



# YOUR ATOL REPORTING ONSITE REVIEW

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## YOUR ATOL REPORTING ONSITE REVIEW

If your firm is registered under the ICAEW Licensed Practice scheme for ATOL Reporting work, you will receive monitoring visits from one of our small team of specialist ATOL Reporting reviewers.

During your review, we will review and assess your firm's procedures, processes and controls to ensure all ATOL Reporting work complies with professional standards and that your firm meets the requirements of the *ICAEW Licensed Practice Handbook*. You will have the opportunity to discuss any other matters regarding your firm with the experienced reviewer.

We use a risk-based approach to select firms for review. Under our agreement with the Civil Aviation Authority (CAA), we are required to review all ATOL Reporting Accountants (ARAs) at least once every six years. We may select firms more frequently, depending on the size and complexity of the firm, risk profile of a firm's ATOL Reporting clients, previous review history or other risk factors we assess as sufficiently significant to prompt a review.

If your firm is also an ICAEW registered auditor, we will aim to carry out your ATOL Reporting review around the same time as, or very soon after, your audit review. This approach ensures we do not have to ask you for the same information twice. We will discuss this with you when we confirm the timing of your review, and we will do our best to schedule reviews to minimise the disruption to your firm.

### Preparing for the review

Please review the closing record from your previous ATOL Reporting review and ensure you have taken the action agreed in your responses. If you find something that you have not done, try to address the issue before the start of the review.

Please review the list in the 'What you need to have available for the start of the review' section of this leaflet to ensure you will have everything ready and available for the reviewer.

### The review

Our approach is open and friendly, starting with a pre-review call usually 7 to 14 days before the review to gain a general picture of your firm. This will be either a video or telephone meeting and the reviewer will answer any questions you may have and discuss the practical arrangements for the review.

The review varies from firm to firm, but generally includes an opening meeting to help the reviewer understand your practice, your ATOL Reporting

client base, and your approach to performing ATOL Reporting work.

You are welcome to invite colleagues, such as those involved in internal compliance work, to join you.

We will select and review a sample of ATOL Reporting files and we may re-perform a sample of your cold file reviews (performed as part of your compliance review) to confirm the firm's results. If your internal review has identified areas of improvement, we will look to see how you have dealt with them.

We will also cover relevant whole-firm procedures and we will review underlying records such as training and appraisal records, annual declarations and professional indemnity insurance (PII).

We will discuss the ATOL Reporting file findings with the licensed practitioner responsible for the work to make sure the findings are accurate. We will also discuss other general findings and the reasons behind them and, if appropriate, work with you to develop practical solutions.

### Large firms

If your firm is also one of our large audit firms, a multi-partner or multi-office firm or a firm which specialises in ATOL Reporting work, your monitoring reviews will take place more frequently. We may need to arrange an advanced planning meeting to work out the most appropriate method of conducting your ATOL Reporting review.

### The closing record

After the review, we summarise the findings and discuss them with you. The purpose is to:

- agree the findings from the review;
- explore any issues that have arisen; and
- discuss your initial thoughts on how to address the findings.

We will highlight any significant issues, including any areas where we consider the firm has not met the requirements of the [ICAEW Licensed Practice Handbook](#).

### Your response

We ask you to respond to the findings in writing within 15 business days. Your responses are an important part of the review process, so please take particular care when you draft them. Be specific and refer to any actions you have already taken or plan to take, and state by what date.

### After the review

When we receive your response, we complete the review documentation. We will only be able to close the process once we have received and considered your responses. If we have any questions, we will contact you as soon as possible.

We will notify you to confirm your review has been completed satisfactorily or to request additional information we need before we can close the review.

In some circumstances, we may need to report matters to the Audit Registration Committee (ARC). If this happens, we will keep you fully informed and we will send you a copy of the report for your comment before it is submitted to ARC.

### Changes to your practice

Some firms change their structure by converting to a limited company, a limited liability partnership or by setting up new connected entities. You may also make changes to your principals and/or shareholders. The regulations require you to tell us about any changes to your firm as they happen. Please don't rely on reporting them through your annual return. Firms working in the specialist areas of audit, ATOL Reporting, DPB (Investment Business) and probate should complete the [Standing data change form](#). Firms that do not work in these areas should email [firms.admin@icaew.com](mailto:firms.admin@icaew.com) to tell us about changes.

Please also review the [Changes in the composition of a firm helpsheet](#) for details of issues to consider, as well as specific ICAEW requirements. Changes can cause eligibility issues for regulated firms.

If you have made any changes that you haven't told us about you should contact us before the review to correct your records.

### COMMENTS

If you have any comments about the review process, please write to:

Director, Quality Assurance  
ICAEW  
Metropolitan House  
321 Avebury Boulevard  
Milton Keynes  
MK9 2FZ UK

If your comments are about the Director of Quality Assurance, please write to:

Chief Executive  
ICAEW  
Chartered Accountants' Hall  
Moorgate Place  
London  
EC2R 6EA UK

## WHAT YOU NEED TO HAVE AVAILABLE FOR THE START OF THE REVIEW

The list below sets out information that we may ask to see. If you are unsure about anything, please discuss it with us during the pre-review call.

### All firms

- Gross ATOL Reporting income for the last financial year. Please also provide estimates for the current financial year.
- Correspondence with ICAEW concerning the firm's ARAs registration.
- List of current ATOL Reporting clients, showing name of licensed practitioner (latest year end, activity and turnover will be useful).
- Staff assessments.
- Access to the files of ATOL Reporting clients for work completed in the previous 12 months. We may need to refer to files for the previous 24 months so, ideally, these should be available.
- Records of the last two ATOL Reporting Accountant compliance reviews, including cold file reviews.
- List of subcontractors used, indicating their level of involvement in ATOL Reporting work and the subcontractor agreements.
- Continuing professional development (CPD) and training records, fit and proper forms, independence and confidentiality records for the previous two years for licensed practitioners and ATOL Reporting staff (including subcontractors).
- Records of complaints received since your last review (or date of registration if no previous review) and how they were resolved; or, if still outstanding, a summary of the issues.
- Records of any recent disciplinary cases.
- PII policy, including application or proposal form; summary of litigation and PII claim records.

### Sole practitioners

- Consultation arrangements on ethical, technical, practical or other significant issues.

### Partnerships and companies

- Details of the control of the firm, such as the partnership or company structure, reporting and supervisory responsibilities and arrangements within the firm for consultation on ethical, technical, practical or other significant issues.
- Partner appraisals and assessments as appropriate.

## HELP AND SUPPORT

There is a broad range of information and guidance available to your firm. Here is a quick guide on where to find some of our useful resources.

- Keep up to date with ICAEW regulatory and conduct news by subscribing to our monthly newsletter, [Regulatory and Conduct News](#), follow us on [LinkedIn](#) and visit [icaew.com/regulatorynews](https://www.icaew.com/regulatorynews)
- **ICAEW Licensed Practice Handbook and guidance** - [icaew.com/lphandbook](https://www.icaew.com/lphandbook)  
Licensed practices are required to comply with the *ICAEW Licensed Practice Handbook*. The guidance is for firms licensed to undertake ATOL Reporting work. Please read this guidance carefully to ensure your firm complies with the requirements of the scheme.
- **Annual return guidance** - [icaew.com/annualreturn](https://www.icaew.com/annualreturn)  
Guidance on completing your firm's annual return. All firms registered as ARAs with ICAEW are required to complete an annual return.
- **ATOL News** - [icaew.com/atolnews](https://www.icaew.com/atolnews)  
Regulatory update containing the latest technical guidance and best practice advice.
- **Technical, ethical and practical helpsheets** - [icaew.com/helpsheets](https://www.icaew.com/helpsheets)
- **Technical information** - [icaew.com/technical](https://www.icaew.com/technical)
- **Communities** - [icaew.com/communities](https://www.icaew.com/communities)
- **ICAEW library service** - [icaew.com/library](https://www.icaew.com/library)
- **Helplines and support** - [icaew.com/helplines](https://www.icaew.com/helplines)  
We have advisors ready to answer your enquiry through a number of channels.
- **Courses to help you with your continuing professional development** - [icaew.com/cpd](https://www.icaew.com/cpd)
- **Core accounting and tax service** - [icaew.com/bloomsbury](https://www.icaew.com/bloomsbury)

Chartered accountants are talented, ethical and committed professionals. ICAEW represents more than 195,300 members and students around the world.

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor around 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

ICAEW is a founding member of Chartered Accountants Worldwide (CAW), a global family that connects over 1.8m chartered accountants and students in more than 190 countries. Together, we support, develop and promote the role of chartered accountants as trusted business leaders, difference makers and advisers.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

[www.charteredaccountantsworldwide.com](http://www.charteredaccountantsworldwide.com)  
[www.globalaccountingalliance.com](http://www.globalaccountingalliance.com)  
[icaew.com](http://icaew.com)

## ICAEW's regulatory and conduct roles

Our role as an improvement regulator is to strengthen trust in ICAEW Chartered Accountants and firms. We do this by enabling, evaluating and enforcing the highest standards in the profession.

ICAEW's regulatory and conduct roles are separated from ICAEW's other activities through internal governance so that we can monitor, support or take steps to ensure change if standards are not met. These roles are carried out by the Professional Standards Department (PSD) and overseen by the ICAEW Regulatory Board (IRB).

We:

- **authorise** ICAEW firms, members and affiliates to undertake work regulated by law: audit, local audit, investment business, insolvency and probate;
- **support** the highest professional standards in general accountancy practice through our Practice Assurance scheme;
- **provide** robust anti-money laundering supervision and monitoring;
- **monitor** ICAEW firms and insolvency practitioners to ensure they operate correctly and to the highest standards;
- **investigate** complaints and hold ICAEW firms and members to account where they fall short of standards;
- **respond** and comment on proposed changes to the law and regulation; and
- **educate** through guidance and advice to help stakeholders comply with laws, regulations and professional standards.

[icaew.com/regulation](http://icaew.com/regulation)

## ICAEW

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ICAEW is  
carbon neutral