Independent Regulatory Board for Auditors (IRBA)

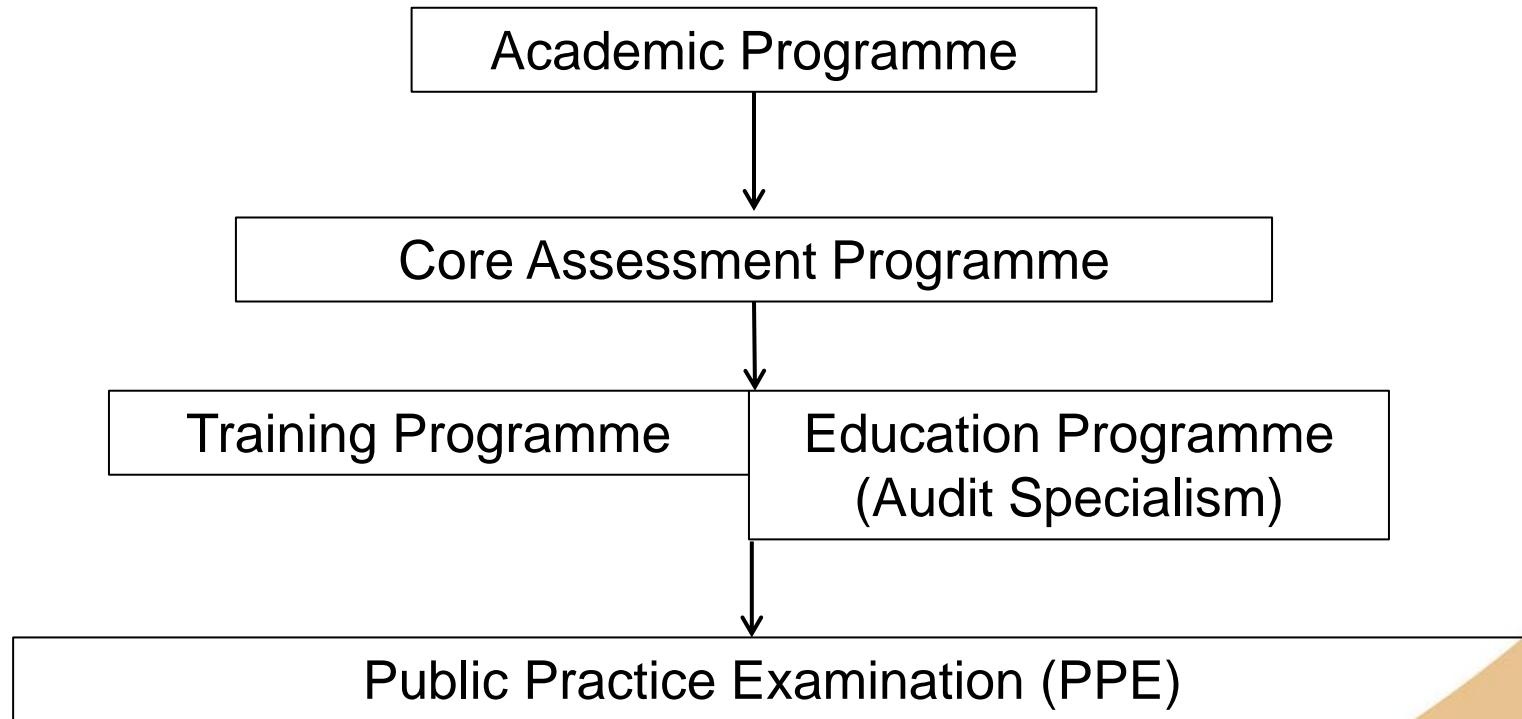## Audit Development Programme (ADP)

Agenda

- About the Board
  - Our Mandate
- Old Delivery model
- New Delivery Model
- The Audit Development Programme (ADP)
- An International Perspective (IES 8)
- The Future

About the Board

- IRBA - A statutory body
  - Involved in the regulation of public accounting.
- Entrants to the public accounting profession are subject to consistent requirements.
  - Following qualification, accountants entering into public practice are required to register with the IRBA and are governed by its regulation.
- Our Mandate
  - Public Protection
    - Departments

Old Delivery Model

Academic Programme

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Core Assessment Programme

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Training Programme	Education Programme (Audit Specialism)

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Public Practice Examination (PPE)

QUALIFIED AS A CHARTERED ACCOUNTANT & ELIGIBLE TO REGISTER AS RA

New Delivery Model

Academic Programme

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Core Assessment Programme

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Professional Development Programme:
- Training Contract
- Professional Programme
- Assessment of Professional Competence

QUALIFIED AS A <u>PROFESSIONAL ACCOUNTANT</u>

THE <u>AUDIT DEVELOPMENT PROGRAMME</u> (ADP)

ELIGIBLE TO REGISTER AS AN <u>RA</u>

The ADP

1. What is the ADP?
   - Period of audit specialisation.
   - Capabilities developed in training programme refined in a more complex learning environment.
   - Develops candidates for the role of an RA

2. Who may offer the ADP?
   - Any RA firm that is registered with the IRBA

3. What is a Registered Candidate Auditor (RCA)?
   - A person registered with the IRBA for purposes of becoming an RA

The ADP cont.

4. What is an Oversight Registered Auditor (ORA)?

– RA registered with the IRBA for at least 3 years

– Oversees, on behalf of firm, the development of the RCA's competence

– ORA Declaration

5. Requirements of the ADP

– Registration with the IRBA

– Context requirement

• RCA to assume a managerial function within the audit and assurance environment.

The ADP cont.

5. Requirements of the ADP cont.

– Time requirements

- Minimum term for the development of specialist competence
  - 18 months
- Minimum hours
  - 1500 Productive hours
- Candidates with an elective other than audit.
  - Minimum 30 months
  - Minimum 2250 productive hours

The ADP cont.

5. Requirements of the ADP cont.

- – Competence requirements
  - • The Competency Framework
    - – Covers the Audit Lifecycle
      - » At a level more senior to that of the training contract
    - – Technical Competence Requirements
      - » Category 1 – Must achieve on the job
      - » Category 2 – Must achieve through other interventions or on the job
      - » Category 3 – Exceptional circumstances
    - – Non-technical Competence Requirements

The ADP cont.

6. Assessment

- IRBA is responsible for final assessment.
  - Assessment Panel
  - Assessment Methodology
  - Portfolio of Evidence
    - Six-Monthly Reports
- The results of the assessment will be:
  - Completed the ADP
  - Not Yet Completed the ADP

The ADP cont.

7. Monitoring

–   Monitoring will take place in two ways:

- The IRBA's firm inspection processes
- The IRBA's Education Department's Monitoring Processes
  - ISQC 1
  - Six-Monthly Reports

8. The IRBA's Proficiency Rule

– The 'Three Year Rule'

The ADP cont.

9. Why the ADP?

- Public Protection
  - Managerial experience
  - Practice Management

- Professional Scepticism

- Access to the profession
  - Electives other than audit and assurance

- Not just for RAs

An International Perspective

- IES 8 – Competence Requirements for Audit Professionals
  - Para 18: Specialization is necessary to ensure services can be provided by professional accountants having sufficient depth of knowledge and expertise
  - Para 43: In the context of IES 8, "advanced level" refers to a level of skill that is higher than that prescribed for individuals qualifying as professional accountants

An International Perspective Cont.

- IES 8 – Competence Requirements for Audit Professionals
  - Para 59: The required audit experience should be obtained with an organization that can provide suitable audit experience under the guidance of an engagement partner.

The Future

1. Research into a number of aspects in the Auditing profession
2. Transformation

THANK YOU