

---

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

---

**Revised Illustrative Section 15 Retirement Fund Agreed-upon Procedures Reports**

Johannesburg / 22 April 2022

The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS), at its meeting on 1 March 2022, subject to the Financial Sector Conduct Authority (Authority) issuing the appropriate exemption notice, approved the issue of the following *revised illustrative Section 15 Retirement Fund agreed-upon procedures reports (revised illustrative regulatory reports)*, for use by registered auditors (auditors):

- Ordinary Funds;
- Umbrella Funds; and
- Retirement annuity and preservation Funds.

These revised illustrative regulatory reports have been updated for the following:

- *The International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements (ISRS 4400 (Revised))*, which was adopted, prescribed and issued by the IRBA Board on 29 October 2020. ISRS 4400 (Revised) is effective for agreed-upon procedures (AUP) engagements for which the terms of engagement are agreed on or after 1 January 2022.
- The changes in substance between the extant ISRS 4400 and ISRS 4400 (Revised) include the following:
  - Scope and Responsibilities
    - New requirements and application material clarify the auditor's responsibilities in relation to the various parties involved in an AUP engagement, such as the engaging party, the intended users of the AUP report and the responsible party for the subject matter on which the AUP are performed.
  - Compliance with Independence Requirements
    - New requirements and application material recognise that, even when the auditor may not be required (for example, by law or regulation, an ethics code or contract) to comply with independence requirements, they may still agree with the engaging party that compliance with independence requirements is appropriate for the purpose of the AUP engagement.
  - The Agreed-Upon Procedures Report
    - Enhanced transparency on:
      - The responsibilities of the various parties involved in an AUP engagement; and
      - Whether or not the auditor is required to comply with independence

requirements; and if so, the relevant independence requirements. The independence paragraph in these revised illustrative regulatory reports states that there are no independence requirements with which the auditor is required to comply. The auditor may amend this wording, if they have agreed in the terms of engagement to comply with independence requirements.

- New application material to guide the auditor in deciding whether to restrict the use or distribution of the AUP report.

On 14 April 2022, the Authority published the appropriate exemption notice as follows:

- FSCA RF Notice 5 of 2022 - Exemption of funds from using certain prescribed formats for preparing financial statements under Section 15 of the Pension Funds Act, 1956
- FSCA Communication 12 of 2022 (RF) - Exemption from using certain prescribed formats for preparing financial statements under section 15 of the Pension Funds Act, 1956.

The documents are available on the Authority's website ([www.fsca.co.za](http://www.fsca.co.za)) under Home > Regulatory Framework > Notices > Retirement Funds > 2022 or by clicking on the following link: [List of all Notices](#).

The FSCA Communication is also available under Home > Regulatory Framework > Industry Communication > Retirement Funds > FSCA Communication or by clicking on the following link: [Industry Communication](#).

For further information regarding the above mentioned notice and communication, please contact the Authority by emailing Ms Wilma Mokupo at [Wilma.Mokupo@fsca.co.za](mailto:Wilma.Mokupo@fsca.co.za).

### **Effective Date**

These revised illustrative regulatory reports are effective for engagements for which the terms of engagement are agreed on or after 1 January 2022, and this is consistent with the effective date of ISRS 4400 (Revised). Accordingly, engagement teams should consider updating previously signed engagement letters.

They are available for downloading in Word and PDF formats from the IRBA website at [www.irba.co.za](http://www.irba.co.za).

Should you have any further queries, please do not hesitate to contact the Standards Department by emailing [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; 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.*