
INDEPENDENT REGULATORY BOARD FOR AUDITORS
COMMITTEE FOR AUDITING STANDARDS

***Proposed Revised Guide for Registered Auditors:
Auditing in the Public Sector***

Johannesburg / 8 April 2019

The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS) approved the release of the *Proposed Revised Guide for Registered Auditors: Auditing in the Public Sector* (this proposed Revised Guide) in March 2019 for exposure for public comment until **7 June 2019**.

This proposed Revised Guide helps to improve the understanding and enhance the performance of quality public sector audits by registered auditors (auditors) in public practice (registered with the IRBA), who are contracted by the Auditor-General South Africa (AGSA) or appointed as auditors of public institutions where the AGSA has opted not to perform the audit, in accordance with Section 4(3) and 4(3A) of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA).

Section 12(3)(a) of the PAA requires the AGSA to determine 'the minimum qualifications, experience and competence for authorised auditors'. Auditors performing public sector engagements need to ensure that they have the professional competence to perform such audit engagements, in accordance with the applicable professional standards, additional extensive legal and regulatory requirements as well as the unique circumstances of the public sector. The guidance herein is intended to assist auditors to meet these requirements.

This proposed Revised Guide has been updated for the following:

1. Changes made to the AGSA's audit methodology;
2. Guidance on how political governance structures in the public sector should be dealt with;
3. Expanding/enhancing the sections dealing with legislation, guidance and key stakeholders/role players in the public sector;
4. A new section on the role and powers of the Auditor-General;
5. Changes to the financial reporting frameworks applicable to the public sector;
6. Enhancing referencing to the International Standards of Supreme Audit Institutions (ISSAIs);
and
7. Amendments arising from the revision of the PAA.

This proposed Revised Guide may be downloaded from the IRBA website at www.irba.co.za.

Request for Comments

The CFAS welcomes comments on all matters addressed in this proposed Revised Guide, and seeks responses to two specific questions that are set out in the Explanatory Memorandum section. We invite auditors and other interested parties to submit any comments regarding this proposed Revised Guide. Comments, in Word format, should be submitted via e-mail to standards@irba.co.za. All comments will be considered a matter of public record.

Comments should be submitted to the IRBA by **7 June 2019**.

Should you have any further queries, please do not hesitate to contact the Standards Department by emailing standards@irba.co.za.

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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.