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

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**Exposure Draft: Proposed SAAPS 4, Letters of Specific Inquiry to the Entity's External  
Legal Practitioner Regarding Litigation and Claims Involving the Entity**

Johannesburg / 11 March 2019

The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS) approved the issuing of the proposed South African Auditing Practice Statement (SAAPS) 4, *Letters of Specific Inquiry to the Entity's External Legal Practitioner Regarding Litigation and Claims Involving the Entity* (proposed SAAPS), in March 2019 for exposure for public comment.

The proposed SAAPS is aimed at providing practical guidance to registered auditors who are required to seek direct communication with the entity's external legal practitioner, in line with paragraph 10 of the International Standard on Auditing (ISA) 501, *Audit Evidence - Specific Considerations for Selected Items* (ISA 501).

Section 3 of the Explanatory Memorandum in the proposed SAAPS contains details relating to the change in the scope of the proposed SAAPS.

**Proposed effective date**

Depending on comments received, the expectation is that the final SAAPS may be approved and issued by the CFAS in August 2019, with such approval and issue being noted at the subsequent meeting of the IRBA Board.

It is expected that the proposed SAAPS will be effective for letters of specific inquiry requested on or after 1 September 2019.

**Request for comment**

The CFAS welcomes comments on all matters addressed in the proposed SAAPS, especially those identified in the Request for Specific Comments section (Section 4) of the Explanatory Memorandum.

We invite registered auditors and other interested parties to submit any comments regarding the proposed SAAPS to the IRBA by **14 June 2019**. Comments, in Word format, should be submitted by e-mail to [standards@irba.co.za](mailto:standards@irba.co.za). All comments will be considered a matter of public record.

A copy of the exposure draft is available in PDF format and may be downloaded from the exposure drafts page on the [IRBA website](#).

**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; to consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and to promote and ensure the relevance of auditing pronouncements.*