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| **INDEPENDENT REGULATORY BOARD FOR AUDITORS**  **COMMITTEE FOR AUDITING STANDARDS** |

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| **The International Auditing and Assurance Standards Board's (IAASB) Revised International Standard on Auditing (ISA) 250 (Revised), *Consideration of Laws and Regulations in an Audit of Financial Statements***  Johannesburg / 20 February 2017  The Board of the Independent Regulatory Board for Auditors (IRBA) approved for adoption, issue and prescription by registered auditors in South Africa ISA 250 (Revised), *Consideration of Laws and Regulations in an Audit of Financial Statements* and related conforming amendments to other ISAs.  These revised ISAs are effective for audits of financial statements for periods beginning on or after 15 December 2017.  **Summary of Significant Changes**   * Align aspects of ISA 250 (Revised) to the Non-Compliance with Laws and Regulations (NOCLAR) provisions in the International Ethics Standards Board for Accountants (IESBA) Code, particularly the definition of non-compliance and the examples of laws and regulations within the scope of ISA 250 (Revised). * Clarify the requirement regarding the auditor's determination of whether to report identified or suspected NOCLAR to an appropriate authority outside the entity and the auditor's duty of confidentiality, in order to recognise the different provisions of laws, regulations, or relevant ethical requirements. * Highlight that the auditor may have additional responsibilities under law, regulation, or relevant ethical requirements regarding identified or suspected NOCLAR. This also includes additional emphasis of the possible documentation requirements contained in law, regulation or relevant ethical requirements. * Highlight the implications of identified or suspected NOCLAR on the audit, for example, the reliability of management's representations, the implications for the auditor's report, and the consideration of whether to withdraw from the engagement. * Emphasise the requirements in the IESBA Code relating to the communication of identified or suspected NOCLAR to a group engagement partner or an auditor at a component.   These revised ISAs may be downloaded from the [IRBA website](https://www.irba.co.za/handbooks-of-international-standards/2015-handbook).  **Implementation Guidance**  The following guidance material is also available on the IAASB website:   * At a Glance: [Non-Compliance with Laws and Regulations](http://www.ifac.org/publications-resources/isa-250-revised-consideration-laws-and-regulations-audit-financial-statements)   Should you have any further queries, please contact the Standards Department at +27 (0)87 940-8800 or send an email to [standards@irba.co.za](mailto:standards@irba.co.za).  **Imran Vanker**  **Director: Standards**  ***About the IRBA***  *The objective of the IRBA is to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.*  *The statutory responsibilities of the CFAS are to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and promote and ensure the relevance of auditing pronouncements.* |