registration team in accordance with Regulation 15.4h) and/or Regulation 15.4i) as far in advance of the anticipated change as reasonably possible. Notifications to other individuals or teams at the FRC will not constitute a notification for the purposes of Regulation 15.4h) and/or Regulation 15.4i);
  - the notification must be submitted to the FRC's PIE Auditor registration team using the email address provided in paragraph 47 above;
  - the notification must explain which Relevant Change(s) is/are engaged, and be accompanied by all relevant documentation which is available to the PIE Registered Audit Firm at that time;<sup>6</sup>

<sup>6</sup> Regulation 15.5.

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- following receipt of the notification, the FRC shall agree a timetable with the PIE Registered Audit Firm in which: (a) the latter will provide the FRC with any further documentation which is necessary for the FRC to fully understand the Relevant Change and make its determination under Regulation 15.8; and (b) the FRC will seek to make its determination under Regulation 15.8;
  - following the notification, PIE Registered Audit Firms have an ongoing responsibility to provide the FRC with any further documentation relevant to the anticipated change as soon as it is available, as well as to update the FRC about any changes to information or documentation that has previously been provided;
  - based on its experience to date, the FRC expects that, save in exceptional circumstances, it will require 90 calendar days from receipt of all documentation which it requires in respect of the Relevant Change to complete its determination under Regulation 15.8. Any failure to provide all relevant documentation to the FRC 90 calendar days prior to the date on which it is anticipated that the Relevant Change is due to take effect may result in the FRC not being able to make its determination pursuant to Regulation 15.8 in advance of the date on which it is anticipated that the Relevant Change is due to take effect. Any PIE Registered Audit Firm that fails to provide all relevant documentation to the FRC 90 calendar days in advance accepts the risk in this regard;
  - the nature of the documentation relevant to the FRC's consideration in any particular case will depend on the precise circumstances of the Relevant Change and may include, but is not limited to: draft or executed head of terms, letters of intent, acquisition agreements, structure charts, share purchase agreements, shareholders' agreements, investment agreements, LLP agreements, articles of association, service agreements, terms of reference for boards and committees, loan or finance agreements, intercreditor agreements, debt contracts or instruments;
  - in the event that the RSB with which the PIE Registered Audit Firm is registered requires notification of an anticipated change earlier than 90 calendar days in advance of the anticipated change, the PIE Registered Audit Firm must notify the FRC PIE Auditor registration team no later than when it notifies the RSB.
49. Once the PIE Registered Audit Firm has notified the FRC of a Relevant Change under Regulation 15.3, and provided relevant documents under Regulation 15.5, the FRC may require additional information or documentation.
50. In accordance with Regulation 15.8, upon receipt of a notification under Regulation 15.3 and/or Regulation 15.6, and once the FRC is satisfied it has sufficient information, the FRC will determine whether:
- any amendment needs to be made to the relevant PAR entry;
  - any further measures or actions are required. This could include but is not limited to: (a) attaching Conditions; inviting agreement to Undertakings; granting waivers; or maintaining, varying, extending or ending a combination of one or more of those measures; or (b) suspending one or more entries on the PAR; or (c) removing one or more entries from the PAR;

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- any of the measures or actions listed above are required to be taken as urgent decisions under Part 12 of the Regulations; and/or
  - any other actions are appropriate or required, such as engagement with the relevant RSBs and/or third country competent authorities.
51. A PIE Registered Audit Firm's appointment to undertake Statutory Audit Work for a PIE will constitute a Relevant Change under Regulation 15.4a). PIE Registered Audit Firms must notify the FRC of any new PIE appointments once their appointment has been confirmed, and should not wait, for example, until a Letter of Engagement has been issued. Therefore, PIE Registered Audit Firms must notify the FRC of:
- their tender bid to be appointed as Statutory Auditor of a PIE being successful;
  - the signing of one or more contracts to be appointed as Statutory Auditor of a PIE;
  - any of their existing non-PIE audit engagements becoming a PIE engagement; and/or
  - any other factor relevant to determine whether a PIE Registered Audit Firm is engaged to undertake Statutory Audit Work for a PIE, when that engagement has not otherwise been notified to the FRC.
52. Where a PIE Registered Audit Firm resigns from any appointments to undertake Statutory Audit Work for a PIE, this will constitute a Relevant Change under Regulation 15.4c). The Companies Act 2006<sup>7</sup> requires an auditor who ceases to hold office (in certain situations outlined in section 519 of that Act) to notify the FRC and provide a statement of reasons. Auditors may notify the FRC of their resignation from a PIE audit by emailing [registration@frc.org.uk](mailto:registration@frc.org.uk).
53. The Relevant Changes which relate to PIE Registered RIs are set out in Regulation 15.4e), Regulation 15.4f), Regulation 15.4g) and Regulation 15.7. Additionally, Regulation 15.6 provides that a PIE Registered Audit Firm must notify the FRC of any changes to the PIE audit portfolios of its PIE Registered RIs 'every 6 months (or at such other intervals as may be agreed between the FRC and the relevant PIE Registered Audit Firm)'. The date on which a PIE Registered Audit Firm must notify the FRC of any changes under Regulation 15.6 will be calculated with reference to the date of the PIE Registered Audit Firm's Annual Return (see paragraphs 59 and 64 below). The FRC will notify the PIE Registered Audit Firm in its Registration Notice of the first date on which it must inform the FRC of any changes under Regulation 15.6. If a PIE Registered Audit Firm's Annual Return date changes, the PIE Registered Audit Firm may also seek the FRC's agreement to any changes to the submission deadline (under Regulation 15.6) for PIE audit portfolios of its PIE Registered RIs. Similarly, the FRC has the power to request PIE Registered Audit Firms to provide updates on any changes to the PIE audit portfolios of its PIE Registered RIs at any other time or with any other frequency the FRC considers appropriate.
54. A notification of a Relevant Change relating to a PIE Registered Audit Firm under Regulation 15.4, or a change under Regulation 15.6, should be sent to the FRC by the PIE Registered Audit Firm's PAC. A notification of a Relevant Change relating to a PIE Registered RI under Regulation 15.7 should usually (unless, for example, it contains information confidential to

<sup>7</sup> Companies Act 2006, s 522.

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the individual) be sent by the PAC of the PIE Registered Audit Firm which designated that PIE Registered RI.

55. A notification of a Relevant Change, or a change under Regulation 15.6, should be sent to [registration@frc.org.uk](mailto:registration@frc.org.uk) and should include, in the subject of the email, whether it relates to a Relevant Change under Regulation 15.4a) to Regulation 15.4g) and/or Regulation 15.4h) to Regulation 15.4i) and/or Regulation 15.7 or a change under Regulation 15.6.
56. Once the PIE Registered Audit Firm or PIE Registered RI has notified the FRC of a Relevant Change or change under Regulation 15.6, the FRC will decide whether to take any further steps and/or to amend the PAR.<sup>8</sup>
57. If the FRC decides to take further steps, such as considering Undertakings and/or Conditions, or suspending or removing the entry from the PAR, the FRC will follow the processes set out in the Regulations (see section 4 below). Depending on the FRC's decision, the FRC may issue the PIE Registered Audit Firm or PIE Registered RI with a Formal Notification.
58. A failure to notify the FRC of a Relevant Change or change under Regulation 15.6 may be a breach of the Registration Requirements in Part 4 or Part 5 of the Regulations, as appropriate. If the FRC becomes aware that a PIE Registered Audit Firm or PIE Registered RI has failed to notify the FRC of a Relevant Change or a change under Regulation 15.6, the FRC may, amongst other things, consider imposing measures on the PIE Registered Audit Firm's or PIE Registered RI's PAR entry, including suspension or removal.

## Annual Returns

59. Each year, PIE Registered Audit Firms must make an Annual Return to the FRC.<sup>9</sup> The FRC will provide access to the online Annual Return form (which at the time of publication of this Guidance is an MS Forms document) to each PIE Registered Audit Firm no less than 4 weeks before that firm's Annual Return is due. The timing of the Annual Return will be linked to the date on which the PIE Registered Audit Firm submits its annual return to its RSB.<sup>10</sup>
60. To make an Annual Return to the FRC, a PIE Registered Audit Firm must:
  - submit the Annual Return form using the online MS Forms document. The FRC will only accept Annual Return forms using the online MS Forms document;
  - provide an updated list of (1) the PIE Registered Audit Firm's PIE Registered RIs and (2) the PIE Registered Audit Firm's PIE audit engagements (see paragraph 15 above). This list must also include (1) any update to the PIE Registered RI's fit and proper status and CPD; and (2) confirmation that each PIE Registered RI continues to meet the Registration Requirements; and
  - provide any update to the PIE Registered Audit Firm's supporting statement (see paragraphs 15 and 17 above) that is necessary to demonstrate how it meets, and will continue to meet, the Registration Requirements.
61. The requirements of the Annual Return form are set out in Regulation 16.3.

<sup>8</sup> Regulation 15.8.

<sup>9</sup> Regulation 16.1.

<sup>10</sup> Regulation 2.1, definition of Annual Return; Regulation 16.1.

62. The table below provides guidance on how a PIE Registered Audit Firm should demonstrate, in an Annual Return, its compliance with each of the Registration Requirements.

Registration Requirement	Guidance for PIE Registered Audit Firms
<p>Reg 4.1(i) and (ii) – The audit firm meets the Eligibility Criteria and is a Statutory Audit Firm</p>	<p>To be confirmed in the Annual Return form. The PIE Registered Audit Firm must confirm it remains on the Register of Statutory Auditors.</p>
<p>Reg 4.1(iii)a) knows or has reasonable grounds to believe, that it will undertake Statutory Audit Work for at least one PIE within the period of 24 months, (unless the FRC agrees a longer period) following:</p> <ul style="list-style-type: none"> <li>i. the date on which its Application is received by the FRC; and</li> <li>ii. the date on which any Annual Return is submitted to the FRC</li> </ul>	<p>To be confirmed in the Annual Return form.</p> <p>The PIE Registered Audit Firm must also update its list of PIE engagements, as necessary.</p>
<p>Reg 4.1(iii)b) has designated one or more individuals to apply to be PIE Registered RIs and has authorised and supports the Applications of these individuals to be PIE Registered RIs</p>	<p>To be confirmed in the Annual Return form.</p> <p>The PIE Registered Audit Firm must also update: (1) its list of PIE engagements to show any reallocation of RIs across the PIE audit portfolio, as necessary; and (2) its list of PIE Registered RIs, including any update to each PIE Registered RI's fit and proper status and CPD, and confirmation that each PIE Registered RI continues to meet the Registration Requirements.</p>
<p>Reg 4.1(iii)c) has in place, and will maintain, procedures to determine the continuing competence, experience and fit and proper status both of its designated PIE Registered RIs and of all of its Principals and employees involved in Statutory Audit Work for PIEs (including any such Principal or employee who is not a PIE Registered RI)</p>	<p><b>Continuing Professional Development</b></p> <p>The PIE Registered Audit Firm must outline in its supporting statement any relevant updates to its annual training plan. If available, the PIE Registered Audit Firm should supply an updated version of its annual training plan.</p> <p>The PIE Registered Audit Firm must notify the FRC of any changes in procedures/processes regarding the ongoing training and development of all staff involved in Statutory Audit Work for PIEs since its Application or most recent submission of an Annual Return.</p>

### **Fit and proper**

The PIE Registered Audit Firm must confirm in the Annual Return form that it has carried out an annual fit and proper review of all its staff involved in PIE audits.

The PIE Registered Audit Firm must notify the FRC of any changes in internal processes to confirm the fitness and propriety of its staff involved in Statutory Audit Work for PIEs since its Application or most recent submission of an Annual Return.

The PIE Registered Audit Firm must notify the FRC of any changes to its processes for alerting its RSB to fit and proper matters affecting the Statutory Audit Firm and its staff since its Application or most recent Annual Return.

Reg 4.1(iii)d) has in place, and will maintain, procedures to ensure all Principals and employees involved in Statutory Audit Work for PIEs are aware of, and comply with, these Regulations

To be confirmed in the Annual Return form.

The PIE Registered Audit Firm must notify the FRC of any changes in its processes (since its Application or most recent Annual Return) to ensure that all of its PIE Registered RIs comply with Part 5 of the Regulations.

Reg 4.1(iii)e) can satisfy the FRC of its suitability to be a PIE Registered Audit Firm including demonstrating that it is fit and proper

To be confirmed in the Annual Return form.

The PIE Registered Audit Firm must confirm whether (since its Application or most recent submission of an Annual Return):

- it has any new open or closed regulatory/disciplinary matters with its RSB; and
- it has any new fit and proper matters to disclose to its RSB, and the details of those matters.

The confirmation and details (if any) must either be uploaded to the PIE Registered Audit Firm's dedicated registration SharePoint folder or emailed to [registration@frc.org.uk](mailto:registration@frc.org.uk).

Reg 4.1(iii)f) has provided all necessary evidence and information with its Application, along with any further explanations required by the FRC

To be confirmed in the Annual Return form.

Reg 4.1(iii)g) has paid to the FRC and/or its RSB, any registration fees set by the FRC and/or its RSB in relation to its Statutory Audit Work, including for PIEs

To be confirmed in the Annual Return form.

Reg 4.1(iii)h) has, and will maintain, in place appropriate resources and an appropriate system of quality management to enable it to perform Statutory Audit Work for PIEs to the required standards

The PIE Registered Audit Firm must notify the FRC of any changes (since its Application or most recent Annual Return) in its processes to ensure that it has sufficient financial and non-financial resources and an appropriate system of quality management to enable it to perform Statutory Audit Work for PIEs to the required standards.

Reg 4.1(iii)i) has, and will maintain, governance arrangements, Principals, management and ownership interests in the PIE Registered Audit Firm, which are suitable to operate and/or control a business that carries out Statutory Audit Work for PIEs

The PIE Registered Audit Firm must notify the FRC of any changes (since its Application or most recent Annual Return) in its governance arrangements, Principals, management and ownership interests in the PIE Registered Audit Firm, and demonstrate that these are suitable to operate and/or control a business that carries out Statutory Audit Work for PIEs.

Reg 4.1(iii)j) has in place (or will have in place prior to commencing any Statutory Audit Work for PIEs), and will continue to have in place during the period that it is registered, at least the Minimum Level of Professional Indemnity Insurance and has supplied its Professional Indemnity Insurance information to the FRC

To be confirmed in the Annual Return form.

The PIE Registered Audit Firm must confirm it meets the minimum requirements as set by its RSB. The PIE Registered Audit Firm should also confirm that its actual level of cover is commensurate with the size and risk of its portfolio of PIE audits. The PIE Registered Audit Firm may also wish to discuss any risk assessments that have been undertaken in respect of PII cover for its Statutory Audit Work for PIEs.

The FRC may request that the PIE Registered Audit Firm provides a copy of its PII policy schedule.

Reg 4.1(iii)k) has agreed that the FRC, the FRC's directors and staff and the FRC's Board and Committees cannot be held liable for damages for anything done or not done in dealing with the functions connected with registration under these Regulations, unless the act

To be confirmed in the Annual Return form.

or omission is shown to have been in bad faith

Reg 4.1(iii)l) has provided the FRC with the contact details of its Principal Authorised Contact

To be confirmed in the Annual Return form.

Reg 4.1(iii)m) has supplied and will supply information or documents that may be required by the FRC to demonstrate compliance with the Registration Requirements

To be confirmed in the Annual Return form.

Reg 4.1(iii)n) commits to, and shall:

To be confirmed in the Annual Return form.

- i. comply with these Regulations, and other relevant regulations, procedures or rules of the FRC, including the Audit Firm Governance Code (where relevant);
- ii. comply with any Conditions and/or Undertakings attached to its entry on the PAR;
- iii. deal with the FRC, including its staff and representatives, in an open, cooperative and timely manner;
- iv. notify the FRC in writing upon becoming aware of a Relevant Change; and
- v. comply with all relevant legislation, auditing standards, ethical standards and quality management standards relating to Statutory Audit Work for PIEs.

Continued compliance is a requirement of maintaining registration.

63. The FRC may request a copy of the PIE Registered Audit Firm's RSB annual return from its RSB.
64. A PIE Registered Audit Firm must make its Annual Return to the FRC within 30 calendar days of the date by which its annual return is submitted to its RSB.<sup>11</sup> Where a PIE Registered Audit Firm fails to comply with this requirement, its PAR entry shall cease to have effect and will be

<sup>11</sup> Regulation 7.2b), Regulation 7.7b), Regulation 7.8b), Regulation 16.1.

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removed, unless the FRC decides otherwise.<sup>12</sup> A PIE Registered Audit Firm may request: (a) to submit its Annual Return at a different time; or (b) an extension to the date for making its Annual Return, by emailing [registration@frc.org.uk](mailto:registration@frc.org.uk) before the date by which its annual return is due to be submitted to its RSB, explaining the reasons for the request.

65. Once the PIE Registered Audit Firm has made its Annual Return to the FRC, the FRC will consider the information provided and decide whether to take any further steps and/or amend the PAR. If the FRC decides to take further steps, such as imposing Conditions and/or inviting the PIE Registered Audit Firm to agree Undertakings, the FRC will follow the processes set out in the Regulations (see section 4 below).

## Registration Reviews

66. The purpose of Registration Reviews is to assess whether the PIE Registered Audit Firm, and each of its PIE Registered RIs, meets the Registration Requirements, in accordance with Regulation 16.6 and Regulation 16.7. As a result of a Registration Review, the FRC can, among other options, determine that it would be appropriate to:
- amend the PIE Registered Audit Firm's entry and/or the entries of any of its PIE Registered RIs on the PAR;
  - attach, vary, or end Conditions, or extend or shorten the duration of Conditions, in accordance with the procedures under Part 8 of the Regulations;
  - invite a PIE Registered Audit Firm and/or PIE Registered RI, as appropriate, to agree to Undertakings, or vary or amend existing Undertakings, in accordance with the procedures under Part 9 of the Regulations;
  - vary, extend or end existing waivers, in accordance with the procedures under Part 10 of the Regulations;
  - suspend the PIE Registered Audit Firm's and/or the PIE Registered RI's entry on the PAR, following the procedure under Part 11 of the Regulations;
  - make an urgent decision regarding a PIE Registered Audit Firm's and/or the PIE Registered RI's entry on the PAR, following the procedure under Part 12 of the Regulations;
  - remove the PIE Registered Audit Firm's and/or the PIE Registered RI's entry on the PAR, following the procedure under Part 13 of the Regulations; and/or
  - take any other action under the applicable legal framework it deems appropriate.
67. Registration Reviews will take place periodically. Their frequency and the length of the relevant period covered by the Registration Review will depend on the number of PIEs in respect of which a PIE Registered Audit Firm undertakes Statutory Audit Work in the period covered by its most recent Annual Return. They are automatically triggered by a triggering event, generally based around the submission of an Annual Return, as set out in the table below.

<sup>12</sup> Regulation 13.1c), Regulation 16.4.

68. In all cases, if the Annual Return date changes, the FRC has discretion to decide what the relevant period for the Registration Review shall be, to ensure that all periods during which the PIE Registered Audit Firm is registered on the PAR are subject to a Registration Review. The FRC may alter the length and frequency of a Registration Review.

Number of PIEs in respect of which Statutory Audit Work is undertaken	Guidance for PIE Registered Audit Firm
20 or more PIEs	<p>Registration Review takes place once a year.</p> <p>Triggered by each submission of an Annual Return.</p> <p>The relevant period of each Registration Review will be the totality of the time between each Annual Return, save that the initial Registration Review will extend to the totality of the time between the PIE Registered Audit Firm's first entry on the PAR and its first Annual Return.</p>
Between 6 and 19 PIEs	<p>Registration Review takes place every two years.</p> <p>Triggered by every other submission of an Annual Return.</p> <p>The relevant period of each Registration Review will extend to the totality of the time between every other Annual Return, save that the first Registration Review's relevant period will extend to the totality of the time between the PIE Registered Audit Firm's first entry on the PAR and its second Annual Return.</p>
Fewer than 6 PIEs	<p>Registration Review takes place every three years.</p> <p>Triggered by every third submission of an Annual Return.</p> <p>The relevant period of each Registration Review will extend to the totality of the time between three Annual Returns, save that the first Registration Review's relevant period will extend to the totality of the time between the PIE Registered Audit Firm's first entry on the PAR and its third Annual Return.</p>

69. The FRC will notify a PIE Registered Audit Firm by email (via the PAC) that a Registration Review will be taking place. The FRC will endeavour to give reasonable prior notice of such a review. Registration Reviews are carried out without prejudice to the FRC's ability to monitor and enforce compliance with the Registration Requirements at any time.

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70. The FRC will complete Registration Reviews within 18 months of their commencement. Depending on the length and timing of a given Registration Review, Registration Reviews of the same PIE Registered Audit Firm covering two different relevant periods could be carried out at the same time. In that case, the two Registration Reviews will be performed and reported separately.
71. When conducting a Registration Review (or monitoring compliance), the FRC may:
- request that the PIE Registered Audit Firm provide information and/or documents to demonstrate compliance with the Registration Requirements;
  - request information from the relevant RSBs about the PIE Registered Audit Firm's and/or PIE Registered RIs' registration and/or membership, as appropriate;
  - consider information provided to the FRC in the PIE Registered Audit Firm's Annual Return and/or notifications of a Relevant Change;
  - consider any other information that is relevant to the FRC's assessment of whether the PIE Registered Audit Firm and each of its PIE Registered RIs meets the Registration Requirements in accordance with Part 16; and
  - exercise any other power available to it under the Regulations, or arising under any legislation or enactment.
72. The FRC will notify the PIE Registered Audit Firm (via the PAC) that the Registration Review has been completed, within 5 working days of its completion. If the FRC is minded to take further steps, such as those listed in paragraph 66 above, the FRC will follow the processes set out in the Regulations (discussed at section 4 below).

### **Information from other sources**

73. At any time, the FRC may gather information and/or take account of any information that is otherwise available to it from any source and which, in either case is relevant to its assessment of (1) whether the PIE Registered Audit Firm and/or any PIE Registered RI continues to meet the Registration Requirements and/or (2) public interest considerations.<sup>13</sup> This information may include information from the RSBs, from other regulators and from within the FRC.

<sup>13</sup> Regulation 17.2.

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## 4. Measures on registration and removal from the PAR

### The public interest

74. The public interest is relevant to several of the FRC's decisions under the Regulations, including whether to grant an Application,<sup>14</sup> attach a Condition,<sup>15</sup> invite an Applicant, PIE Registered Audit Firm or PIE Registered RI to agree Undertakings,<sup>16</sup> grant a waiver,<sup>17</sup> suspend the PAR entry of a PIE Registered Audit Firm or PIE Registered RI,<sup>18</sup> make an urgent decision,<sup>19</sup> remove the PAR entry of a PIE Registered Audit Firm or a PIE Registered RI on an involuntary basis<sup>20</sup> or reinstate the PAR entry of a PIE Registered Audit Firm or PIE Registered RI.<sup>21</sup>
75. Decisions made under the Regulations will be taken on a case-by-case basis. When considering the public interest in the context of decisions made under the Regulations, other than publication decisions, the FRC may apply the General Principles for Considering the Public Interest in our Work<sup>22</sup> or any FRC guidance or policy which supersedes or supplements these principles from time to time. In addition, the FRC may consider the following factors:
- the need to protect the public, including users of financial statements and investors;
  - the need to declare and uphold standards within the PIE audit market;
  - the need to maintain public confidence in the PIE audit market;
  - whether the negative impact of the decision on the Applicant, PIE Registered Audit Firm and/or PIE Registered RI would be disproportionate or would have an unnecessarily or excessively damaging effect;
  - whether the decision would, in all the circumstances, be unjust for the Applicant, PIE Registered Audit Firm and/or PIE Registered RI; and/or
  - any other matter that is relevant to the FRC's assessment of the public interest.
76. The public interest is also relevant to decisions relating to the publication of certain decisions, which are discussed at section 7 below. When considering the public interest in the context of publication decisions, the FRC may take into account the factors listed in Annex 1 to this Guidance (PIE Auditor Registration Publication Policy).

<sup>14</sup> Regulation 7.2.

<sup>15</sup> Regulation 8.2.

<sup>16</sup> Regulation 9.2.

<sup>17</sup> Regulation 10.3.

<sup>18</sup> Regulation 11.1.

<sup>19</sup> Regulation 12.1.

<sup>20</sup> Regulation 13.4.

<sup>21</sup> Regulation 13.9.

<sup>22</sup> Please see [the FRC's General Principles for Considering the Public Interest in our Work \(dated November 2022\)](#).

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## Conditions

77. The FRC may consider whether to attach Conditions:
- when granting an Application (see paragraph 38 above); or
  - to the PAR entry of a PIE Registered Audit Firm or PIE Registered RI.
78. When considering whether to attach Conditions, the FRC will follow the process in Part 8 of the Regulations. This process, however, will not apply if the FRC makes an urgent decision to attach Conditions to an entry on the PAR in accordance with Part 12 of the Regulations (see paragraph 151 below).

## Attaching Conditions

79. The FRC may determine that Conditions are necessary either in the public interest or in order for the Applicant, the PIE Registered Audit Firm or the PIE Registered RI to meet the Registration Requirements.<sup>23</sup>
80. Where the FRC is considering attaching Conditions, it will, as appropriate:
- write to the Applicant (via the PAC) to notify them that the FRC is minded to grant their Application subject to Conditions; or
  - write to the PIE Registered Audit Firm or PIE Registered RI (via the PAC) to notify them that the FRC is minded to attach Conditions to their PAR entry; and
  - invite the Applicant, PIE Registered Audit Firm or PIE Registered RI, as appropriate, to provide written representations within the specified Notice Period.<sup>24</sup>
81. Once representations have been received, or if no response is received within the Notice Period, the FRC will reach a final decision on whether, as appropriate:<sup>25</sup>
- the Application should be granted with Conditions; or
  - Conditions should be attached to the PIE Registered Audit Firm's, or PIE Registered RI's, PAR entry.
82. In relation to an Application, the FRC may decide instead to:
- grant the Application without Conditions or to seek to agree Undertakings, as an alternative to Conditions; or
  - refuse the Application.
83. In relation to a PAR entry, the FRC may decide instead to:
- seek to agree Undertakings with the PIE Registered Audit Firm or PIE Registered RI, as an alternative to Conditions; or
  - consider whether another measure, including suspension or removal from the PAR, would be appropriate.

<sup>23</sup> Regulation 8.2.

<sup>24</sup> Regulation 8.3.

<sup>25</sup> Regulation 8.3.

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## Notification and publication of Conditions

84. If the FRC decides to:

- Grant an Application subject to Conditions, the FRC will issue a Registration Notice to the Applicant (via the PAC), which will indicate, amongst other things, that the Application has been granted subject to Conditions, specify the date from which the Conditions will take effect, and set out the terms of the Conditions.<sup>26</sup>
- Attach Conditions to a PAR entry, the FRC will issue a Formal Notification to the PIE Registered Audit Firm or PIE Registered RI (via the PAC), which will specify the date from which the Conditions will take effect and set out the terms of the Conditions.<sup>27</sup>

85. The publication of Conditions is addressed in section 7 below.

## Monitoring compliance with Conditions

86. The FRC will monitor compliance with the terms of Conditions as described in section 3 above.

87. Where the FRC attaches Conditions to a PIE Registered RI's PAR entry, the PIE Registered Audit Firm should provide the FRC with details of the system it has in place to monitor the PIE Registered RI's compliance with the terms of those Conditions.<sup>28</sup>

88. If a PIE Registered Audit Firm and/or PIE Registered RI is subject to a Condition requiring them to obtain the FRC's prior approval before accepting new PIE audits, the PIE Registered Audit Firm and/or PIE Registered RI must notify the FRC of the earliest of the following events:

- their intention to submit a tender bid to be appointed as Statutory Auditor of a PIE;
- their submission of a tender bid to be appointed as Statutory Auditor of a PIE;
- the success of their tender bid to be appointed as Statutory Auditor of a PIE and the award of one or more such contracts;
- the signature of one or more contracts to be appointed as Statutory Auditor of a PIE;
- their formal appointment as Statutory Auditor of a PIE; and/or
- when any of their existing non-PIE audit engagements becomes a PIE engagement.

## Extending or shortening the duration of, or varying or ending, Conditions

89. The FRC may extend or shorten the duration of, or vary or end, the Conditions attached to a PAR entry at any time, including at the request of a PIE Registered Audit Firm or PIE Registered RI, or of its own accord.<sup>29</sup> A request should be made by the PAC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk) and should:

- specify the relevant Conditions; and

<sup>26</sup> Regulation 7.7.

<sup>27</sup> Regulation 8.4.

<sup>28</sup> Regulation 8.5.

<sup>29</sup> Regulation 8.8.

- 
- for a request to extend or shorten the duration of a Condition, explain why the Condition's duration should be extended or shortened; or
  - for a request to vary a Condition, explain why the Condition should be varied; or
  - for a request to end a Condition, explain how the PIE Registered Audit Firm or PIE Registered RI meets the Registration Requirements and/or why the Condition is no longer necessary in the public interest, providing any relevant evidence. Evidence may be sent by email or uploaded to the dedicated FRC registration SharePoint site.
90. If the FRC is considering extending the duration of, or varying, the Conditions, it will, in general, follow the process of seeking written representations in Part 8 of the Regulations. This process, however, will not apply if the FRC makes an urgent decision to vary Conditions in accordance with Part 12 of the Regulations (see section 5 below).
91. If the FRC decides to end, or shorten the duration of, the Conditions on its own initiative, the FRC does not need to follow Regulation 8.3. When the FRC decides to end, or shorten the duration of, the Conditions, it will notify the PIE Registered Audit Firm or PIE Registered RI of its decision in a Formal Notification sent to the PIE Registered Audit Firm or to the PIE Registered RI, as appropriate (via the PAC).<sup>30</sup>

## Undertakings

92. The FRC may consider whether to agree Undertakings:<sup>31</sup>
- with an Applicant, in relation to their Application (see paragraph 38 above);
  - with a PIE Registered Audit Firm or a PIE Registered RI, in relation to their PAR entry.
93. In both of these cases, the FRC will follow the process in Part 9 of the Regulations.

## Agreeing Undertakings

94. The FRC may determine that Undertakings are necessary either in the public interest or in order for the Applicant, PIE Registered Audit Firm or PIE Registered RI to meet the Registration Requirements.<sup>32</sup> Where Undertakings are being considered, the FRC will:
- write to the Applicant, PIE Registered Audit Firm or PIE Registered RI (via the PAC), setting out the reasons why Undertakings are thought necessary, and outlining the proposed Undertakings; and
  - propose Undertakings which it considers address the specific issues identified, as well as the individual circumstances of the Applicant, PIE Registered Audit Firm or PIE Registered RI.
95. The Applicant, PIE Registered Audit Firm or PIE Registered RI will usually be given the opportunity to comment on the proposed Undertakings within a timeframe set out by the FRC. They may, for example, wish to suggest practical amendments to the proposed Undertakings.

<sup>30</sup> Regulation 8.8.

<sup>31</sup> Regulation 9.1.

<sup>32</sup> Regulation 9.2.

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96. Once any amendments have been agreed, or if none have been requested, the FRC will write to the Applicant, PIE Registered Audit Firm or PIE Registered RI with an invitation to agree Undertakings.<sup>33</sup> The Applicant, PIE Registered Audit Firm or PIE Registered RI must respond in writing within 10 working days, or such other period of time as may be agreed between the FRC and the Applicant, PIE Registered Audit Firm or PIE Registered RI, as appropriate (via the PAC) to confirm whether they agree to the Undertakings.<sup>34</sup>

### **Notification and publication of Undertakings**

97. Once the Undertakings have been agreed, the FRC will send, as appropriate:
- a Registration Notice to the Applicant, which will indicate that the Application has been granted subject to the agreed Undertakings; or
  - a Formal Notification to the PIE Registered Audit Firm or PIE Registered RI (via the PAC), which will indicate that Undertakings have been agreed.
98. The Registration Notice or Formal Notification will include the date from which the Undertakings take effect.<sup>35</sup>
99. The publication of Undertakings is addressed in section 7 below.

### **Monitoring compliance with Undertakings**

100. The FRC will monitor compliance with the terms of Undertakings as described in section 3 above.
101. Where the FRC agrees Undertakings with a PIE Registered RI, the PIE Registered Audit Firm should provide the FRC with details of the system it has in place to monitor the PIE Registered RI's compliance with the terms of the Undertakings.<sup>36</sup>
102. If a PIE Registered Audit Firm and/or PIE Registered RI is subject to an Undertaking requiring them to obtain the FRC's prior approval before accepting a new appointment as Statutory Auditor of a PIE, the PIE Registered Audit Firm and/or PIE Registered RI(s) must notify the FRC of the earliest of the following events:
- their intention to submit a tender bid to be appointed as Statutory Auditor of a PIE;
  - their submission of a tender bid to be appointed as Statutory Auditor of a PIE;
  - the success of their tender bid to be appointed as Statutory Auditor of a PIE and the award of one or more such contracts;
  - the signature of one or more contracts to be appointed as Statutory Auditor of a PIE;
  - their formal appointment as Statutory Auditor of a PIE; and/or
  - whether any of their existing non-PIE audit engagements becomes a PIE engagement.

<sup>33</sup> Regulation 9.3.

<sup>34</sup> Regulation 9.3.

<sup>35</sup> Regulation 9.4.

<sup>36</sup> Regulation 9.5.

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## Varying or ending Undertakings

103. Once Undertakings are in place, the FRC may end or vary an Undertaking either: (i) at the request of the PIE Registered Audit Firm and/or PIE Registered RI which is the subject of the Undertaking; or (ii) on the FRC's own initiative, with the agreement of the PIE Registered Audit Firm or PIE Registered RI which is the subject of the Undertaking.<sup>37</sup> A request should be made by the PAC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk) and should:
- specify the relevant Undertaking; and
  - for a request to vary an Undertaking, explain why the Undertaking should be varied; or
  - for a request to end an Undertaking, explain how the PIE Registered Audit Firm or PIE Registered RI meets the Registration Requirements and/or why the Undertaking is no longer necessary in the public interest, providing any relevant evidence. Evidence may be sent by email or uploaded to the dedicated FRC registration SharePoint site.
104. The FRC will evaluate the request and may seek additional information and evidence. The FRC does not need to follow the procedure under Regulation 9.3 when ending or varying an Undertaking in accordance with Regulation 9.8.
105. When the FRC is considering varying or ending an Undertaking on its own initiative, the FRC will contact the PIE Registered Audit Firm's or PIE Registered RI (via the PAC).
106. Any decision to vary or end the Undertakings will be notified to the PIE Registered Audit Firm or PIE Registered RI (via the PAC) in a Formal Notification.<sup>38</sup>

## Where Undertakings are not agreed

107. If an agreement on Undertakings is not reached, or if a response to the invitation to agree Undertakings is not received within the specified timeframe, the FRC may consider whether to, as appropriate:
- grant the Application(s) without Undertakings;
  - refuse the Application(s);
  - grant the Application(s) with Conditions;
  - attach Conditions to the PIE Registered Audit Firm's or PIE Registered RI's PAR entry; or
  - suspend or remove the PIE Registered Audit Firm's or PIE Registered RI's PAR entry.

## Waivers

108. Where a PIE Registered Audit Firm or PIE Registered RI becomes aware that they do not, or may not in the future, meet one or more Registration Requirements, they may request that the FRC waives their compliance with such requirements.<sup>39</sup> A PIE Registered Audit Firm and/or PIE Registered RI must notify the FRC as soon as possible and in any event within the timescales provided by Regulation 15.3a), on becoming aware that they do not, or may not in the future, meet one or more Registration Requirements (see paragraph 45 above).<sup>40</sup>

<sup>37</sup> Regulation 9.8.

<sup>38</sup> Regulation 9.8.

<sup>39</sup> Regulation 10.1.

<sup>40</sup> Regulation 15.3, Regulation 15.4d), Regulation 15.4g) and Regulation 15.7.

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## Requesting a waiver

109. A PIE Registered Audit Firm's, or PIE Registered RI's, request for a waiver:
- must include the matters set out in Regulation 10.2;
  - should be made by an email (with the subject 'Request for waiver') to [registration@frc.org.uk](mailto:registration@frc.org.uk); and
  - should usually be sent by the PAC.
110. Only a PIE Registered Audit Firm or a PIE Registered RI may request a waiver. If an Applicant is aware that they do not, or may not in the future, meet one or more Registration Requirements, they should highlight this in their Application. As discussed above in section 2, the FRC may consider whether to grant the Application subject to Undertakings and/or Conditions.
111. The FRC will consider the PIE Registered Audit Firm's, or PIE Registered RI's, request and may grant a waiver if it is satisfied that the requirements of Regulation 10.3 are met.

## Notification and publication of a waiver

112. The FRC will notify the PIE Registered Audit Firm or PIE Registered RI of its decision whether to grant a waiver in a Formal Notification sent to the PIE Registered Audit Firm or PIE Registered RI, as appropriate (via the PAC).<sup>41</sup> If the FRC decides to grant a waiver, the Formal Notification will set out the matters in Regulation 10.4. The FRC has the discretion to grant a waiver with an effective date prior to the date of the decision and will provide reasons should it exercise this discretion. In no case will the effective date be more than 10 working days prior to the date of the request for the waiver.
113. The publication of waivers is addressed in section 7 below.

## Monitoring compliance with the terms of a waiver

114. The FRC will monitor the PIE Registered Audit Firm's or PIE Registered RI's compliance with the terms of a waiver as described in section 3 above.

## Reviewing a waiver

115. All waivers will be subject to review.<sup>42</sup> As a result of the review, the FRC may decide to extend or shorten the duration of the waiver, vary or end the waiver. The frequency of the review will depend on the duration of the original or amended waiver.
- If the original length of the waiver is more than six months, the FRC will begin the review process no less than 30 working days before the waiver's end date.
  - If the original length of the waiver is six months or less, the FRC will begin the review process no less than 10 working days before the waiver's end date.
116. The FRC will set out its decision to extend, shorten, vary or end the waiver in a Formal Notification which shall confirm:

<sup>41</sup> Regulation 10.4.

<sup>42</sup> Regulation 10.5.

- the decision;
- the reason(s) for the decision;
- if the waiver is extended or shortened, the period for which the waiver will apply and any terms or conditions attached to the waiver; and/or
- if the waiver is varied, the starting date of the variation, the period for which the varied waiver will apply, and any terms or conditions attached to the waiver; and
- if the waiver is ended, extended, shortened or varied, any other steps that the FRC requires the PIE Registered Audit Firm or PIE Registered RI to take in connection with the waiver.

### **Varying, extending, shortening or ending a waiver other than in the course of a review**

117. Once the waiver is in place, the FRC may at any time vary, extend, shorten or end it, either on its own initiative or following a request from the relevant PIE Registered Audit Firm or PIE Registered RI.<sup>43</sup> A request should be made by the PAC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk) and should:
- specify the waiver already in place; and
  - for a request to vary, shorten or extend a waiver, address the matters set out in Regulation 10.2; or
  - for a request to end a waiver, explain how the PIE Registered Audit Firm or PIE Registered RI now meets the Registration Requirements, providing any relevant evidence. Evidence may be sent by email or uploaded to the dedicated FRC registration SharePoint site.
118. If the FRC decides to vary, extend, shorten or end the waiver, it will notify the PIE Registered Audit Firm or PIE Registered RI of its decision in a Formal Notification (via the PAC) which shall set out the matters listed in Regulation 10.9.
119. If the PIE Registered Audit Firm or PIE Registered RI makes repeated requests to extend the waiver, the FRC may consider whether other measures, including Conditions on the PIE Registered Audit Firm's or PIE Registered RI's PAR entry, would be appropriate.

## **Suspension**

120. When considering whether to suspend a PIE Registered Audit Firm's, or PIE Registered RI's, PAR entry, the FRC will follow the process in Part 11 of the Regulations. This process, however, will not apply if the FRC makes an urgent decision to suspend an entry on the PAR in accordance with Part 12 of the Regulations (see section 5 below).

### **Suspending an entry**

121. The FRC may determine that suspension from the PAR is necessary in the public interest (see paragraph 75 above), and/or because the PIE Registered Audit Firm or PIE Registered RI is not complying (or will not comply) with the Registration Requirements, and/or because

<sup>43</sup> Regulation 10.6.

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without suspension, the PIE Registered Audit Firm's or PIE Registered RI's continued entry on the PAR would be likely to have an adverse effect on a PIE.<sup>44</sup>

122. Where the FRC is minded to suspend an entry on the PAR, it will write to the PIE Registered Audit Firm or PIE Registered RI (via the PAC) in accordance with Regulation 11.3.
123. Once representations have been received, or if no response is received during the Notice Period, the FRC will reach a final decision on whether to suspend the PIE Registered Audit Firm's or PIE Registered RI's PAR entry and the length of any suspension.<sup>45</sup>
124. Where the FRC has suspended a PIE Registered Audit Firm's, or PIE Registered RI's, PAR entry, the FRC may require the PIE Registered Audit Firm or PIE Registered RI, as appropriate, to take certain actions, such as resigning from ongoing Statutory Audit Work for PIEs.<sup>46</sup> When considering whether to require a PIE Registered Audit Firm or a PIE Registered RI to take a certain action, the FRC will take into account all relevant factors, including the public interest (see paragraph 75 above).

### **Notification and publication of suspension**

125. If the FRC decides to suspend a PIE Registered Audit Firm's or PIE Registered RI's PAR entry, the FRC will issue a Formal Notification of the suspension to the PIE Registered Audit Firm or PIE Registered RI, as appropriate (via the PAC). The Formal Notification will specify the length of the suspension and the date from which it will take effect.<sup>47</sup>
126. While a PIE Registered Audit Firm or PIE Registered RI's PAR entry is suspended, their name will remain on the PAR, with a note stating that the entry is suspended. The publication of suspensions is addressed in section 7 below.

### **Extending, shortening or ending a suspension**

127. The FRC may end or shorten a suspension at any time, either:
  - on its own initiative, in which case the FRC does not need to follow the procedure set out in Regulation 11.3; or
  - upon request from the PIE Registered Audit Firm or PIE Registered RI.<sup>48</sup> A request should be made by the PAC by email to [registration@frc.org.uk](mailto:registration@frc.org.uk). The request should explain why the suspension should be ended or shortened, with reference to the matters in Regulation 11.1, and provide any relevant evidence. Evidence may be sent by email or uploaded to the dedicated FRC registration SharePoint site. Depending on the length of the suspension, the FRC may require a suspended PIE Registered Audit Firm or PIE Registered RI to demonstrate whether they meet all the Registration Requirements.<sup>49</sup>
128. The FRC may also extend a suspension at any time. Where the FRC is considering extending the suspension, it will, in general, follow the process of seeking written representations in Part 11 of the Regulations (see paragraph 122 above).<sup>50</sup> This process, however, will not apply

<sup>44</sup> Regulation 11.1.

<sup>45</sup> Regulation 11.3e).

<sup>46</sup> Regulation 11.7.

<sup>47</sup> Regulation 11.4.

<sup>48</sup> Regulation 11.6.

<sup>49</sup> Regulation 11.7.

<sup>50</sup> Regulation 11.6.

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if the FRC makes an urgent decision to extend a suspension in accordance with Part 12 of the Regulations (see section 5 below).

## Removal

129. A PIE Registered Audit Firm's, or PIE Registered RI's, PAR entry may be removed when:
- the PIE Registered Audit Firm or PIE Registered RI requests the removal from the PAR<sup>51</sup> and the FRC grants that request (voluntary removal, see paragraph 131 below); or
  - the FRC decides on its own initiative to remove the entry from the PAR (involuntary removal, see paragraph 138 below);<sup>52</sup> and/or
  - the entry ceases to have effect in accordance with Regulation 13.1 (for a PIE Registered Audit Firm) or Regulation 13.2 (for a PIE Registered RI) (see paragraph 144 below).

### Voluntary removal

130. The Regulations provide for the removal of a PIE Registered Audit Firm or PIE Registered RI from the PAR on a voluntary basis.<sup>53</sup>
131. A PIE Registered Audit Firm or PIE Registered RI may ask the FRC to remove their entry from the PAR by completing a request for removal form.<sup>54</sup> The PIE Registered Audit Firm or PIE Registered RI (via the PAC) must:
- email the FRC at [registration@frc.org.uk](mailto:registration@frc.org.uk) to request access to the online request for removal form;
  - complete the request for removal form, explaining why the PIE Registered Audit Firm or PIE Registered RI requests the removal of their entry from the PAR.
132. A PIE Registered Audit Firm may also request removal of a PIE Registered RI's PAR entry.<sup>55</sup> The PIE Registered Audit Firm (via the PAC) must:
- email the FRC at [registration@frc.org.uk](mailto:registration@frc.org.uk) to request access to the online request for removal form; and
  - complete the request for removal form, explaining the circumstances of the PIE Registered Audit Firm's request.
133. The FRC will usually copy the PIE Registered RI into all correspondence with the PAC relating to the removal of the PIE Registered RI's PAR entry (except in exceptional circumstances or where the RI has not provided their personal contact details to the FRC).
134. Upon receipt of a request for removal under Regulation 13.3, the FRC may decide to:
- grant the request and remove the PIE Registered Audit Firm's, or PIE Registered RI's, entry from the PAR; or

<sup>51</sup> Regulation 13.3.

<sup>52</sup> Regulation 13.4.

<sup>53</sup> Regulation 13.3.

<sup>54</sup> Regulation 13.3a).

<sup>55</sup> Regulation 13.3b) and c).

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- refuse the request and consider whether another measure, including involuntary removal of the PIE Registered Audit Firm's, or PIE Registered RI's, entry from the PAR, would be appropriate.
135. If the FRC decides to remove the PIE Registered Audit Firm's, or PIE Registered RI's, entry from the PAR on a voluntary basis, the FRC may send a Formal Notification to the PIE Registered Audit Firm or PIE Registered RI, as appropriate (via the PAC). The Formal Notification will include the matters listed in Regulation 13.6.
136. The publication of removal from the PAR on a voluntary basis is addressed in section 7 below.

### **Involuntary removal**

137. The FRC may decide it is necessary to remove a PIE Registered Audit Firm's, or PIE Registered RI's, entry from the PAR for one or more of the reasons set out in Regulation 13.4.
138. Where the FRC is minded to remove a PIE Registered Audit Firm's, or PIE Registered RI's, entry from the PAR, it will write to the PIE Registered Audit Firm or PIE Registered RI (via the PAC) in accordance with Regulation 13.5.
139. Once representations have been received, or if no response is received during the Notice Period, the FRC may decide to:
- remove the PAR entry; or
  - consider whether another measure, including suspension, would be appropriate.
140. If the FRC decides to remove an entry from the PAR on an involuntary basis, the FRC will issue a Formal Notification of the removal of a PIE Registered Audit Firm to the PIE Registered Audit Firm (via the PAC); and will issue a Formal Notification of the removal of a PIE Registered RI to the PIE Registered RI and/or their PIE Registered Audit Firm, in accordance with paragraph 13 above, as appropriate.<sup>56</sup> The Formal Notification will include the matters listed in Regulation 13.6 and will specify the earliest date on which the PIE Registered Audit Firm or PIE Registered RI may re-apply to be entered onto the PAR (see paragraph 147 below).<sup>57</sup>
141. The FRC will usually copy the PIE Registered RI into all correspondence with the PAC relating to the removal of the PIE Registered RI's PAR entry (except in exceptional circumstances or where the RI has not provided their personal contact details to the FRC).
142. The publication of removal from the PAR on an involuntary basis is addressed in section 7 below.

### **Registration ceasing to have effect**

143. An entry on the PAR will cease to have effect upon the occurrence of one or more of the events in Regulation 13.1 (for PIE Registered Audit Firms) and Regulation 13.2 (for PIE Registered RIs).

<sup>56</sup> Regulation 13.6.

<sup>57</sup> Regulation 13.6b).

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144. Regulation 13.1a) and Regulation 13.1b) provide that a PIE Registered Audit Firm's PAR entry will cease to have effect if the Statutory Audit Firm ceases to be registered with an RSB as a Statutory Auditor, or if the Statutory Audit Firm ceases to exist. Similarly, Regulation 13.2a) to Regulation 13.2c) provide that a PIE Registered RI's PAR entry will cease to have effect if they are no longer employed by or a Principal of the PIE Registered Audit Firm which designated them as an RI, if they cease to be a Statutory Auditor or RI, or if their designating Statutory Audit Firm ceases to be registered on the PAR. In these situations, the FRC would expect to receive a request for voluntary removal from the PIE Registered Audit Firm or PIE Registered RI, as appropriate (see paragraphs 131 and 132 above). If the PIE Registered Audit Firm or PIE Registered RI, as appropriate, does not submit a removal request to the FRC, the FRC may decide to remove the relevant PAR entry on an involuntary basis (see paragraph 138 above).
145. Regulation 13.1e) and Regulation 13.2e) provide that a PIE Registered Audit Firm's, or PIE Registered RI's, PAR entry will cease to have effect if it is determined under the Audit Enforcement Procedure<sup>58</sup> or the Accountancy Scheme<sup>59</sup> (or any analogous procedure operated by the FRC from time to time) that the PIE Registered Audit Firm or PIE Registered RI must not undertake Statutory Audit Work for PIEs or be entered on the PAR. In this situation, the FRC may issue the PIE Registered Audit Firm or PIE Registered RI, as appropriate, with a Formal Notification (via the PAC).

### **Reinstatement and applying again to be on the register**

146. Audit firms which, or RIs who, have been removed from the PAR may re-apply for PAR registration.
147. Where the FRC has removed a PAR entry on:
- a voluntary basis, the Applicant may re-apply to be entered on the PAR at any time; or
  - an involuntary basis, the FRC may specify the earliest date on which the Statutory Audit Firm or RI, as appropriate, may re-apply.<sup>60</sup>
148. In each case, the Statutory Audit Firm or RI, as appropriate, will be required to complete an Application and the FRC will decide whether the Application meets the Registration Requirements, and whether there is any reason in the public interest not to grant the Application (see section 2 and paragraph 75 above). The FRC may consider the Applicant's previous removal from the PAR if it is relevant to the Application.
149. The FRC may also decide to reinstate an entry on the PAR at any time if it considers that it is in the public interest to do so.<sup>61</sup>

<sup>58</sup> [Auditors | Enforcement Division | Audit Enforcement Procedure | Financial Reporting Council \(frc.org.uk\)](#)

<sup>59</sup> [FRC's Accountancy Scheme](#).

<sup>60</sup> Regulation 13.6b).

<sup>61</sup> Regulation 13.9.

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## 5. Urgent decisions

150. The FRC may make an urgent decision to suspend a PAR entry, to attach Conditions to a PAR entry, to vary the Conditions attached to a PAR entry, or to extend the duration of an existing suspension or existing Conditions, without following the processes in Regulation 8.3 and Regulation 11.3 (see paragraphs 91 and 128 above), if it considers that it is in the public interest to do so.<sup>62</sup>

### Where an urgent decision has been made

151. Where the FRC has made an urgent decision, it will follow the process in Regulation 12.2.

152. Once representations have been received, or if no response is received by the deadline by which written representations were invited, the FRC will decide whether to maintain or amend its decision.<sup>63</sup> If, following consideration of any written representations, the FRC amends its decision,<sup>64</sup> that will be considered the FRC's final decision and further written representations will not be invited. The provisions of Part 14 will apply to that decision.

153. The publication of urgent decisions is addressed in section 7 below.

### Monitoring compliance with an urgent decision

154. Where the FRC has made an urgent decision to suspend, or to extend the duration of an existing suspension of, a PAR entry, the FRC will monitor compliance with any instructions issued in relation to the suspension, as set out in paragraph 124 and in section 3 above.

155. Where the FRC has made an urgent decision to attach Conditions to a PAR entry, or to vary or extend the duration of existing Conditions attached to a PAR entry, the FRC will monitor compliance with the terms of the Conditions, as set out in paragraph 86 and section 3 above.

### Extending a suspension

156. The FRC may extend a suspension imposed by an urgent decision. Where the FRC is considering extending a suspension, before reaching:

- an urgent decision, it will comply with the process in Part 12; or
- a decision that is not urgent, it will comply with the processes in Regulation 11.3 (see paragraphs 122 and 123 above).

<sup>62</sup> Regulation 12.1.

<sup>63</sup> Regulation 12.2e).

<sup>64</sup> Regulation 12.2e).

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## Extending the duration of, or varying, a Condition

157. The FRC may extend the duration of, or vary Conditions attached to a PAR entry by an urgent decision. Where the FRC is considering extending the duration of, or varying, a Condition, before reaching:

- an urgent decision, it will comply with the process in Part 12; or
- a decision that is not urgent, it will comply with the processes in Regulation 8.3 (see paragraphs 80 and 81 above).

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## 6. Internal Reviews and Appeals

### Internal Review

158. The grounds for Internal Review, and the procedure to be followed by the FRC in conducting an Internal Review, of certain decisions made in respect of an Application or PAR entry can be found in Part 14 of the Regulations. An Internal Review may be requested by a PIE Registered Audit Firm, a PIE Registered RI or an Applicant.<sup>65</sup> The FRC may also, of its own initiative, decide to conduct an Internal Review.<sup>66</sup> An Internal Review may be requested in relation to only part of the relevant decision, rather than the decision in its entirety, but if an Internal Review is conducted it will be open to the internal reviewer(s) to consider, and make a decision on, the entirety of that decision.
159. A request for Internal Review should be sent to [registration@frc.org.uk](mailto:registration@frc.org.uk), using the form which is available on the FRC website.<sup>67</sup> It should be submitted with supporting evidence where necessary.
160. A request for Internal Review should be made promptly and, in any event, within 20 working days of the date of the relevant Registration Decision (or such other deadline as the FRC decides is necessary in the public interest).<sup>68</sup> Requests made outside this timeframe will only be considered in exceptional circumstances. Any exceptional circumstances relied on should be set out and fully explained in the request for Internal Review.
161. If the request has not been lodged in accordance with Regulation 14.1 (and no exceptional circumstances have been advanced and/or accepted by the FRC) and/or there is not an arguable case that one or more of the grounds in Regulation 14.4 is satisfied, the FRC may decide that an Internal Review should not be conducted. If the FRC decides that an Internal Review should not be conducted, the FRC will communicate the decision to the party who has requested the Internal Review.
162. If the request has been lodged in accordance with Regulation 14.1 (or where exceptional circumstances have been advanced and accepted by the FRC) and there is an arguable case that one or more of the grounds in Regulation 14.4 is satisfied, the FRC will conduct an Internal Review. If the FRC decides that an Internal Review should be conducted, the FRC will communicate the decision to the party who has requested the Internal Review.
163. The Internal Review will be conducted by a person or persons who are at least as senior as the original decision maker(s) and who was not/were not involved in the original decision (internal reviewer).<sup>69</sup> The internal reviewer(s) will have the power to make a decision under Regulation 14.6.

<sup>65</sup> Regulation 14.1.

<sup>66</sup> Regulation 14.2.

<sup>67</sup> [Public Interest Entity \(PIE\) Auditor Registration | Financial Reporting Council \(frc.org.uk\)](https://www.frc.org.uk/public-interest-entity-pie-auditor-registration)

<sup>68</sup> Regulation 14.1.

<sup>69</sup> Regulation 14.5.

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164. Once the internal reviewer(s) has/have made a decision, the FRC will communicate the outcome of the Internal Review to any relevant parties in a Formal Notification, in accordance with Regulation 14.7.

### **When does a Registration Decision take effect if subject to Internal Review?**

165. Regulation 14.7 provides for the effective date for a Registration Decision that is the subject of an Internal Review.

### **Appeal**

166. The grounds of Appeal, and the procedure to be followed by the FRC and the PIE Registration Tribunal Panel in conducting Appeals, against the outcome of an Internal Review can be found in Part 14 of the Regulations and in the Appeal Rules at Annex 1 to the Regulations. The option to appeal a decision only becomes available once the Internal Review process outlined above has been exhausted.
167. A Notice of Appeal should be sent to [registration@frc.org.uk](mailto:registration@frc.org.uk), using the form which is available on the FRC website.<sup>70</sup> It should be submitted with supporting evidence where necessary.
168. A Notice of Appeal must be submitted in writing to the FRC within 20 working days of the date of the Formal Notification of the outcome of the Internal Review,<sup>71</sup> and should include the information outlined in Rule 3.3 of the Appeal Rules. The scope of the Appeal and the grounds stated in the Notice of Appeal cannot be amended except with the permission of the PIE Registration Tribunal Panel.<sup>72</sup>
169. When the FRC receives a Notice of Appeal, a person from the Tribunal Panel will be appointed to consider whether to give permission to bring the Appeal. Permission will be granted where there is an arguable case for an Appeal on one or more of the grounds in Regulation 14.15 and the Appeal was lodged in accordance with Regulation 14.8. The Parties will be notified of the decision.
170. If permission is given to bring the Appeal, a PIE Registration Tribunal Panel will be appointed to determine the Appeal, either on the papers or by way of Appeal Hearing. The PIE Registration Tribunal Panel may, in accordance with Regulation 14.10 and Regulation 14.11, make a decision under Rule 3.10 of the Appeal Rules, including an order for the Costs of an Appeal to be paid by a Party.
171. The PIE Registration Tribunal will issue a written decision, which it will send to the relevant parties.<sup>73</sup>
172. An Appellant may withdraw its appeal at any time before a decision is issued by the PIE Registration Tribunal Panel.<sup>74</sup>

<sup>70</sup> [Public Interest Entity \(PIE\) Auditor Registration | Financial Reporting Council \(frc.org.uk\)](https://www.frc.org.uk/public-interest-entity-pie-auditor-registration)

<sup>71</sup> Regulation 14.8.

<sup>72</sup> Appeal Rules, Rule 3.4.

<sup>73</sup> Appeal Rules, Rule 3.11.

<sup>74</sup> Appeal Rules, Rule 3.12.

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## **When does a Registration Decision take effect if subject to Appeal?**

173. Where there is an Appeal against the outcome of an Internal Review of any decision other than a decision made as an urgent decision, the outcome of the Internal Review will not take effect until the conclusion of the Appeals process, unless the FRC determines that any deferral would not be in the public interest.<sup>75</sup>
174. Where there is an Appeal against the outcome of an Internal Review of a decision made as an urgent decision, the outcome of the Internal Review will take effect on the date set in accordance with Regulation 14.7a), unless the FRC determines that such effective date would not be in the public interest.

<sup>75</sup> Regulation 14.12.

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## 7. Publication

175. The Regulations provide that certain decisions made under the Regulations may or shall be published, with the manner of such publication being determined by the FRC. Specifically:
- Undertakings,<sup>76</sup> waivers,<sup>77</sup> and voluntary removal decisions<sup>78</sup> may be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, if the FRC believes that it would be in the public interest to do so;
  - Conditions may be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so;<sup>79</sup>
  - suspensions<sup>80</sup> and urgent decisions<sup>81</sup> shall be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so; and
  - involuntary removal<sup>82</sup> decisions shall be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so.
176. The FRC's PIE Auditor Registration Publication Policy sets out, amongst other things, how decisions as to publication will be considered and how decisions may be published. This policy is set out in Annex 1 to this Guidance.
177. From time to time, the FRC may publish thematic reports or other information about the operation of the PAR and the registration process.<sup>83</sup> Amongst other things, these reports may provide examples of why Applications have been refused, and why measures (such as Conditions) have been applied to a PAR entry. Thematic reports will not identify individuals, Statutory Audit Firms, or PIE audit engagements without the consent of the parties affected.

<sup>76</sup> Regulation 9.9.

<sup>77</sup> Regulation 10.7.

<sup>78</sup> Regulation 13.8.

<sup>79</sup> Regulation 8.10.

<sup>80</sup> Regulation 11.8.

<sup>81</sup> Regulation 12.8.

<sup>82</sup> Regulation 13.8.

<sup>83</sup> Regulation 17.8.

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## 8. General Rules

178. Any Formal Notification, Registration Notice, other decision, order, or other document which needs to be served in accordance with Regulation 17.9a) may be sent, at the FRC's choice, as:
- a (PDF or other) file attached to an email;
  - a link to a SharePoint site (or other online platform that the FRC might use in the future) included in the text of an email;
  - a link to a file sharing site included in the text of an email; or
  - a link to access and send email via an email security site platform.
179. If the PIE Registered Audit Firm, PIE Registered RI, Applicant or other entity or individual subject to the PAR Regulations experience any technical difficulties accessing a file, email or any links sent in accordance with paragraph 178 above, they must notify the FRC as soon as practicable, and in any event within one working day of identifying the problem.

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# Annex 1: Publication Policy

## PIE Auditor Registration Publication Policy

1. This policy applies to matters which are the subject of a decision under the Financial Reporting Council (FRC)'s 'Public Interest Entity (PIE) Auditor Registration Regulations'. References to Regulations are to the PIE Auditor Registration Regulations unless otherwise stated.
2. As the Competent Authority for Audit Regulation in the UK, pursuant to the Statutory Auditors and Third Country Auditors Regulations 2016 (SATCAR 2016), the FRC is ultimately responsible for the oversight of and enforcement regarding the adequate execution of statutory audit and maintains the PIE Auditor Register (PAR) of those Statutory Auditors and Statutory Audit Firms who are approved to undertake Statutory Audit Work for PIEs.
3. Publicity about actions taken by the FRC under the PIE Auditor Registration Regulations contributes to transparency and public confidence in the FRC's PAR.
4. The FRC will ensure that the PAR is published and shall determine the manner in which it is published.
5. The PIE Auditor Registration Regulations set out the expectations in respect of publishing certain decisions made as part of the registration process. The manner of such publication shall be determined by the FRC. This includes but is not limited to:
  - Undertakings,<sup>84</sup> waivers<sup>85</sup> and voluntary removal decisions<sup>86</sup> may be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, if the FRC believes that it would be in the public interest to do so.
  - Conditions may be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so.<sup>87</sup>
  - Suspensions<sup>88</sup> and urgent decisions<sup>89</sup> shall be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so.
  - Involuntary removal<sup>90</sup> decisions shall be published on the PAR, and/or on the PIE auditor registration page(s) of the FRC's website, unless the FRC believes that it would not be in the public interest to do so.
6. Decisions of the PIE Registration Tribunal Panel shall be published (unless the PIE Registration Tribunal Panel determines that it is not in the public interest to do so).<sup>91</sup> The PIE Registration Tribunal Panel will determine the length of any such publication.

<sup>84</sup> Regulation 9.9.

<sup>85</sup> Regulation 10.7.

<sup>86</sup> Regulation 13.8.

<sup>87</sup> Regulation 8.10.

<sup>88</sup> Regulation 11.8.

<sup>89</sup> Regulation 12.8.

<sup>90</sup> Regulation 13.8.

<sup>91</sup> Regulation 14.13.

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7. Decisions in relation to unsuccessful Applications to be entered on the PAR will not usually be published (unless they are subject to an Appeal, in which case paragraph 6 above applies).
8. Where the FRC makes a decision as to a matter that:
- is to be published on the PAR, or
  - amends a matter that is already published on the PAR,
- then, the PAR shall be updated on the date that the decision takes effect or as soon as reasonably practicable thereafter. Each Condition, Undertaking, waiver and/or suspension that has been published on the PAR will be removed from the PAR on the expiry of the relevant Condition, Undertaking, waiver and/or suspension (as appropriate), or as soon as reasonably practicable after such expiry.
9. Where the FRC decides to remove a PIE Registered Audit Firm and/or PIE Registered Responsible Individual (RI) from the PAR on an involuntary basis and to publish that decision, the decision may remain on the PIE auditor registration page(s) of the FRC's website until the later of:
- the last date on which the involuntary removal has effect,<sup>92</sup> and
  - any date stipulated by the FRC<sup>93</sup> as the earliest date upon which the relevant firm or individual may re-apply to be entered on the PAR,
- but will normally be removed from the website on or before the aforementioned later date (or as soon as reasonably practicable thereafter) unless there are public interest reasons to maintain the announcement on the FRC's website beyond that date.
10. Where the PIE Registration Tribunal Panel has made a decision that is either to be published on the PAR or requires changes to any entry on the PAR, the PAR shall be updated on the date that the decision takes effect or as soon as reasonably practicable thereafter.

### **FRC publication decisions**

11. Decisions as to publication of the matters set out at paragraph 5 above will be considered on a case-by-case basis. The FRC will balance the public interest with any detriment that may be caused to the individual, the Statutory Audit Firm or a PIE audit engagement. This balancing exercise may include consideration of the following factors:
- the need to protect the public, including users of financial statements and investors;
  - the need to declare and uphold standards within the PIE audit market;
  - the need to maintain public confidence in the PIE audit market by reporting regulatory action taken in the face of serious or significant failings or a lack of audit firm resilience;
  - whether the negative impact of publication on the Applicant, PIE Registered Audit Firm and/or PIE Registered RI would be disproportionate or would have an unnecessarily or excessively damaging effect;

<sup>92</sup> Regulation 13.6.

<sup>93</sup> Regulation 13.6.

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- whether publication of the decision would, in all the circumstances, be unjust for the Applicant, PIE Registered Audit Firm and/or PIE Registered RI;
  - whether publicising the decision would have a negative impact on a PIE audit engagement or on market resilience;
  - any other matter that is relevant to FRC's assessment of the public interest.
12. Where details of a decision are to be published, the FRC may also publish its rationale for making the decision to publish such details.
  13. In general, Undertakings, waivers and voluntary removals are less likely to be published on the PAR than other measures because the publication of such measures is less likely to meet the public interest test. Matters involving higher levels of public interest may lead to Conditions, suspension or involuntary removal, and therefore are more likely to be published on the PAR and/or the PIE auditor registration page(s) of the FRC's website.
  14. Nonetheless, the publication decision will ultimately rest on the individual circumstances of the case.
  15. Subject to paragraph 16, a decision as to a matter that is to be published will not be published:
    - a) before the expiry of the period within which an Internal Review (or, where there has been an Internal Review, the period within which an Appeal) can be requested in respect of that decision, and
    - b) in the event of an Internal Review or Appeal of that decision, until that process has concluded.
  16. The FRC will usually publish urgent decisions to suspend registration, extend an existing suspension, or to apply, extend the duration of, or vary, Conditions to an entry on the PAR in accordance with Part 12 of the Regulations as soon as is reasonably practicable on or after the date the decision takes effect notwithstanding any Internal Review or Appeal.

### **Manner of publication**

17. Where a decision is to be published, it will appear on the PAR and/or the PIE auditor registration page(s) of the FRC's website.
18. Where it considers it to be in the public interest to do so, the FRC or the PIE Registration Tribunal Panel may, in addition to publishing a decision on the PAR and/or the PIE auditor registration page(s), publish a press announcement concerning the decision.
19. Press announcements will normally be made promptly and, save as required otherwise by this Policy or law:
  - a) the announcement will usually take the form of a short statement on the FRC's website setting out brief factual details of the decision or action in question, and
  - b) where considered appropriate in all the circumstances, may contain links to related decision documents.

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20. In certain circumstances, and where not contravening the FRC's statutory publication requirements, the FRC may decide to vary the form or procedure in which it publishes an announcement made under this Policy.

## Annex 2: Appeal Hearings Guidance

### Guidance for Appeal Hearings held under the Public Interest Entity (PIE) Auditor Registration Regulations

1. Annex 1 of the Public Interest Entity (PIE) Auditor Registration Regulations sets out the Appeal Rules and the process and procedure for Appeal Hearings before the PIE Registration Tribunal Panel.
2. The order of proceedings for any Appeal before the PIE Registration Tribunal Panel shall be as directed by the Chair.

#### Case Management

3. The PIE Registration Tribunal Panel may provide the Parties with case management directions upon the request of a Party or at the Chair's own volition.

#### Deliberations

4. At any stage when the PIE Registration Tribunal Panel needs to deliberate, this must be undertaken in the absence of the Parties. A Convener may attend the PIE Registration Tribunal Panel during their private deliberations.

#### Convener

5. The Convener will keep a record, or ensure a record is kept, of all decisions made by the PIE Registration Tribunal Panel and the reasons for them.

#### Decision on the papers or Appeal Hearing

6. The Chair of the PIE Registration Tribunal Panel has discretion to decide whether the Appeal will be determined on the papers (i.e. without an oral hearing) or whether there will be an Appeal Hearing. The Chair's decision in this respect shall be final.
7. An Appeal will be considered on the papers if the Chair considers that it is fair in all the circumstances to do so. It may be appropriate where:
  - the Appellant states in their Notice of Appeal that it requests the matter to be considered on the papers only;<sup>94</sup>
  - the grounds of the Appeal concern points of law only;
  - the disputed factual and/or legal issues are of limited complexity;
  - the same or similar legal issues have been decided before by the PIE Registration Tribunal Panel or the judiciary;
  - no witness evidence or expert witness evidence is required to be heard; and/or
  - the Chair considers that it is in the public interest for the Appeal to be considered on the papers.

<sup>94</sup> See Rule 3.3d) of the Appeal Rules.

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8. An Appeal Hearing will be listed if the Chair considers that it is fair in all the circumstances to do so. An Appeal Hearing may be appropriate where:
- there is a disputed question of fact that should be resolved by hearing live evidence;
  - cross-examination of witnesses and/or expert witnesses is required;
  - the complexity of the factual and/or legal issues suggest that an Appeal Hearing is appropriate;
  - credibility and veracity are at issue in the Appeal;
  - the Appeal raises novel and/or complex legal issues which have not previously been adjudicated on by the PIE Registration Tribunal Panel or the judiciary; and/or
  - the Chair considers that it is in the public interest for an Appeal Hearing to be listed.

### **Record of Appeal Hearing**

9. The PIE Registration Tribunal Panel, assisted by the Convener, must ensure all Appeal Hearings are recorded in writing or electronic form. Any Party to the proceedings must, on application to the PIE Registration Tribunal Panel, be furnished with a transcript of the record of any part of the Appeal Hearing at which that Party was entitled to be present.
10. The only exception to the above provision is that the private deliberations of the PIE Registration Tribunal Panel must not be recorded.

### **Witness Evidence**

11. A Party may not call a person to be a witness or an expert witness at an oral hearing unless the PIE Registration Tribunal Panel grants permission and that Party has provided to the other Party a written statement of evidence provided by the witness or expert witness, which includes an attestation and signature by the person making it, in accordance with case management directions.
12. The PIE Registration Tribunal Panel may permit a Party to adduce evidence, including expert witness evidence, that was not before the maker of the Registration Decision or the internal reviewer, if the PIE Registration Tribunal Panel is content that there is a good reason as to why that evidence was not before the earlier decision maker.
13. The Chair or the PIE Registration Tribunal Panel may refuse to allow a witness or an expert witness to give evidence or to give evidence on a particular matter if the Chair or the PIE Registration Tribunal Panel is not satisfied that the witness or expert witness is in a position to produce relevant testimony for the purposes of the Appeal or if the evidence should have been disclosed at an earlier stage of the process.
14. The PIE Registration Tribunal Panel may give such directions as are appropriate in relation to:
- ensuring details which may identify a witness or expert witness not being revealed in public;
  - the questioning of any witnesses or expert witness; and/or
  - any special measures required to receive evidence from a witness or an expert witness.

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15. Witnesses and expert witnesses are required to take an oath, or to affirm, before they give their oral evidence.

### **Non-attendance of the Appellant**

16. Where the Appellant has failed to attend an Appeal Hearing, the Chair or PIE Registration Tribunal Panel may:
- if it is satisfied that notification of the Appeal Hearing was properly given:
    - i. continue in the Appellant's absence; or
    - ii. adjourn and ask the Convener to seek confirmation from the Appellant in writing that it has withdrawn its Appeal; or
  - adjourn to an alternative date.

### **Postponements and Adjustments**

17. The Chair may, of the Chair's own volition or upon the application of a Party, postpone an Appeal Hearing.
18. The PIE Registration Tribunal Panel may, of its own volition or upon the application of a Party, adjourn the proceedings at any stage.
19. In considering whether to postpone or adjourn an Appeal Hearing, the Chair or PIE Registration Tribunal Panel shall have regard to all relevant factors including any representations from the Parties in particular, as to fairness, the public interest and costs.

### **Representation**

20. At any oral hearing, the Parties may represent themselves or be represented by:
- a solicitor or counsel; or
  - another person at the discretion of the PIE Registration Tribunal Panel provided that the person is not a witness or an expert witness in the case.

This Guidance has been issued by the Board with effect from 20 April 2026.



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