

## **NZICA standard conditions applying to registered audit firms**

In accordance with section 28 of the Auditor Regulation Act 2011 (the Act) the following standard conditions apply to each registered audit firm registered by NZICA:

- 1) The firm must at all times comply with FMA's Prescribed Minimum Standards<sup>1</sup> and, in the case of a corporate audit firm, Regulation 5A of the Auditor Regulations 2012;
- 2) The firm must satisfactorily address any action plan arising from a Quality Review undertaken under the Act within an agreed timeframe;
- 3) The firm must provide, or make available through external providers, appropriate education and training to all licensed auditors and audit staff and keep records of the training provided and undertaken;
- 4) The firm must promptly advise NZICA if there is a change to any information recorded in the register;
- 5) The firm must promptly advise NZICA if any partner or director of the firm ceases to be a partner or director, or any new partner or director is appointed;
- 6) The firm must provide NZICA with the detail of any adverse findings of any internal or external reviews of the firm's audit practice (which may be part of a wider firm review) including steps taken, or to be taken, to correct any adverse findings and implement any recommendations. If any recommendations are not implemented, the firm should explain why;
- 7) The firm must promptly advise NZICA of all information required as part of the continuous information disclosures (such as FMC audit engagements that the firm has accepted, declined or resigned from, significant changes in the firm or its FMC audits including changes in engagement partner or EQR); and
- 8) The firm must provide NZICA with the information requested as part of the annual disclosure requirements (primarily the information requested in the Annual Survey).

Note: in these conditions, "director" means a director of a registered audit firm within the meaning of section 126 of the Companies Act 1993. For the avoidance of doubt, it does not include an employee whose job title includes the word "director" unless that person is a director of the audit firm within the Companies Act definition.

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<sup>1</sup> As issued from time to time in accordance with section 32 and section 92 of the Act