EXPLANATORY MEMORANDUM

TO	**SENIOR PARTNER**
FROM	**INDEPENDENT REGULATORY BOARD FOR AUDITORS (IRBA)**
DATE	**19 FEBRUARY 2024**
SUBJECT	**ANNUAL FIRM RETURN AND FIRM-RELATED INFORMATION FOR THE PERIOD 1 JANUARY-31 DECEMBER 2023**

This document is being issued to **all firms** that are registered with the IRBA.

IMPORTANT INFORMATION

- Only **ONE return** per firm is required.
- Even if none of the partners in your firm performed any assurance work during the period covering 1 January 2023 to 31 December 2023, you are still required to complete and submit the return. **Even with zero-assurance work and fees, the return is required**.
- You are obligated to submit the required firm-related information, even if you are submitting a zero-assurance fee return.
- Network firms that declare assurance fees under one firm must ensure that all other firms in the network that is registered with the IRBA submit a zero-assurance work return.
- Only submissions on the IRBA website will be accepted; therefore, no email submissions will be accepted.

SECTION 1: FIRM RETURN

The online declaration of the accuracy of the information must be completed by the Chief Executive Officer (CEO), Senior Assurance Partner or equivalent of the firm who is a registered auditor (RA).

Risk-based inspections are performed on assurance work performed by firms. Through following a risk-based inspections approach, the IRBA ensures that firms performing assurance engagements are analysed, categorised and selected for an inspection, based on inherent and other risk factors identified. By doing so, the IRBA enhances public confidence in the opinions expressed and assurance work performed by RAs.

The accuracy and completeness of the declaration is essential for the calculation of the assurance fees payable to the IRBA, as explained in the fee model section of this document.

Mandatory Information: The IRBA Code, paragraph R400.8b SA, contains a list of 11 types of entities that generally satisfy the definition of a public interest entity (PIE), in addition to other entities that are designated as PIEs by each firm's internal policies. For those entities that are designated as PIEs, firms are required to declare the specific type of PIE to which the entity belongs, as per paragraph R400.8b SA.

The IRBA's approach to categorising assurance engagement risk has **not changed** and is detailed below.

High-risk Audits and Related Assurance Work

This refers to assurance engagements that are performed by RAs and firms, and that are required in terms of legislation or regulation. These engagements include, but are not limited to, the following:

- Audits, required in terms of the Companies Act of 2008 (as amended), of:
    - Public companies;
    - State-owned enterprises;
    - Private companies with a public interest score of 350 or more;
    - Private companies with a public interest score of less than 350, but at least 100, if the annual financial statements (AFS) were internally compiled; and
    - Private companies with a public interest score below 350 and where the Manual of Information was altered to include an audit requirement. Such an engagement is not considered to be a voluntary audit.
- Audits of banks and regulatory returns to the South African Reserve Bank, in terms of the Banks Act regulations.
- Audits required as per the South African Reserve Bank Act.
- Audits, required by legislation under the Financial Services Conduct Authority, of:
    - Insurance companies;
    - Collective investment schemes;
    - Pension and retirement funds;
    - Provident funds; and
    - Any other audits required by the Financial Advisory and Intermediary Services Act (FAIS).
- Audits of medical schemes.
- Audits on behalf of the Auditor-General:
    - Secondment of staff to assist the Auditor-General – no opinion is expressed and, consequently, these engagements should be excluded.

- Performance of an engagement under the supervision of the Auditor-General (so-called "contracted out" engagements). Although this audit opinion is signed by the Auditor-General, a substantial portion of the work is performed by the contracted firm. These engagements should be included.
- Audits performed and signed by a firm in terms of Section 4(3) of the Public Audit Act of 2004 (as amended). These engagements should be included.

- Trust accounts for legal practitioners (including attorneys trust accounts).
- Estate agents (business and trust accounts).
- Audits of cooperatives.
- Audits of non-profit organisations, where the turnover is **more than R50 million**.
- Audits of all tertiary educational institutions.
- Audits required by the Sectional Titles Schemes Management Act of 2011 (as amended).
- Assurance work related to other regulatory returns in respect of **any of the above audit clients**.

Low-risk Assurance Work (all assurance work not already stated above and including what is listed below)

- Voluntary audits by decision.
- Independent reviews required in terms of the Companies Act of 2008, as amended.
- Other assurance work.

All assurance work performed and/or invoiced in the specified period must be listed, despite the year-end of the assurance work done or the fact that the assurance work will not be done again in the next year.

Where no assurance work is performed by any of the RAs in the firm, these firms will be classified as non-assurance firms and will, therefore, not be included in the inspections process. However, such firms are still required to complete and submit the return and firm-related information.

In case of a merger or separation of a firm, the firm that is in possession of the file at the time of completing this return should declare the audit client and fee.

In a joint assurance engagement, each firm should declare the portion of the engagement fee that was invoiced to the client directly.

If your firm is part of a network, but is a separate legal entity, indicate the main network firm. The fees of the firms linked to the network will be combined in calculating the percentage and invoiced to the separate firms within the network. Each legal entity is still required to submit a firm return, even when reporting/submitting a zero-assurance fee return.

Use of the RA Designation

We draw your attention to our communication dated 14 October 2019, relating to the use of the RA designation when signing certain professional reports. The communication can be accessed on our website.

This notification applies to registered auditors only. It reminds them that the IRBA Code of Professional Conduct for Registered Auditors (Revised April 2023) (IRBA Code) requires RAs to sign off audit, review and assurance reports with the RA designation, regardless of whether the work can be performed by registered auditors only or is also allowed to be performed by other practitioners. For example, independent reviews that are performed under the International Standard on Review Engagements (ISRE) 2400 may be performed and signed off by RAs and practitioners that are not registered auditors, e.g. CAs (SA). Regardless, if the engagement is being performed by an RA, the registered auditor is required to sign off using the RA designation. To avoid any doubts:

- The notification does not change the fact that certain assurance engagements under the ISREs and the International Standards on Assurance Engagements (ISAEs) may be performed by both registered auditors and other professionals.
- Assurance engagements include sustainability engagements that are signed off under the ISAEs.
- Assurance engagements include both limited and reasonable assurance engagements.
- Engagements performed under the International Standards on Related Services (ISRS) are not assurance engagements.

SECTION 2: FEE MODEL

All firms that declared assurance fees will be billed twice a year, based on a percentage of the **total** assurance work invoiced by the firm and declared every calendar year by the firm for each RA.

SECTION 3: SUBMISSION PROCESS

A web portal has been designed and activated for firms to submit firm returns, firm-related information and fee details directly on the IRBA website. For a step-by-step guide on how to upload the information, please refer to Section 10.

Kindly use this method to declare the fees invoiced per client, per RA, for the calendar year 1 January 2023 to 31 December 2023. The fees are categorised per the above risk-based descriptions of high risk and low risk.

Refer to Section 8 for guidance on the completion of the Excel template.

The information that you submit may be verified, as part of the inspections process.

SECTION 4: IMPACT OF FAILING TO TIMEOUSLY SUBMIT COMPLETE DOCUMENTS

A complete set of the required documents **MUST** be submitted by **19 April 2024**.

If, during an inspection, we find that the return is incomplete (either under- or over-declared), your firm will be required to submit an updated/corrected return. In addition, the firm may be referred for an investigation for improper conduct.

Kindly pay specific attention to the new requirements relating to firm annual renewal, and the consequences for non-compliance, in terms of Government Gazette No. 49079 published on 4 August 2023.

SECTION 5: WHEN WILL YOU BE BILLED?

Assurance fee invoices will be sent out as follows:

- 1st invoice (equivalent to 50% of the assurance fee) on 1 June, payable by 30 June.
- 2nd invoice (equivalent to the remaining 50% of the assurance fee) on 1 December, payable by 31 December.

SECTION 6: FIRM UPDATES

In terms of Section 43(1) of the Auditing Profession Act, firms must notify the IRBA of any changes in the name, composition and/or address **not later than 30 days** after such changes take place.

Firms may update their address and contact details on the IRBA website at any time during the year. It is extremely important that our records reflect your firm's updated and correct email address.

Please email registry@irba.co.za regarding changes in the firm name and/or composition.

If the IRBA is not informed of any changes to a firm's contact details, name and/or composition, we will assume that the records in our database are correct.

SECTION 7: STAFF COMPLEMENT AND PUBLIC PRACTICE QUESTIONNAIRE

Staff Complement

The demographic information for all staff members who are employed at the firm may now be captured on a downloadable Excel sheet that should be imported afterwards.

Public Practice Questionnaire

The information set out below, and which has to be completed as at the current date on which you are compiling it, is needed for the verification process.

- Local firm leadership: CEO (or equivalent), Assurance Leader (or equivalent), Quality Leader (or equivalent) and Risk Leader (or equivalent). The information can now be captured in an online form.
- Firm shareholding/ownership and directors/partner information.
- Network firm information.
- Most recent set of the firm's Annual Financial Statements.

Please refer to section 9 for the Frequently Asked Questions for further details.

If you have any queries regarding client classification, please contact:

Sadhir Issirinarain

Professional Manager: IFRS and Business Intelligence

Email: sadhir@irba.co.za

For any queries about updating firm details, please contact:

Caroline Garbutt

Manager: Registrations

Email: cgarbutt@irba.co.za

If you have any queries about uploading the information to the web portal, please contact:

Henriëtte Fortuin

Project Manager

Email: hfortuin@irba.co.za

SECTION 8: COMPLETION OF THE EXCEL TEMPLATE FOR FEE INCOME

Select the most appropriate classification for each audit.

High-risk Assurance and Related Work (it is compulsory to complete each field)

<table>
<tr><th>Column</th><th>Details</th></tr>
<tr><td>A.</td><td>Client name details.</td></tr>
<tr><td>B.</td><td>Indicate the highest-level South African parent entity within the group of entities audited by the South African firm preparing the return.</td></tr>
<tr><td>C.</td><td>Relevant registration number.</td></tr>
<tr><td>D.</td><td>High-risk audit and assurance category: Please refer to Section 1 for a detailed description of high-risk audits and related services. When classifying clients, please select the most appropriate classification that indicates the primary requirement for the audit or assurance, selecting from the top to the bottom of this list. For example, a “LIMITED” insurance company, with a public interest score of more than 350 and that is listed on the Johannesburg Stock Exchange Ltd, will be classified under the Companies Act, as it is first required to be audited by this Act and thereafter by the Financial Services Conduct Authority.
Under this category, audits are required by the following legislation or regulators:
<table>
<tr><td>CoA</td><td>Companies Act</td></tr>
<tr><td>FSCA</td><td>Financial Services Conduct Authority</td></tr>
<tr><td>PA</td><td>Prudential Authority</td></tr>
<tr><td>SARB</td><td>South African Reserve Bank</td></tr>
<tr><td>MedS</td><td>Medical Schemes</td></tr>
<tr><td>AG (S4)</td><td>Auditor-General South Africa – Section 4(3) of the Public Audit Act</td></tr>
<tr><td>AG (CO)</td><td>Auditor-General South Africa – Contracted Out</td></tr>
<tr><td>ATA</td><td>Legal practitioner trust accounts</td></tr>
<tr><td>EA</td><td>Estate Agents – business and trust</td></tr>
<tr><td>CO-OP</td><td>Cooperatives</td></tr>
<tr><td>NONP</td><td>Non-profit organisations where the turnover is more than R50 million</td></tr>
<tr><td>TER</td><td>All tertiary institutions</td></tr>
<tr><td>STSMA</td><td>Sectional Titles Schemes Management Act</td></tr>
<tr><td>OAW</td><td>Other assurance work</td></tr>
<tr><td>Other</td><td>Other engagements not covered by the above entries</td></tr>
</table>
</td></tr>
<tr><td>E.</td><td>Amount Billed
The amount reflected should be the total of all the assurance fee invoices billed for the specified period to the specified client. If the invoices relate to different engagements for the same client, these should be listed on separate lines. This should be reported, even if the work has not been finalised.
Separate engagements include instances of multiple financial year-ends. For example, where fees are charged for Year 1 and Year 2, these should be presented on separate lines. Separate engagements also refer to engagements performed for various entities within a group structure. Each entity should be listed separately, where practicable.
At a minimum, PIEs should be listed separately to facilitate the provision of additional information requested (see points M and N below).</td></tr>
</table>

	The amount reflected as the Amount Billed should **exclude VAT**, where applicable, and also exclude the recovery of any direct expenses.
F.	Listed company/Subsidiary of a listed company (SL) or not applicable.
G.	Industry (please select the most appropriate classification):
	Attorneys Trust Accounts
	Auditor-General South Africa assignments (Contracted Out)
	Auditor-General South Africa assignments (Section 4(3))
	Body Corporates
	Collective Investment Schemes
	Construction Entities
	Cooperatives
	Credit Ratings Agency
	Engineering
	Estate Agents (business and trust)
	Farming/Agriculture Entities
	Financial Institutions (e.g. banks and entities required by the FAIS)
	Insurance
	Investment Entities
	Manufacturers
	Medical Schemes
	Mining
	Non-profit Organisations
	Other
	Property
	Retailers
	Retirement Fund Administrators
	Retirement Fund Managers
	Retirement Funds
	Schools
	Service Entities (e.g. transport, media, resources, health)
	Shareblocks
	Stockbrokers
	Tertiary Institutions
	Trade Unions
	Wholesalers
H.	Year-end/Period-end of AFS **(new date format: ccyy/mm/dd)** If applicable, indicate the month and year-end for which the audit was done.
I.	Indicate the date of the auditor's report. (Leave blank, if the audit report is not signed off at the time of submitting the return.)

J.	The surname and initials of the audit partner responsible for the final audit report (signing partner).
K.	The IRBA registration number of the audit partner. (Ensure that this number displays correctly.)
L.	The Companies Act public interest score, for applicable clients. Insert zero if not applicable.
M.	Indicate whether the entity is a PIE, as per Section R400.8b SA of the IRBA Code, by responding with a “yes” or “no”. (If “no”, the type of interest entity may be left blank.)
N.	IRBA Code Type of Public Interest Entity Authorised users of an exchange, as defined in the Financial Markets Act No. 19 of 2012, that hold or are otherwise responsible for safeguarding client assets in excess of R10 billion. Banks, as defined in the Banks Act No. 94 of 1990; and Mutual Banks, as defined in the Mutual Banks Act No. 124 of 1993. Collective Investment Schemes, including hedge funds, in terms of the Collective Investment Schemes Control Act No. 45 of 2002, that hold assets in excess of R15 billion. Financial Services Providers, as defined in the Financial Advisory and Intermediary Services Act No. 37 of 2002, with assets under management in excess of R50 billion. Funds, as defined in the Pension Funds Act No. 24 of 1956, that hold or are otherwise responsible for safeguarding client assets in excess of R10 billion. Insurers registered under the Long-term Insurance Act No. 52 of 1998, and the Short-term Insurance Act No.5. of 1998, excluding micro-lenders. Major Public Entities that directly or indirectly provide essential or strategic services or hold strategic assets for the benefit of the country. Market infrastructure, as defined in the Financial Markets Act No. 19 of 2012. Medical Schemes, as defined in the Medical Schemes Act No. 131 of 1998, that are open to the public (commonly referred to as “open medical schemes”) or are restricted schemes with a large number of members. Other. Other issuers of debt and equity instruments to the public. Many entities will fall into this category, in addition to other PIE categories. Such entities should be classified into their unique respective PIE category instead of this one. For example, many South African banks have equity listed on a public exchange, and also fall into the separate category of PIEs as banks. These entities should be classified as banks instead of issuers of debt and equity instruments to the public. Pension Fund Administrators (in terms of Section 13B of the Pension Funds Act No. 24 of 1956), with total assets under administration in excess of R20 billion.
O.	Indicate whether an Engagement Quality Control Review (EQCR) was done by responding with a “yes” or “no”.
P.	If applicable, disclose the name of the EQC reviewer.
Q.	If applicable, disclose the IRBA registration number of the EQC reviewer.
R.	Indicate whether an International Standard on Quality Control 1 (ISQC 1) monitoring review was done by responding with a “yes” or “no”.
S.	Indicate whether a joint report was issued by the firm.
T.	The amount reflected should be the total of all the **non-audit fee invoices issued for the specified period** to the specified **audit** client. This should be reported, even if the work has not been finalised.

<table>
<tr><td></td><td>If more than one audit engagement is being declared, the non-audit fees should be disaggregated based on the time periods the work was performed. For example, if two audit opinions were signed and declared for the current return, and non-audit fees were billed across both audit engagements, the date of each audit report could be used as an indication of how to split the non-audit work between the two lines of information declared. Non-audit fees should not be duplicated across multiple audit engagements.
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<tr><td>U. .</td><td>Indicate the type of opinion issued, as per the International Standards on Auditing (ISAs) – qualified, unqualified, disclaimer and/or adverse.</td></tr>
<tr><td>V.</td><td>Indicate the first year in which the RA was engaged. This should reflect the number of years for which the RA continuously served as an assurance provider.</td></tr>
<tr><td>W.</td><td>Indicate the first year in which the firm was engaged. This should reflect the number of years for which the firm continuously served as an assurance provider.</td></tr>
<tr><td>X.</td><td>Indicate, for completed audit engagements, the date of the assembly of the final audit file, as per ISA 230. (New date format: ccyy/mm/dd) (Leave blank, if the audit report is not completed at the time of submitting the return, or if the date is not applicable.)</td></tr>
</table>

Low-risk Assurance Work (it is compulsory to complete each field)

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<tr><td>D.</td><td>Low-risk Audit and Assurance Category
Audit in terms of:<table><tr><td>VolA</td><td>Voluntary audits</td></tr><tr><td>IR</td><td>Independent reviews</td></tr><tr><td>OAW</td><td>Other assurance work</td></tr></table></td></tr>
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<tr><td>G.</td><td>Industry (please select the most appropriate classification):<table><tr><td>Attorneys Trust Accounts</td></tr><tr><td>Auditor-General South Africa assignments (Contracted Out)</td></tr></table></td></tr>
</table>

		Auditor-General South Africa assignments (Section 4(3)) Body Corporates Collective Investment Schemes Construction Entities Cooperatives Credit Ratings Agency Engineering Estate Agents (business and trust) Farming/Agriculture Entities Financial Institutions (e.g. banks and entities required by FAIS) Insurance Investment Entities Manufacturers Medical Schemes Mining Non-profit Organisations Other Property Retailers Retirement Fund Administrators Retirement Fund Managers Retirement Funds Schools Service Entities Shareblocks Stockbrokers Tertiary Institutions Trade Unions Wholesalers
H.	Year-end/Period-end of AFS **(new date format: ccyy/mm/dd)** If applicable, indicate the month and year-end for which the audit was done.	
I.	Indicate the date of the auditor's report. (Leave blank, if the audit report is not signed off at the time of submitting the return.)	
J.	The surname and initials of the audit partner responsible for the final audit report (signing partner).	
K.	The IRBA registration number of the audit partner. (Ensure that the number displays correctly.)	
L.	The Companies Act public interest score, for applicable clients. Insert zero if not applicable.	
M.	Indicate whether the entity is a PIE, as per Section R400.8b SA of the IRBA Code, by responding with a "yes" or "no". (If "no", the type of interest entity may be left blank.)	

<table>
<tr><td>N.</td><td>IRBA Code Type of Public Interest Entity:
<table>
<tr><td>Authorised users of an exchange, as defined in the Financial Markets Act No. 19 of 2012, that hold or are otherwise responsible for safeguarding client assets in excess of R10 billion.</td></tr>
<tr><td>Banks, as defined in the Banks Act No. 94 of 1990; and Mutual Banks, as defined in the Mutual Banks Act No. 124 of 1993.</td></tr>
<tr><td>Collective Investment Schemes, including hedge funds, in terms of the Collective Investment Schemes Control Act No. 45 of 2002, that hold assets in excess of R15 billion.</td></tr>
<tr><td>Financial Services Providers, as defined in the Financial Advisory and Intermediary Services Act No. 37 of 2002, with assets under management in excess of R50 billion.</td></tr>
<tr><td>Funds, as defined in the Pension Funds Act No. 24 of 1956, that hold or are otherwise responsible for safeguarding client assets in excess of R10 billion.</td></tr>
<tr><td>Insurers registered under the Long-term Insurance Act No. 52 of 1998, and the Short-term Insurance Act No. 53. of 1998, excluding micro-lenders.</td></tr>
<tr><td>Major Public Entities that directly or indirectly provide essential or strategic services or hold strategic assets for the benefit of the country.</td></tr>
<tr><td>Market infrastructure, as defined in the Financial Markets Act No. 19 of 2012.</td></tr>
<tr><td>Medical Schemes, as defined in the Medical Schemes Act No. 131 of 1998, that are open to the public (commonly referred to as “open medical schemes”) or are restricted schemes with a large number of members.</td></tr>
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Many entities will fall into this category, in addition to other PIE categories. Such entities should be classified into their unique respective PIE category instead of this one.
For example, many South African banks have equity listed on a public exchange, and also fall into the separate category of PIEs as banks. These entities should be classified as banks instead of issuers of debt and equity instruments to the public.</td></tr>
<tr><td>Pension Fund Administrators (in terms of Section 13B of the Pension Funds Act No. 24 of 1956) with total assets under administration in excess of R20 billion.</td></tr>
</table></td></tr>
<tr><td>O.</td><td>Indicate whether an EQCR was done by responding with a “yes” or “no”.</td></tr>
<tr><td>P.</td><td>If applicable, disclose the name of the EQC reviewer.</td></tr>
<tr><td>Q.</td><td>If applicable, disclose the IRBA registration number of the EQC reviewer.</td></tr>
<tr><td>R.</td><td>Indicate whether an ISQC 1 monitoring review was done by responding with a “yes” or “no”.</td></tr>
<tr><td>S.</td><td>Indicate whether a joint report was issued by the firm.</td></tr>
<tr><td>T.</td><td>The amount reflected should be the total of all the non-audit fee invoices issued for the specified period to the specified audit client. This should be reported, even if the work has not been finalised.
If more than one audit engagement is being declared, the non-audit fees should be disaggregated based on the time periods the work was performed. For example, if two audit opinions were signed and declared for the current return and non-audit fees were billed across both audit engagements, the date of each audit report could be used as an indication of how to split the non-audit work between the two lines of information declared. Non-audit fees should not be duplicated across multiple audit engagements.
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V.	Indicate the first year in which the RA was engaged. This should reflect the number of years for which the RA continuously served as an assurance provider.
W.	Indicate the first year in which the firm was engaged. This should reflect the number of years for which the firm continuously served as an assurance provider.
X.	Indicate, for completed audit engagements, the date of the assembly of the final audit file, as per ISA 230. **(New date format: ccyy/mm/dd)** (Leave blank, if the audit report is not completed at the time of submitting the return or if the date is not applicable.)

SECTION 9: FREQUENTLY ASKED QUESTIONS

1. What is an Engagement Quality Review?

ISQC 1 requires that the EQCR process be mandatory for audits of financial statements of listed entities and other engagements, if any, for which the firm has determined that such a review is required.

2. What is a Monitoring Review?

ISQC 1 requires firms to establish a monitoring process designed to provide reasonable assurance that the policies and procedures relating to the system of quality control are relevant, adequate and operating effectively.

3. What is a Public Interest Entity?

Audit firms are required to determine whether an entity is a PIE, as per Section R400.8b SA of the IRBA Code. These entities must be flagged as such in the return. The IRBA Code has a list of 11 types or categories of entities that generally satisfy the definition of a PIE (pre-defined PIEs). Firms are required to indicate to which type or category of PIE each relevant engagement belongs.

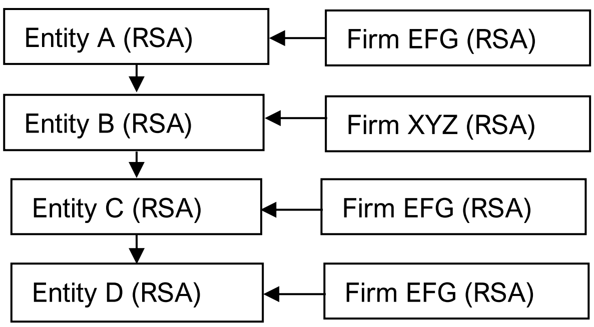
4. How Should Information Be Provided for Group Engagements?

For group engagements, where the invoiced fees relate to various engagements within the same group of entities, each engagement that is performed by the South African firm preparing the return should be listed separately. Furthermore, the signing engagement partner responsible for the respective engagement/s must be disclosed in the column titled “Registered Auditor” in the return.

In these situations, the highest-level South African parent entity within the group of entities that is audited by the South African firm preparing the return must also be disclosed for each of the separately listed entities. Please see the illustrative example below.

Example

Entity A is registered under the Companies Act of South Africa and has the following group structure:



Entity A controls Entity B. Entity B controls Entity C, which in turn controls Entity D. Entities A, B, C and D are all registered in South Africa. All of these entities meet the criteria to be classified as high risk.

Firm EFG

Firm EFG audits Entities A, C and D. Therefore, Firm EFG must list these entities separately on its firm fee return, with all columns completed per the template.

Also, Firm EFG must disclose, on the return, Entity A as the "highest-level SA parent entity audited by the SA firm" for each of the entities in the group audited by the firm, i.e. Entities A, C and D.

Firm XYZ

Firm XYZ audits Entity B. Then, Firm XYZ must declare the assurance fees charged to Entity B, with all columns completed per the template.

Firm XYZ is not required to disclose any additional information in the column "highest-level SA parent entity audited by the SA firm", as Firm XYZ does not audit any other entities within the group.

5. What are Non-audit Fees?

Non-audit fees include fees that have been invoiced to the client for non-audit services. Examples include assistance with client contractual requirements and advisory services.

The total rand value of non-audit fees billed to an audit client, by engagement, within the calendar year covered by the return should be disclosed. The amounts declared should **exclude VAT** and the recovery of any direct expenses.

The information is required for audit engagements only. Please exclude engagement fees that are required by law or regulation (statutory non-audit fee). Such engagements could include interim reviews, among others.

6. To What Does the "First Year RA Engaged" Refer?

This is the year in which the first assurance report was issued by the individual RA. This should reflect the number of years, by engagement, for which the RA continuously served as an assurance provider.

Ideally, the year of appointment should be stated. In most cases, this would align with the financial year-end for which the auditor was appointed. However, there could be a material gap between the financial year-end and the date of appointment. This could occur where a firm has engaged with the client to provide assurance services after multiple financial year-ends have passed. For such cases, it is advisable to follow the principles of the Audit Tenure Rule, which state the following: "*The registered auditor will have to be diligent and use his/her professional judgment. Information on the appointment and changes in auditors can be obtained from the Companies and Intellectual Property Commission (CIPC) or company secretarial records. The audit tenure should reflect the number of years the audit firm/sole practitioner continuously served as auditor.*"

7. To What Does the "First Year Firm Engaged" Refer?

This is the year in which the first assurance report was issued by the firm. This should reflect the number of years, by engagement, for which the firm continuously served as an assurance provider.

The principles underpinning this information should be the same as those for the Audit Tenure Rule. For more guidance, refer to the IRBA communique dated 4 December 2015 and Section 90 of the Companies Act.

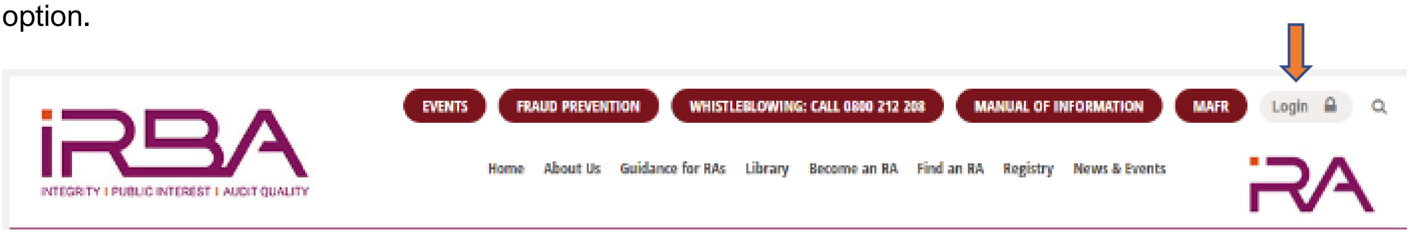
Ideally, the year of appointment should be stated. In most cases, this would align with the financial year-end for which the firm was appointed. However, there could be a material gap between the financial year-end and the date of appointment. This could occur where a firm has engaged with the client to provide assurance services after multiple financial year-ends have passed. For such cases, it is advisable to follow the principles of the Audit Tenure Rule, which state the following: "*The registered auditor will have to be diligent and use his/her professional judgment. Information on the appointment and changes in auditors can be obtained from the Companies and Intellectual Property Commission (CIPC) or company secretarial records. The audit tenure should reflect the number of years the audit firm/sole practitioner continuously served as auditor.*"

8. What is the Date of Assembly of the Final Audit File?

For completed audit engagements, the date of assembly of the final audit file is the date as per ISA 230, paragraphs 14-16.

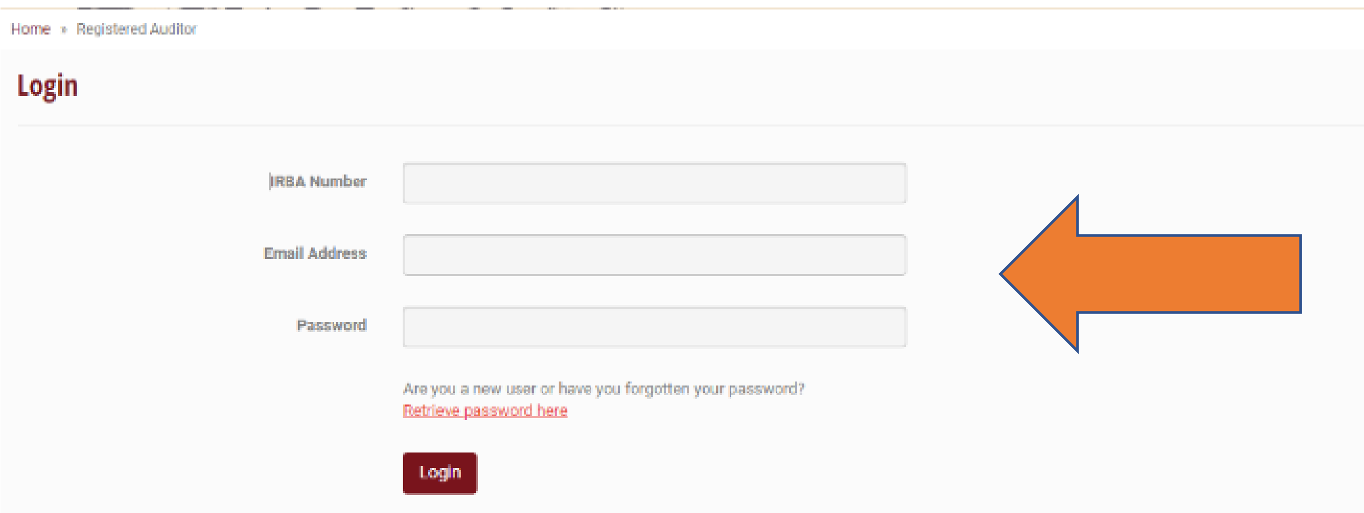
SECTION 10: STEP-BY-STEP GUIDE TO THE ONLINE COMPLETION AND SUBMISSION PROCESS

Access the [IRBA website](), click on the "Login" icon on the top menu bar and select the "Registered Auditor" option.

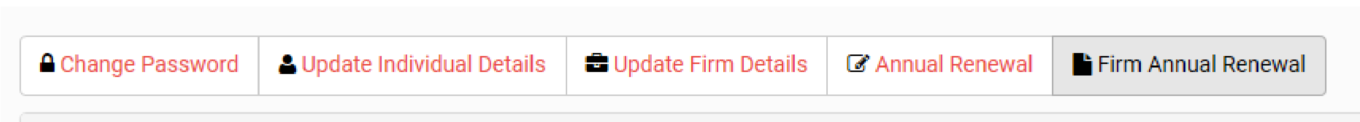


On the login screen, enter your IRBA number, email address and password; then click on the "Login" button.

The dashboard page will open up with your details on display.

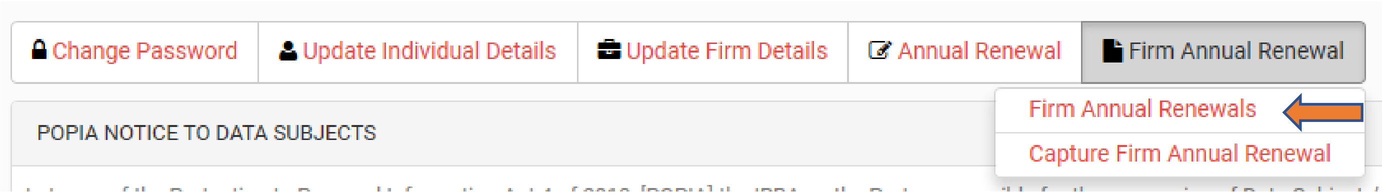


From the tabs on the landing page, select "Firm Annual Renewal".

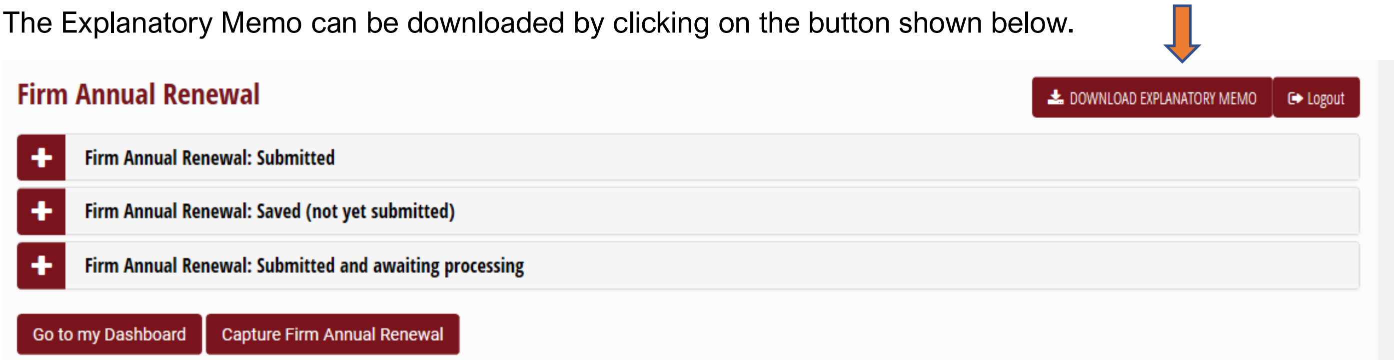


Firm Annual Renewal

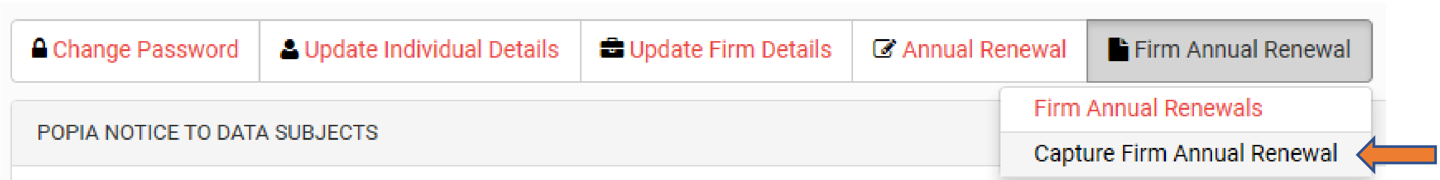
Clicking on "Firm Annual Renewals" will allow you to view previous and saved submissions.



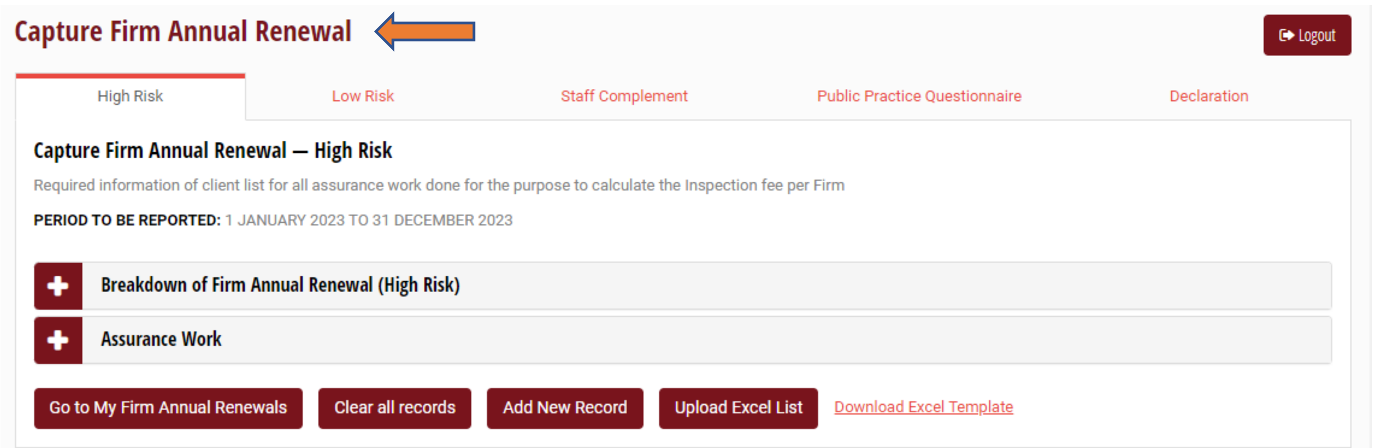
The Explanatory Memo can be downloaded by clicking on the button shown below.



Clicking on "Capture Firm Annual Renewal" will open the screen to capture the firm renewal.

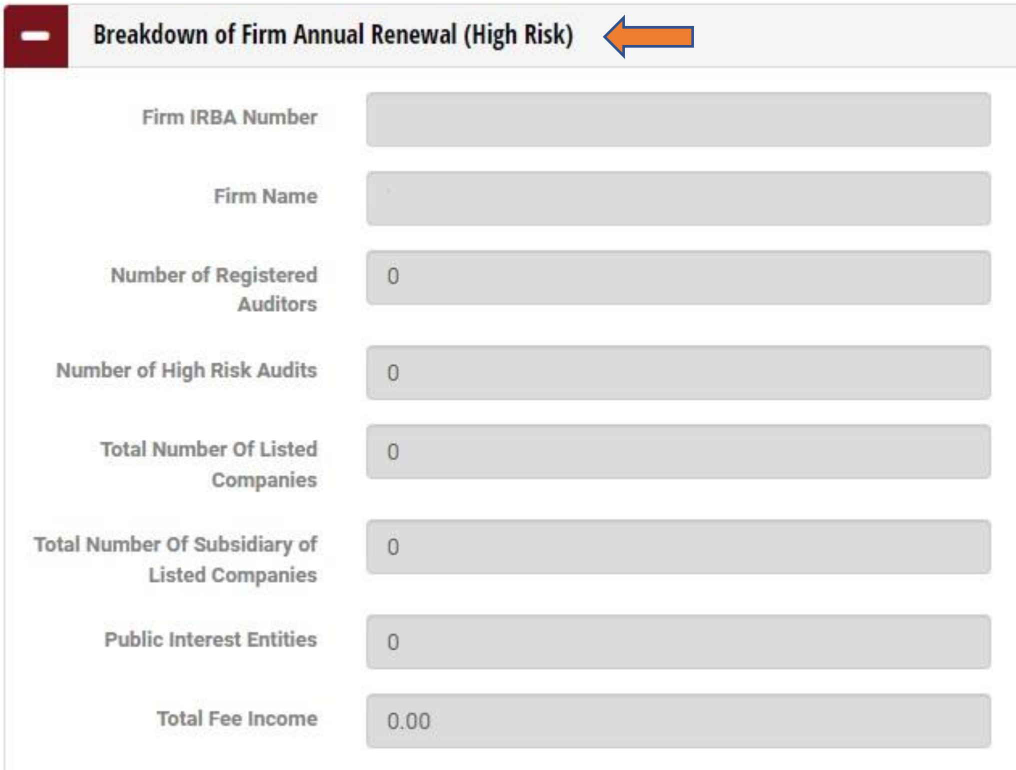


The high-risk section will open immediately.



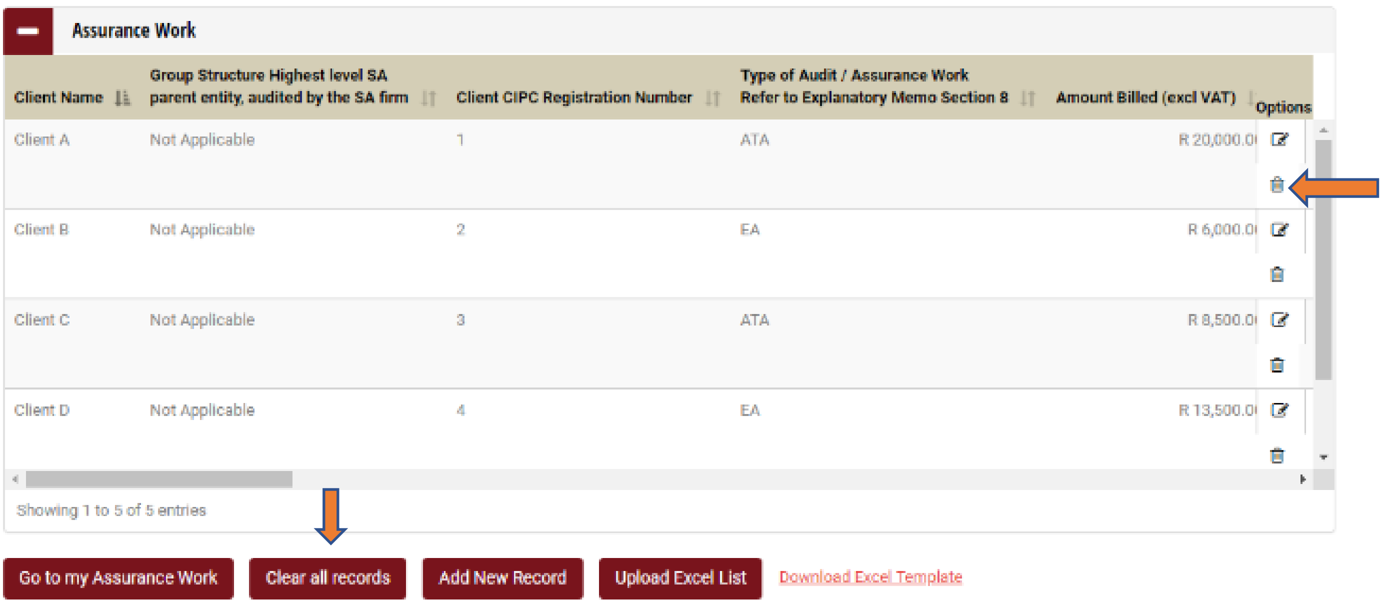
The high-risk section will allow you to capture high-risk audits only.

The "Annual Renewal (High Risk") section will display a breakdown of all the high-risk audits captured here.



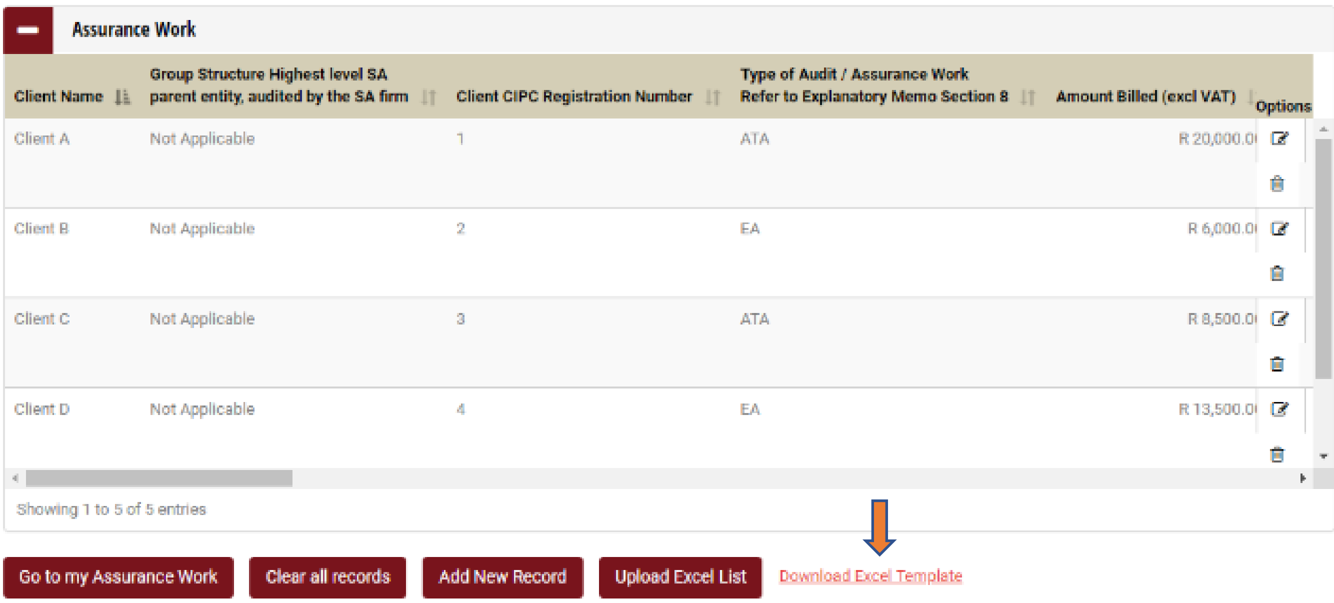
This "Assurance Work" section will show no records, or all audits already captured, and will allow you to edit the information, if required (prior to a submission).

There is an option to clear/delete all imported records at once or to remove one record at a time.



You can capture manual record(s) for high- and low-risk audits. The manual record contains the same fields as those that are in the Excel template.

To complete the audit records on the Excel spreadsheet, click on the "Excel List" button to download the template.


Assurance Work

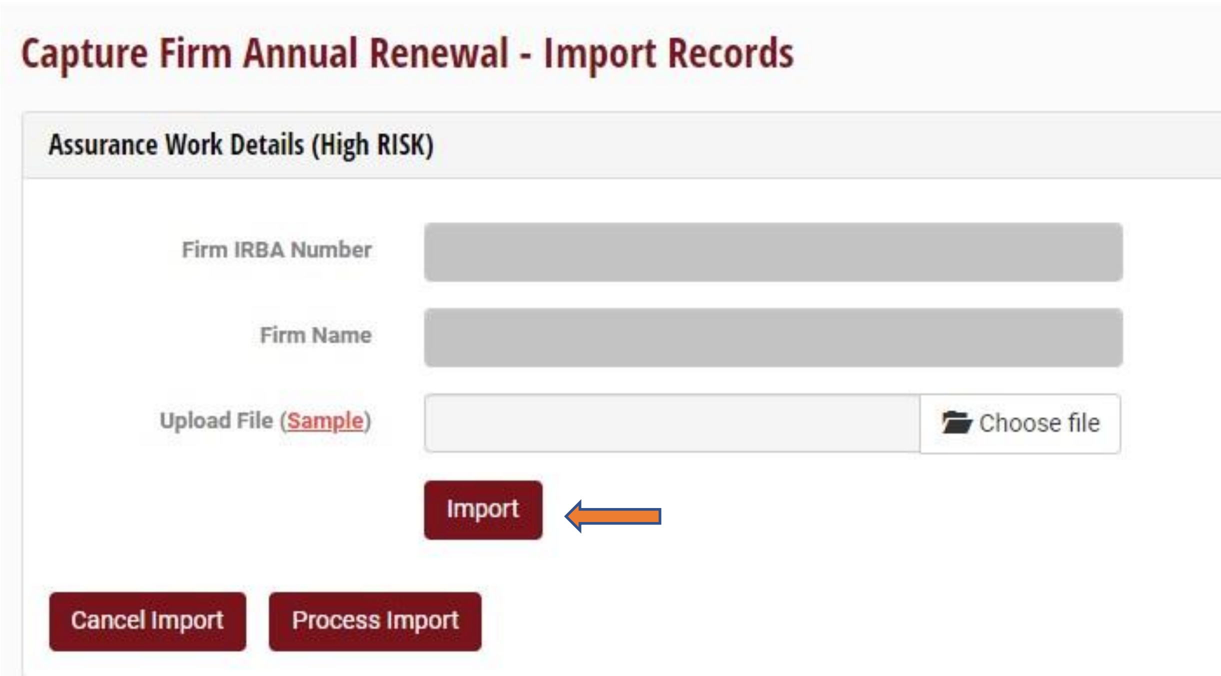
Client Name	Group Structure Highest level SA parent entity, audited by the SA firm	Client CIPC Registration Number	Type of Audit / Assurance Work Refer to Explanatory Memo Section 8	Amount Billed (excl VAT)	Options
Client A	Not Applicable	1	ATA	R 20,000.0	
Client B	Not Applicable	2	EA	R 6,000.0	
Client C	Not Applicable	3	ATA	R 8,500.0	
Client D	Not Applicable	4	EA	R 13,500.0	

Showing 1 to 5 of 5 entries

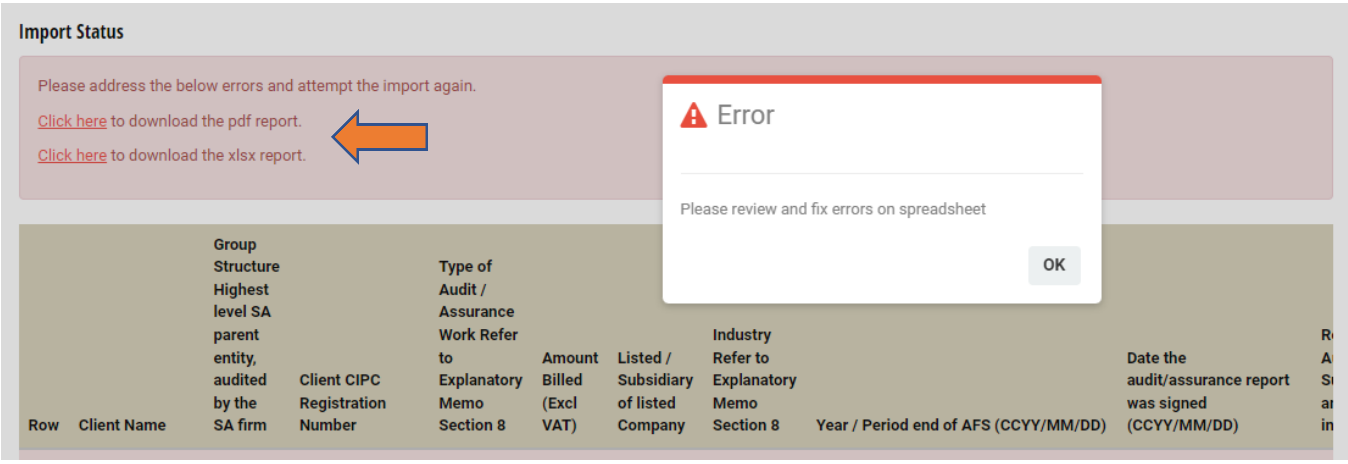
Go to my Assurance Work | Clear all records | Add New Record | Upload Excel List | Download Excel Template

Once the client information has been captured on the Excel spreadsheet, you may import the spreadsheet.

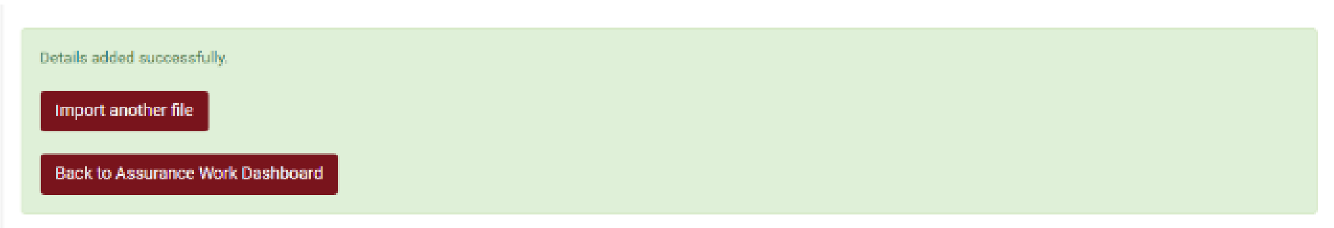
The information for each audit record will be validated during the import process.



Any exceptions/errors will be displayed in an error report that can be downloaded in a PDF format or as an Excel spreadsheet. The error messages will be displayed on the very last column of the spreadsheet. Errors will need to be fixed on the relevant spreadsheet before it is reimported.



The following message will be displayed when the spreadsheet has been imported successfully:

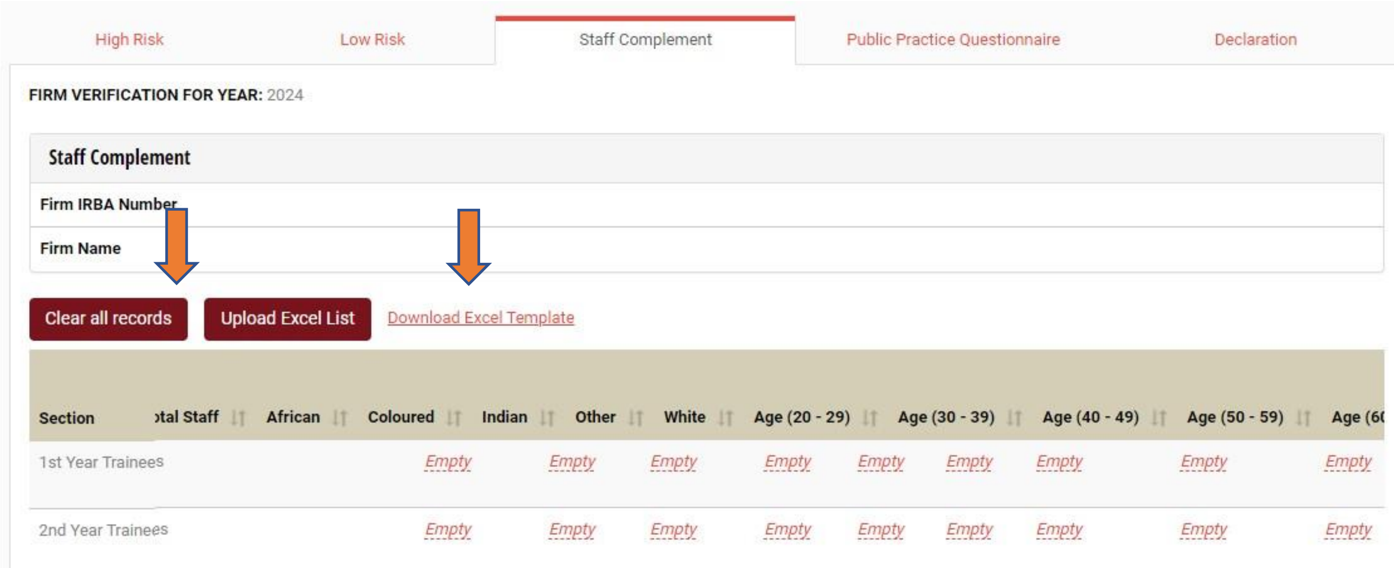


The same "import" process may be followed when importing low-risk audits under the "Low Risk" section.

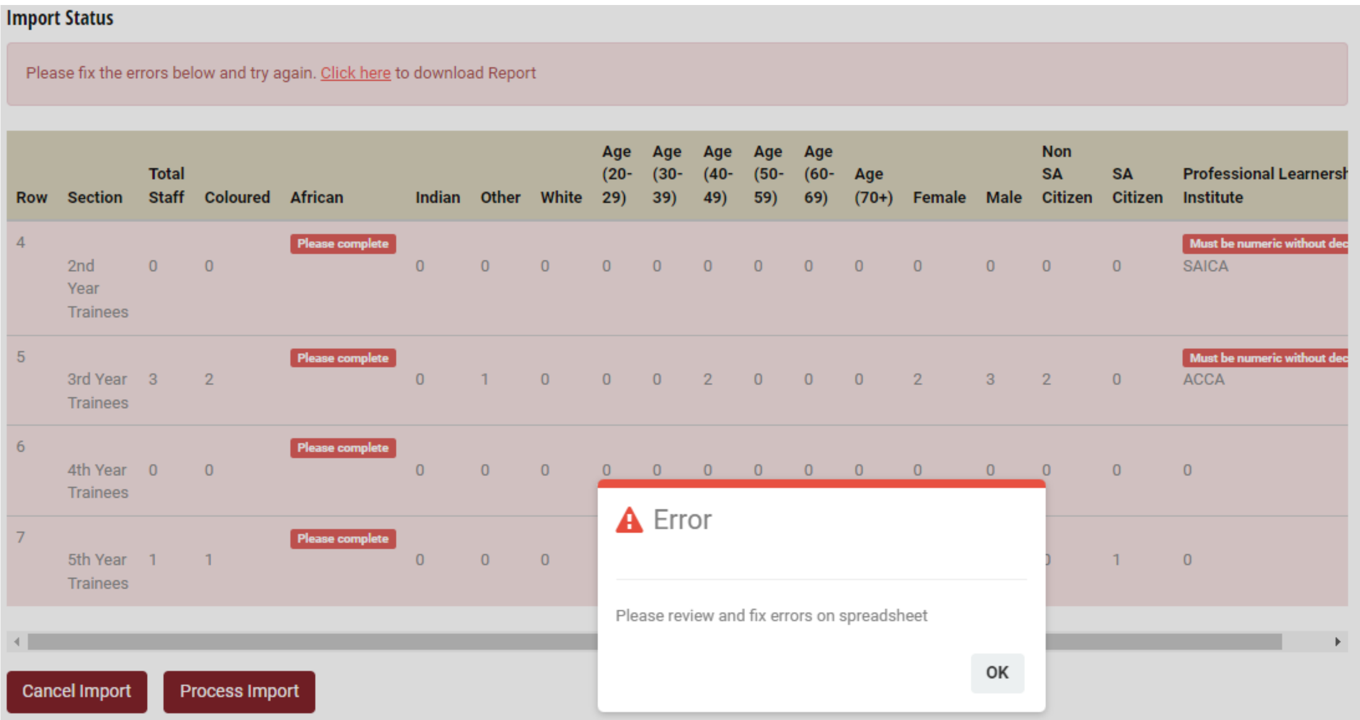
Staff Complement Section

Under the “Staff Complement” section, firms are required to capture the demographic information for all staff members who are employed at the firm. Please include a zero where the number is not relevant.

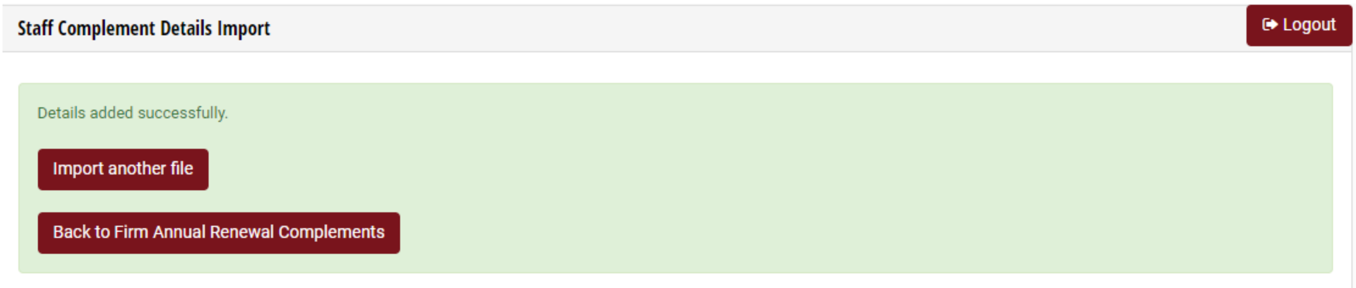
A Staff Complement template is available for downloading, completion and reimporting. All records previously imported can be cleared by clicking on the “Clear all records” button.



Any exceptions/errors will be displayed in an error report that can be downloaded in PDF. Errors will need to be fixed on the spreadsheet before it is reimported.

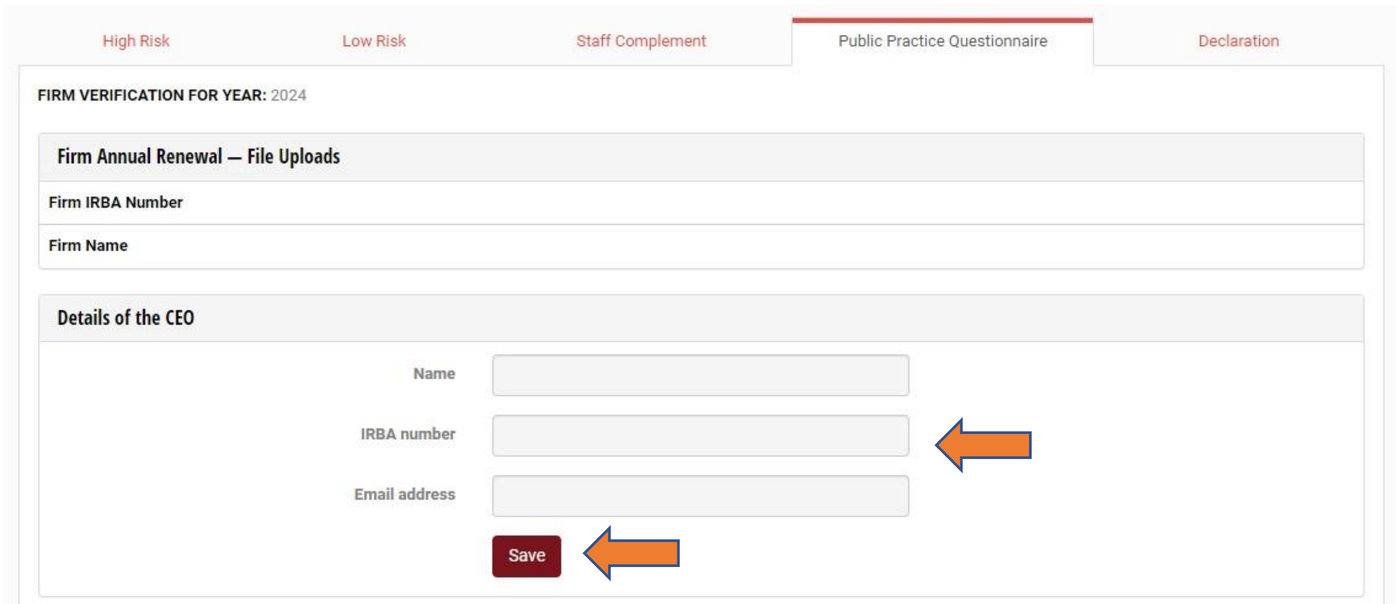


The following message will be displayed when the spreadsheet has been imported successfully:

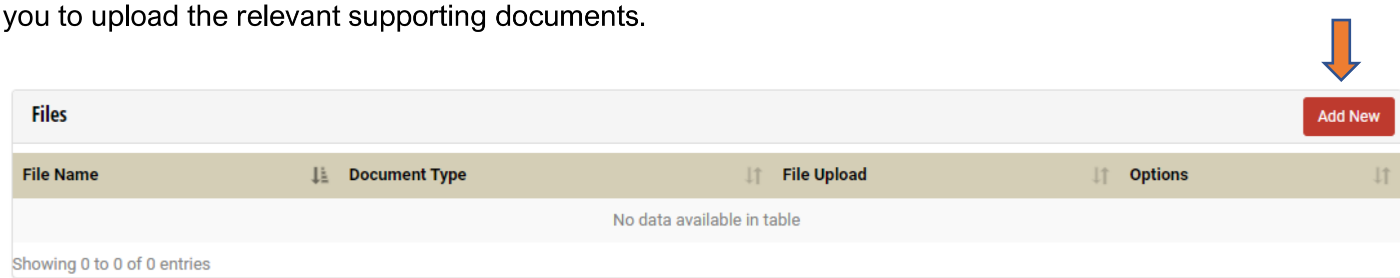


Public Practice Questionnaire

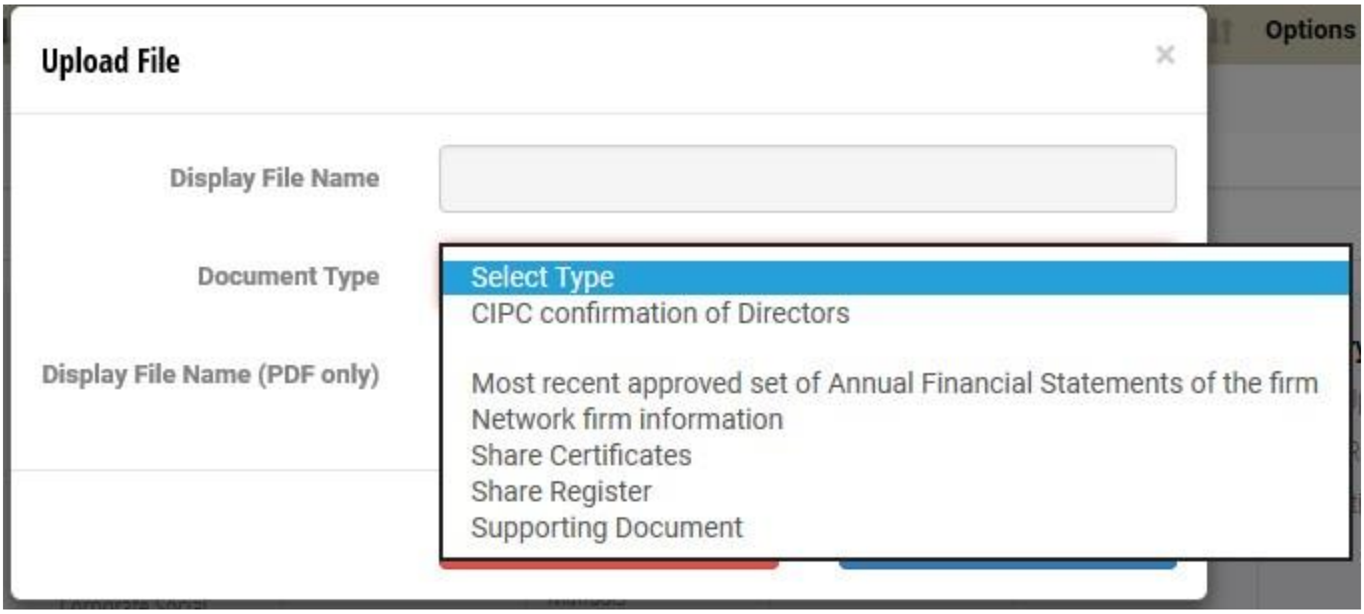
Firms are required to capture the details of the Firm Leadership (CEO/Quality Leader/Risk Leader) on screen. Click on the “Save” button to save the captured information.



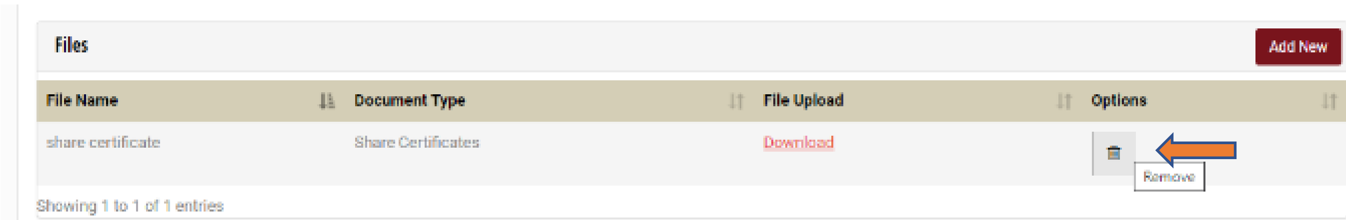
All relevant documentation (only PDF files) should be uploaded as well. The “Add New” button will allow you to upload the relevant supporting documents.



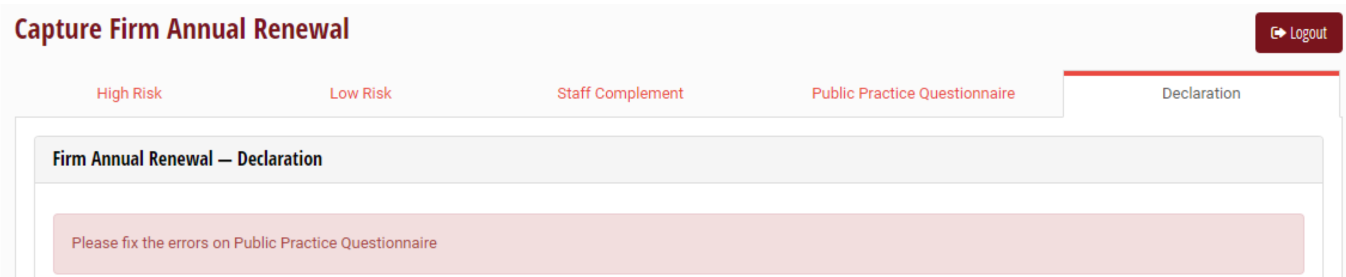
Herewith is a list of document types that are available for uploading:



Any file can be removed, if uploaded in error.



You will not be able to submit the return if the Public Practice Questionnaire has not been captured or completed.



Declaration Section

The "Declaration" section will display a summary of all the captured audit information.

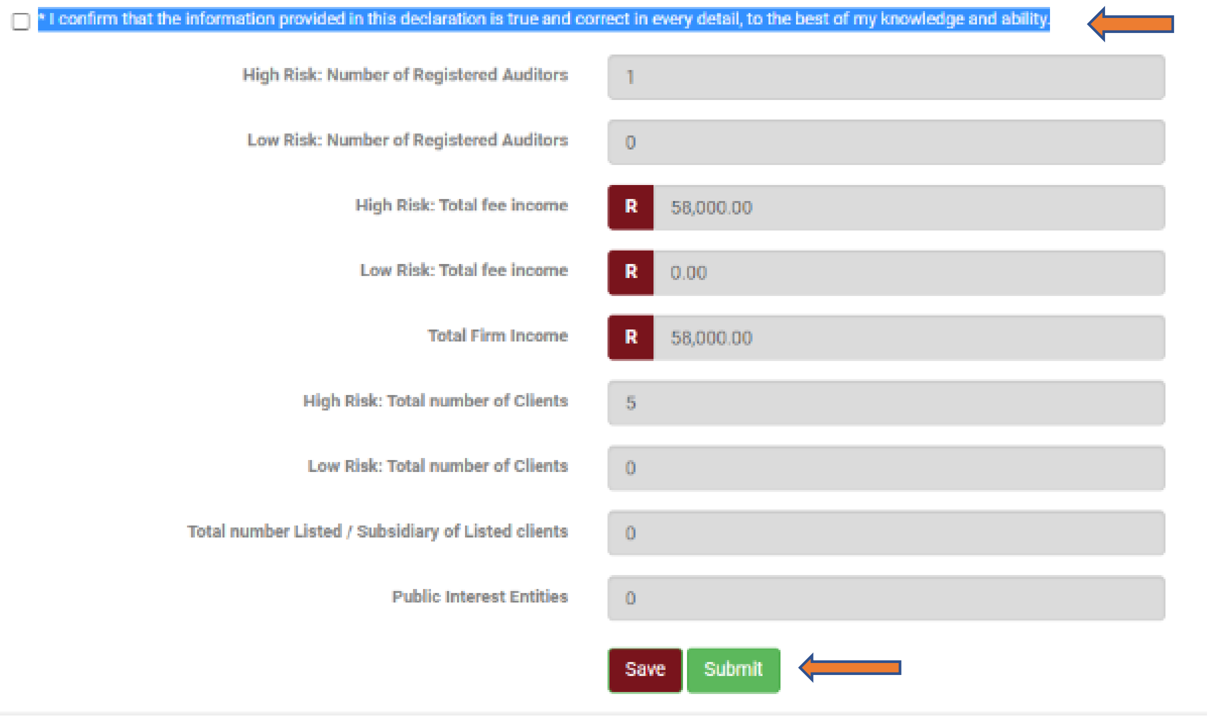
The compiler's information will default to the details of the auditor who is currently logged in. This information can be edited.

Please select the relevant submission year according to the description, as shown below:

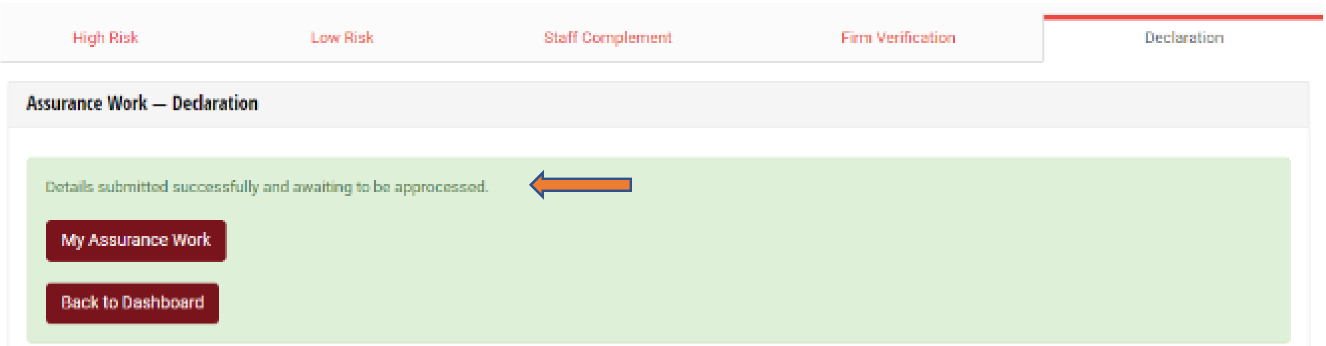
2020/2021 – audits performed in 2019
2021/2022 – audits performed in 2020
2022/2023 – audits performed in 2021
2023/2024 – audits performed in 2022
2024/2025 – audits performed in 2023 (latest submission)

There is an option to submit outstanding returns for previous submission years.

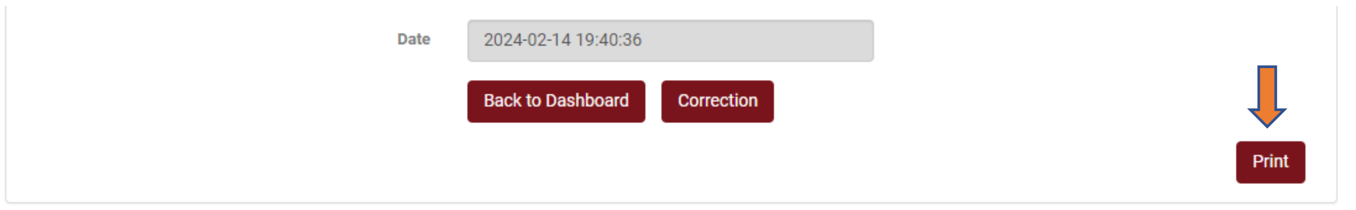
To submit the firm assurance work return and firm-related information, tick the confirmation sentence to confirm that all the information is correct; and then click on the green "Submit" button.



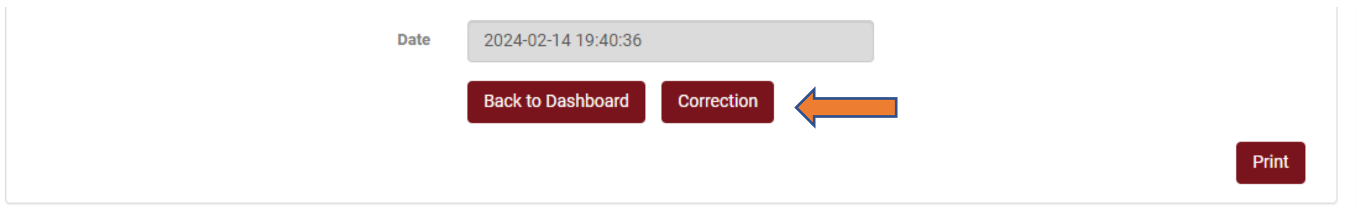
A confirmation message will be displayed to confirm the submission.



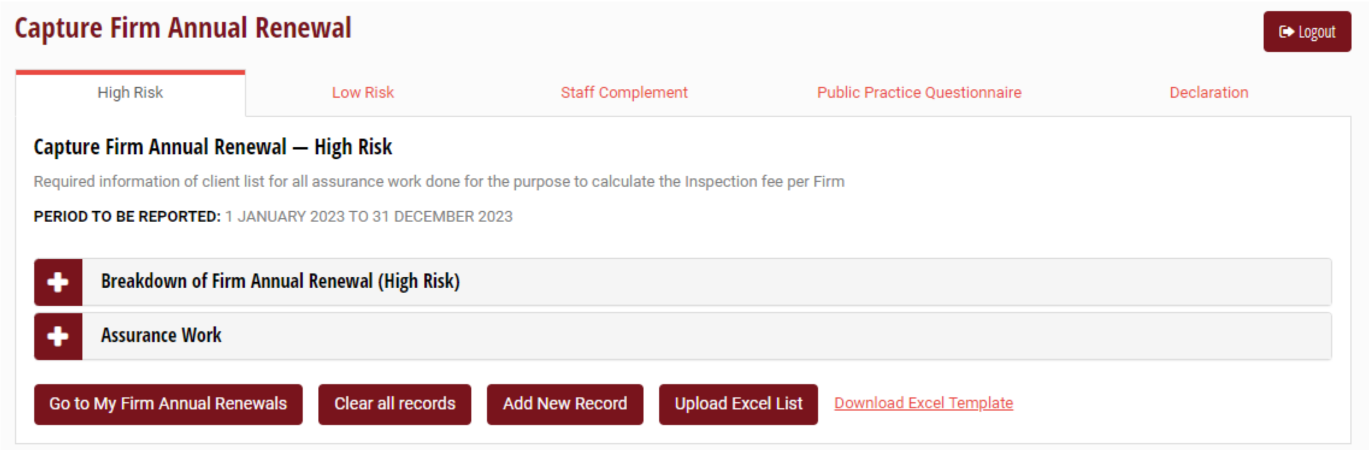
There is an option to print the summary declaration page.



The "Correction" button will allow you to perform and capture any correction on the submitted information and reopen the process.



When the process is reopened, you will be able to make corrections/updates on any of the sections.



Remember to resubmit the information under the "Declaration" section.