
INDEPENDENT REGULATORY BOARD FOR AUDITORS BOARD

Fees payable to the IRBA with effect from 1 April 2023

Johannesburg / 21 April 2023

Section 8 of the Auditing Profession Act No. 26 of 2005, as amended, gives the Independent Regulatory Board for Auditors (IRBA) the power to determine the fees that are payable to the regulator, in respect of the performance of some of its legislated functions and other related services.

In light of this, increases to the IRBA fees for the 2023/2024 financial year were carefully considered and approved by the IRBA Board at its meeting on 30 January 2023. These increases have come into effect on 1 April 2023.

In approving these fee increases, the following factors were considered:

- The allocation received from National Treasury (NT) for the next financial year has only increased by 0.4%, and this is below the inflation rate. Furthermore, according to the Medium-Term Expenditure Framework guidelines issued by NT, there will be no additional financial resources made available.
- During the budgeting process, revenue and expenditure were increased based on the inflation rate of 7.8% as published by Statistics South Africa.
- After applying stringent cost containment measures during the budgeting process, employee costs, enforcement costs and departmental expenditure were reduced by 11.3%. This, however, still resulted in a budget deficit, which is not permitted in terms of the Public Finance Management Act (PFMA).
- In view of the above, and in order to achieve a breakeven budget that will support the delivery of the IRBA's operational and strategic plans, the Board resolved to increase the fees payable by registered auditors (RAs) by up to 8%.

In comparison to the proposed budget, the approved budget has been significantly reduced, to reach the required breakeven and limit increases to 8%. The reduction in costs, though, will have a significant impact on the IRBA's ability to execute the additional strategic focus areas and on the organisation's growth/expansion elements, as set out in the IRBA's refocused five-year strategy. However, this decision was undertaken with the understanding that in the current economic climate, the IRBA can equally not afford to pass higher increases onto RAs.

Therefore, the IRBA has carefully considered all the relevant factors, and its decision is based on the increasing demands to protect the investing public and restore confidence in the profession, while appreciating the current financial challenges faced by the auditing profession and the economy.

Please click [here](#) to view the full 2023/2024 financial year fee schedule.

Imre Nagy

Chief Executive Officer

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 Committee for Auditing Standards are to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information, where requested; and promote and ensure the relevance of auditing pronouncements.