

# Breaches of the FRC Ethical Standard



## BACKGROUND

Section 1.21 of the [FRC Ethical Standard](#) (ES) requires firms to report all breaches of the ES to the competent authority for audit in the UK on a biannual basis. For firms that audit public interest entities (PIEs), the notifications should be made to the FRC. All other firms should notify their Recognised Supervisory Body.

## HOW TO USE THIS FORM

ICAEW-registered firms that **do not** audit PIEs should therefore use this form to make their biannual notifications of breaches. Please send your completed form, with any supporting documentation to [auditregistration@icaew.com](mailto:auditregistration@icaew.com)

If the breach applies to multiple clients, please complete this form once, and list all affected clients and year-end dates in the relevant sections below. If you have multiple breaches to report, covering different sections of the ES, please complete a separate form for each breach. **Please use a separate word document to add any additional information.**

## WHAT HAPPENS NEXT?

We will contact you to advise of the next steps. Depending on the nature of the breach, we will either refer the matter to the Audit Registration Committee or, for more serious breaches, we may need to make a referral to the Professional Standards' Conduct team for investigation of the breach.

## 1. FIRM AND CLIENT INFORMATION

Firm name

Firm number (C00)

Name of client(s)

Year-end(s) affected

Name of responsible individual(s)

## 2. INFORMATION ABOUT THE BREACH

Please provide full details of the breach, enclosing supporting documents if appropriate

**Please do not carry on typing within the form if you have exceeded the space available. Further information should be added by attaching a separate sheet.**

## 2. INFORMATION ABOUT THE BREACH (CONTINUED)

Which requirement of the FRC ES has been breached?

(If the breach covers multiple years, please include the relevant paragraph reference(s) from the previous version of the FRC ES and/or APB ES as necessary)

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How was the breach identified?

If the firm had any other safeguards in place that may have mitigated the breach, please provide details

### 3. DETAILS OF FEES CHARGED

Please provide a breakdown of the fees charged to the relevant client(s) during the period of the breach. You can provide this information in the box below, or on a separate sheet if easier.

### 4. REMEDIAL ACTIONS

Details of remedial actions taken by the firm (eg, client informed, firm's Audit Board/Management Committee etc. informed, sanctions taken by the firm against the RI, second partner review, resignation as auditor etc)

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## 5. TIMELINE OF EVENTS

Please provide a full timeline, including at least the following key dates, if applicable:

Date of the breach

Date when the breach was identified

Date when the client was informed

Date of remedial actions taken

Please specify any other key dates/actions

## 6. OTHER INFORMATION

Please provide details of any other information relevant to the breach

Please send your completed form and supporting documents to [auditregistration@icaew.com](mailto:auditregistration@icaew.com)

The supporting documents should include details of the relevant fee notes, relating to the breach(es).



### USING YOUR PERSONAL INFORMATION

We will treat your personal information in accordance with data protection legislation. We will use your information to carry out our responsibilities as a regulator and as a professional body. We may, either as required by law or to carry out those responsibilities, share your personal information to comply with the requirements of government departments, agencies and regulators. Where necessary, we may transfer your information outside the European Economic Area (EEA) eg, to one of our offices. These countries may not have similar data protection laws to the EEA so, if we do transfer your information, we will take the necessary steps to ensure that your privacy rights are still protected. For more information about our data protection policy, please go to [icaew.com/dataprotection](https://www.icaew.com/dataprotection)