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## INDEPENDENT REGULATORY BOARD FOR AUDITORS

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### **Monitoring of Compliance with Section 90 (2) of the Companies Act, 2008 with effect from 1 January 2014 Transitional Provisions**

Johannesburg / 06 December 2013

We refer to our communication of 15 November 2013, in which we confirmed that enforcement of the provisions of Section 90(2) will commence on 1 January 2014. The Frequently Asked Questions which were issued with the communication indicated that the IRBA will communicate whether there will be any transitional provisions for the enforcement of Section 90(2).

Following a Board decision, we confirm that there will be no transitional provisions after 1 January 2014.

#### **Senior Council Opinion**

The IRBA and SAICA jointly obtained Senior Counsel Opinion on the interpretation of Section 90(2). The Opinion confirmed that the prohibitions contained in Section 90(2) are also applicable to firms appointed as auditors, and not only to individual auditors. The opinion and brief to Senior Counsel are available on the IRBA [website](#).

#### **Guidance and Frequently Asked Questions**

The IRBA and SAICA developed and issued joint guidance on Section 90(2), which is available on the IRBA [website](#). In addition, the IRBA and SAICA issued a document developed from frequently asked questions (FAQ), to assist auditors with the implementation of Section 90(2) and which is available on the IRBA [website](#).

Auditors are encouraged to familiarise themselves with the Guidance and FAQ.

Bernard Peter Agulhas  
**Chief Executive Officer**

*The IRBA joins the whole of South Africa, and indeed the world, in mourning the loss of our icon and leader, Nelson Mandela. At the same time we celebrate his achievements in creating the unique country that we live in today. May his legacy live on in the generations to come.*

#### *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.*