
INDEPENDENT REGULATORY BOARD FOR AUDITORS

IRBA lifts the suspension on the submission of second Reportable Irregularities reports

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Section 45 of the Auditing Profession Act, No. 26 of 2005 requires auditors to, on reasonable suspicion of a reportable irregularity, report same to the IRBA (first report). Following the first report, the auditors must engage the members of the management board of the entity to which the reportable irregularity relates and within 30 days from the date of the first report provide the IRBA with another report (second report) on the status of the reportable irregularity.

On 26 March 2020, following the President's announcement of the national lockdown due to the Covid-19 pandemic, the IRBA issued a [communiqué](#) informing RAs of its decision to suspend the calculation of the abovementioned 30 - day period for the duration of the lockdown.

At the time of taking the decision to suspend the calculation of the 30 - day period, the IRBA had not anticipated an extension of the lockdown and/or a phased-in lifting thereof.

On 23 April 2020, the President announced a phased-in lifting of the lockdown which led to the introduction of the level 4 lockdown. During level 4 lockdown more businesses have been allowed to return to work.

In view of the above and recognising the importance of the reportable irregularity process as a whistleblowing mechanism and significant tool in protecting the interest of the public, the IRBA has resolved to revoke the suspension on the counting of the 30 - day period, effective **Wednesday, 21 May 2020**. For example, if the calculation of the 30 - day period for the submission of the second report was on day 5 at the time the suspension came into effect, it will be on day 6 on 21 May 2020.

This means that all RAs are now required to submit their second reports as and when they become due.

The IRBA acknowledges that due to ongoing restrictions on business operations, some RAs may continue to experience challenges in complying with the legislative timelines. Should this be the case, RAs are advised to submit requests for extension, with supporting reasons to RIs@irba.co.za for the attention of the Director Legal.

Bernard Peter Agulhas
Chief Executive Officer

About the IRBA

The IRBA is a public protection statutory body established to protect the financial interests of the public by ensuring registered auditors and their firms deliver services of the highest quality. It upholds audit firm independence to ensure that audit quality is such that it enhances the accuracy and credibility of financial performance reporting. In this way, the IRBA has an important role to play in building the reputation of South Africa as an investment market for both local and global investors and driving economic growth for the country.

The IRBA also registers suitably qualified accountants as auditors, who must adhere to the highest ethics standards, and promotes the auditing profession through the effective regulation of assurance conducted in accordance with internationally recognised standards and processes.