

## BOARD NOTICE 394 OF 2023



**THE ADOPTION OF THE INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD'S (IAASB) 2021 HANDBOOKS OF INTERNATIONAL QUALITY CONTROL, AUDITING, REVIEW, OTHER ASSURANCE, AND RELATED SERVICES PRONOUNCEMENTS IN TERMS OF THE AUDITING PROFESSION ACT 26 OF 2005, AS AMENDED**

Notice is hereby given, in accordance with the provision of Section 4(1)(e) of the Auditing Profession Act 26 of 2005, as amended, regarding the following:

The Independent Regulatory Board for Auditors (the IRBA) hereby resolves to adopt, issue and prescribe the following publications:

1. Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2021 Edition, Volume 1, ISBN: 978-1-60815-507-1.
2. Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2021 Edition, Volume 2, ISBN: 978-1-60815-507-1.
3. Supplement to the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2021 Edition, Volume 3, ISBN: 978-1-60815-507-1.

These publications replace the following issues:

- **Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2020 Edition, Volume I, ISBN 978-1-60815-459-3;**
- **Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2020 Edition, Volume II, ISBN 978-1-60815-459-3;**
- **Supplement to the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2020 Edition, Volume III, ISBN 978-1-60815-459-3.**

The latest edition of the handbook includes:

- International Standard on Auditing (ISA) 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*, which replaces ISA 315 (Revised), *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*. The updates also incorporate conforming and consequential amendments to other relevant standards from ISA 315 (Revised 2019), which is effective for audits of financial statements for periods beginning on or after 15 December 2021.
- The following standards – that were not yet effective for the recent version of the handbook – have, however, been included in the back of these latest volumes, as appropriate:

- International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (**important to note that ISQM 1 is effective as of 15 December 2022**).
- ISQM 2, Engagement Quality Reviews (**important to note that ISQM 2 is effective for audits and reviews of financial statements for periods beginning on or after 15 December 2022; and effective for other assurance and related services engagements beginning on or after 15 December 2022**).
- ISA 220 (Revised), Quality Management for an Audit of Financial Statements (**important to note that ISA 220 (Revised) is effective for audits of financial statements for periods beginning on or after 15 December 2022**).
- Conforming and Consequential Amendments to Other ISAs Arising from the Quality Management Projects.
  - ISA 600 (Revised), Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors) (**important to note that ISA 600 (Revised) is effective for audits of financial statements for periods Beginning on or after 15 December 2023**).
- Conforming and Consequential Amendments to Other International Standards Arising from ISA 600 (Revised).
- Conforming and Consequential Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management Standards.
- International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements (**effective for Agreed-Upon Procedures Engagements for which the terms of engagement are agreed on or after 1 January 2022**).

References to the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants must be read in conjunction with the IRBA Code of Professional Conduct for Registered Auditors, which has additional requirements for registered auditors in South Africa.

These 2021 publications are issued by the IRBA under the following copyright permission from the International Federation of Accountants:

*“The Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2021 Edition is based on the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, 2021 Edition of the International Auditing and Assurance Standards Board, published by the International Federation of Accountants (IFAC) in December 2022 and is used with permission of IFAC.*

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By virtue of having adopted the publications listed under points 1, 2 and 3 above, the Board deems them to have been prescribed without the publication of the entire books. As such, it hereby

communicates their adoption to registered auditors and also makes them available on the [IRBA website](#). The Code and subsequent amendments are also available on the [IRBA website](#).

For further assistance, enquiries may be directed to [standards@irba.co.za](mailto:standards@irba.co.za).

**Mr I Nagy**

Chief Executive Officer