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## INDEPENDENT REGULATORY BOARD FOR AUDITORS

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### **IRBA opens draft proposed Disciplinary Rules for Registered Auditors for public comment**

Johannesburg / 24 November 2021

The Board of the Independent Regulatory Board for Auditors (IRBA) approved the publication of the draft proposed Disciplinary Rules in the Government Gazette for a public comment process over a period of 60 days. This revision of the Disciplinary Rules will bring the Rules in line with the latest amendments to the Auditing Profession Act 26 of 2005, as amended by Act 5 of 2021.

The Board has issued a notice in terms of section 10(1) and (2)(a) of the Act, which calls for public comment on the Rules gazetted on 19 November 2021. The Rules give effect to section 4(1)(a)(i), (ii) and (iii) as they outline key processes which support the IRBA's mandate to promote the integrity of the auditing profession by investigating allegations of improper conduct; conducting disciplinary hearings; and imposing sanctions for improper conduct.

Given the changes to Sections 48 to 51 of the Act, as well as the introduction of section 24A, 48A, 48B, 51A and 51B, which deal with the constitution of the disciplinary committee and the hearing panel; the investigation process; charges of improper conduct; disciplinary hearings; sanctions to be imposed for improper conduct; as well as the powers to enter, search and seize information relevant to investigations; it was necessary to revise the Disciplinary Rules to ensure compliance with the new legislative provisions.

The Rules therefore implement the amendments to the Act, which strengthened the powers of the IRBA and will improve both the efficiency and effectiveness of the IRBA investigation and disciplinary processes. This will ensure that the IRBA effectively delivers on its public interest mandate to hold auditors charged with improper conduct to account and will contribute to restoring confidence and rebuilding trust in the profession and the regulator.

The revised Disciplinary Rules are available in the Government Gazette published on 19 November 2021, and can be downloaded on the IRBA website on [www.irba.co.za](http://www.irba.co.za). Public comment closes on **18 January 2022** at 16:00, thus providing stakeholders and interested

parties extensive time to review the proposed changes and submit comments. Comments are to be submitted to [dcrulescomments@irba.co.za](mailto:dcrulescomments@irba.co.za)

**Imre Nagy**

**Acting Chief Executive Officer**

***About the IRBA***

*The objective of the IRBA is 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.*