



## ICS- Audit firm accreditation and termination procedures

### **A. ICS audit firm accreditation procedure**

Audit firms are accredited for all countries, albeit an extraordinary situation, in which case ICS will define the company's perimeter of action. For an audit firm to be officially accredited by ICS, it needs to follow the below 5 steps.

- 1. Send a request to ICS for applying to the accreditation process.**
- 2. The audit firm has to provide detailed information about the following points:**
  - a. Auditor qualification criteria.
  - b. Auditor training procedures.
  - c. Integrity policy.
  - d. Eventual conflicts of interest (established commercial relationship with an existing ICS member, for internal or quality audits for example.)
  - e. Geographical scope (audit volume, auditor capacity per region, etc.)
  - f. Percentage and number of freelance auditors under contract.
  - g. CSR policy.
  - h. The audit firm presents its added value and the interest of its positioning compared to other audit firms accredited by ICS.
- 3. First approval by ICS.**
- 4. One-year trial period, in which the audit form is tested by ICS members:**
  - a. The audit firm will be presented during an ICS plenary.
  - b. The audit firm will agree on the ICS ethical code by signing an Agreement.
  - c. The audit firm will be given access to all the ICS tools and documentation for the trial period.
  - d. The audit firm will have to be mandated for ICS audits by at least 3 ICS members.
  - e. The audit firm will have to complete audits in at least 2 different activity sectors.
  - f. The audit firm will have to complete audits in 2 different countries or regions.
  - g. The audit firm will have to complete at least 30 different audits during the trial period.
- 5. Accreditation approval:**
  - a. The final approval depends on the completion of all the above steps and the success of the one-year trial period.
  - b. ICS members having tested the audit firm will share their experience with the other members.
  - c. The final approval is made by a unanimous vote by ICS members in plenary.

### **B. ICS audit firm termination procedure**

#### **Terms of an accreditation termination**

- a. 5 warnings will result in the termination of an audit firm's ICS accreditation. A warning is issued when the audit firm commits a serious offence as defined by ICS.
- b. The termination needs a unanimous approval by ICS members in plenary.
- c. ICS will notify the audit firm two months ahead of the termination date.



- d. For the audit firm to be accredited again, they would have to go through the entire accreditation procedure.
- e. ICS may terminate an audit firm's accreditation in specific countries or regions, without full termination.

**Terms in relation with an audit firm termination**

The terms for the termination of an audit firm's ICS accreditation are:

- a. Audit firms will no longer be allowed to communicate in any way on ICS (they would have to suppress all mentions of ICS on their websites and documentation, especially the ICS logo.)
- b. The audit firm will be banned from using ICS tools (completed audits or templates, or any of the ICS tools they had been in possession of during their accreditation period.)