|  |
| --- |
| **INDEPENDENT REGULATORY BOARD FOR AUDITORS****COMMITTEE FOR AUDITOR ETHICS** |

|  |  |
| --- | --- |
|

|  |
| --- |
| **IRBA Frequently Asked Questions on NOCLAR**Johannesburg / 17 October 2017The Committee for Auditor Ethics (CFAE) has approved for issue the *IRBA Frequently Asked Questions on Non-Compliance with Laws and Regulations for registered auditors* (IRBA FAQs on NOCLAR).By developing the IRBA FAQs on NOCLAR, the IRBA has responded to questions raised on the recent amendments to the IRBA Code of Professional Conduct, including the link between NOCLAR obligations and other legislative reporting obligations applicable to registered auditors, such as reportable irregularities (RI) under Section 45 of the Auditing Profession Act. Registered auditors are reminded that an RI imposes a **reporting obligation** (to the IRBA), while NOCLAR is a **response framework** that includes a discussion with management as well as a consideration to disclose the matter to an appropriate authority.NOCLAR amendments are effective as of 15 July 2017. (Refer to the IRBA communique [Final Amendments to the IRBA Code of Professional Conduct for Registered Auditors Responding to Non-Compliance with Laws and Regulations](https://www.irba.co.za/guidance-for-ras/technical-guidance-for-ras/ethics%3A-the-rules-and-the-code/noclar)issued on 1 December 2016.).The IRBA FAQs on NOCLAR do not constitute an authoritative pronouncement from the IRBA, nor does it amend or override the IRBA Code of Professional Conduct, International Standards on Auditing, South African Auditing Practice Statements or South African Guides (collectively called pronouncements). Further, it is not meant to be exhaustive. Reading it is not a substitute for reading the abovementioned pronouncements, as they are the authoritative texts.The IRBA FAQs on NOCLAR is available in PDF format and may be downloaded from the IRBA website at [www.irba.co.za](https://www.irba.co.za/guidance-for-ras/technical-guidance-for-ras/ethics%3A-the-rules-and-the-code/noclar). Should you have any further queries, please do not hesitate to contact the Standards Department by email at 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 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.* |

 |