
INDEPENDENT REGULATORY BOARD FOR AUDITORS
COMMITTEE FOR AUDITOR ETHICS

IESBA Proposes Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised)

Johannesburg / 29 April 2019

The International Ethics Standards Board for Accountants (IESBA) released for public comment the Exposure Draft, *Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised)*, on 27 March 2019.

This exposure draft proposed revisions to Part 4B, *Independence for Assurance Engagements Other than Audit and Review Engagements*, of the revised and restructured *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) to reflect terms and concepts used in International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

The proposals in the Exposure Draft include:

- Changes in key terminology, including a revised definition of the term 'assurance client';
- Enhanced and clarified independence requirements for attestation engagements;
- Clarification of the types of assurance engagement addressed in Part 4B;
- Simplified guidance on assurance engagements that refers to the definitive source of explanatory material on such engagements in IAASB literature.

The IRBA Code of Professional Conduct (Revised November 2018) (IRBA Code) adopted the IESBA Code, issued during 2018, following the issue of proposed amendments on exposure in South Africa, together with South African enhancements. All amendments to the IRBA Code are in line with the IESBA Code. It is proposed that these amendments will be incorporated in the IRBA Code.

In accordance with the provisions of Section 10(1)(a) of the Auditing Profession Act, Act No. 26 of 2005 (the Act), the IRBA may, by notice in the Government Gazette and pursuant to the provisions of Section 4(1)(c) of the Act, publish, for public information and comment, an amendment to the IRBA Code. Accordingly, a Board Notice to the same effect will be published in the Government Gazette for public comment for a minimum period of 30 days.

How to Comment

We invite registered auditors and others to submit any comments regarding the proposed changes directly to the IESBA for consideration. Comments may be submitted directly to the IESBA through the www.ifac.org website, which has a 'Submit a Comment' link on the Exposure Drafts and Consultation Papers page. Comments to the IESBA close on 26 June 2019.

Additionally, we kindly request that a copy of the comment letter submitted to the IESBA be emailed to standards@irba.co.za.

The proposed changes to the IESBA Code of Ethics are available in PDF format and may be downloaded from the IRBA website at <http://www.irba.co.za>.

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

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Director: Standards

About the IRBA

The objectives of the IRBA are 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 CFAE are to assist the IRBA to determine what constitutes improper conduct by registered auditors by developing rules and guidelines for professional ethics, including a code of professional conduct; to interact on any matter relating to its functions and powers with professional bodies and any other body or organ of state with an interest in the auditing profession; and to provide advice to registered auditors on matters of professional ethics and conduct.