

Proposed Conforming and Consequential Amendments

June 2021

Comments Due: 4 August 2021



Proposed Conforming and Consequential Amendments

To IRBA Pronouncements arising from the IAASB's Quality Management Standards

WARNING TO READERS

The content of this Exposure Draft should under no circumstances be used or relied upon, until it is issued as a pronouncement by the IRBA.

REQUEST FOR COMMENTS

The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS) approved this Exposure Draft: *Proposed Conforming and Consequential Amendments to IRBA Pronouncements, arising from the International Auditing and Assurance Standards Board's (IAASB) Quality Management Standards* (this Exposure Draft) in May 2021, for exposure for a period of 60 days for comment. Before being issued in its final form, the proposals in this Exposure Draft may be modified in light of comments received.

This Exposure Draft has been prepared by a CFAS Task Group, which was comprised of technical staff representatives from firms, the South African Institute of Chartered Accountants and the IRBA.

The IRBA's Legislative Mandate

The objects of the Auditing Profession Act, 2005 (Act No. 26 of 2005) (the Act), are set out in Section 2 and are, inter alia:

- (c) *To improve the development and maintenance of internationally comparable ethical standards and auditing standards for auditors that promote investment and as a consequence employment in the Republic; and*
- (d) *To set out measures to advance the implementation of appropriate standards of competence and good ethics in the auditing profession.*

To give effect to the objects of the Act, Section 4 sets out the general functions of the Regulatory Board and these include that "the Regulatory Board must, in addition to its other functions provided for in this Act", take steps to meet certain specific requirements. These include Section 4(1), which specifies that the IRBA must:

- (c) *"Prescribe standards of professional competence, ethics and conduct of registered auditors;" and*
- (e) *"Prescribe auditing standards".*

To enable the IRBA to meet these requirements, Section 4(2)(a) states that the IRBA may "participate in the activities of international bodies whose main purpose it is to develop and set auditing standards and to promote the auditing profession".

Statutory Responsibility of the CFAS

The statutory responsibility of the CFAS is set out in Section 22(2) of the Act, which requires that it must assist the IRBA to:

- (a) *Develop, maintain, adopt, issue or prescribe auditing pronouncements;*
- (b) *Consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and*
- (c) *Promote and ensure the relevance of auditing pronouncements.*

REQUEST FOR COMMENTS

This Exposure Draft may be downloaded free of charge from the IRBA website on the [exposure drafts page](#).

Comments should be submitted by **4 August 2021**.

Respondents are requested to submit their comments electronically in both Word and PDF formats to the Director Standards, Imran Vanker, at standards@irba.co.za.

All comments will be considered a matter of public record and will be posted on the IRBA website's [exposure drafts page](#).

Should you have any queries, or experience any technical difficulties with downloading the documents, please e-mail standards@irba.co.za or contact the following directly:

Imran Vanker

Tel: +27 (0)87 940 8838

E-mail: ivanker@irba.co.za

Kumu Matambo

Tel: +27 (0)87 940 8835

E-mail: kmatambo@irba.co.za

Copyright © 2021 by the Independent Regulatory Board for Auditors (IRBA). All rights reserved. Permission is granted to make copies of this work, provided that such copies, in whichever format, are for the purpose of registered auditors discharging their professional duties; for use in academic classrooms or for personal use; provided such copies are not sold for income; and provided further that each copy bears the following credit line:

“Copyright © 2021 by the Independent Regulatory Board for Auditors. All rights reserved. Used with the permission of the IRBA.”

Otherwise, written permission from the IRBA is required to reproduce, store or transmit this document, except as permitted by law.

Contents

Explanatory Memorandum	5
Introduction.....	5
Background	5
Development of the Exposure Draft.....	6
Project Timetable.....	7
Effective Date	7
Guide for Respondents.....	8
Request for Specific Comments	8
Exposure Draft: Conforming and Consequential Amendments to IRBA Pronouncements arising from the International Auditing and Assurance Standards Board's (IAASB) Quality Management Standards.....	9

Explanatory Memorandum

Introduction

This memorandum provides the background and an explanation regarding the proposed conforming and consequential amendments in this Exposure Draft: *Conforming and Consequential Amendments to IRBA Pronouncements arising from the International Auditing and Assurance Standards Board's (IAASB) Quality Management Standards* (this Exposure Draft), in response to the IAASB's issuing of the Quality Management (QM) Standards¹.

Background

The IAASB released the QM Standards on 17 December 2020, and they will become effective on or after 15 December 2022. In March 2021, the IRBA Board approved the QM Standards for adoption, issue and prescription, for use by registered auditors in South Africa. Early adoption of the QM Standards is permissible and encouraged by the IRBA. The effective dates also provide for the time needed for a wide-scale transition of systems; the development of policies and procedures; the assessment of service providers; the establishment of network level controls and responses; and the preparation of resources to support the system of quality.

The IAASB issued the conforming and consequential amendments to the ISAs together with the QM Standards in December 2020.

The IAASB is also proposing conforming amendments and consequential amendments to the IAASB's Other Standards² that are necessary to avoid conflict with the QM Standards. To that effect, an Exposure Draft was issued on 22 February 2021. Comments were due to the IAASB by 24 May 2021.

International Quality Management Standard (ISQM) 1 and ISQM 2 replace International Standard on Quality Control (ISQC) 1³. The term "quality management" replaces the term "quality control" throughout the standards. In addition, the term "engagement quality control review" has been replaced with "engagement quality review". International Standard on Auditing (ISA) 220 (Revised) replaces ISA 220, *Quality Control for an Audit of Financial Statements*.

Many of the IRBA pronouncements and illustrative reports, in particular, make reference to ISQC 1 and ISA 220. Consequently, a detailed review of all IRBA pronouncements, including illustrative reports on the IRBA website, was performed to identify any references that are made to ISQC 1, ISA 220 and "quality control". The results of this exercise indicated a need for conforming and consequential amendments to be made to the pronouncements and/or illustrative reports that are currently effective.

On approval of the project proposal, the CFAS Steering Committee agreed to the following scope for these proposed amendments:

¹ ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*; ISQM 2, *Engagement Quality Reviews*; and ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*.

² For the purposes of this issues paper, the IAASB's Other Standards comprise International Standards on Review Engagements (ISREs), International Standards on Assurance Engagements (ISAEs) and International Standards on Related Services (ISRSs).

³ ISQC 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*.

- The conforming and consequential amendments will propose the necessary conforming and consequential amendments to the IRBA pronouncements, so as to avoid non-alignment or conflicts with the QM Standards and enhance their usage/application.
- The conforming and consequential amendments do not involve re-consideration of the objectives and requirements of the IRBA pronouncements. The conforming and consequential amendments are limited to, for example, updating titles of standards, updating references to the QM standards and aligning terminology, which includes new requirements and definitions. The amendments also include limited changes, to align concepts, for example, where certain requirements that were previously in ISQC 1 would have been moved to ISQM 2.
- The conforming and consequential amendments do not address other potential amendments to the IRBA pronouncements that may have been considered in a project to improve those pronouncements.

Development of the Exposure Draft

Due to the limited nature of the proposed changes, there are two broad categories of changes:

- Category A** – Updating of references to ISQC 1 and ISA 220 and other terminology contained in IRBA pronouncements, to align them with ISQM 1, ISQM 2 and ISA 220 (Revised).
- Category B** – Detailed changes arising from QM Standards that include the structure, concepts and wording in ISQM 1, ISQM 2 and International Standard on Auditing (ISA) 220 (Revised), such as new or revised definitions.

Category A proposed changes are non-substantive changes. Where proposed changes to a pronouncement are Category A only, CFAS has considered those changes and they have not been included in this Exposure Draft. The following pronouncements only contained Category A only changes:

1. South African Auditing Practice Statement (SAAPS) 2 (Revised 2018) *Financial Reporting Frameworks and the Auditor's Report*.
2. SAAPS 3 (Revised May 2019) *Illustrative Reports*.
3. South African Auditing Practice Statement (SAAPS) 4 (Revised 2019) *Letters of Specific Inquiry to the Entity's External Legal Practitioner Regarding Litigation and Claims Involving the Entity*.
4. South African Auditing Practice Statement (SAAPS) 6 *External Confirmations from Financial Institutions*.
5. South African Assurance Engagements Practice Statement (SAAEPS) 1 *Sustainability Assurance Engagements: Rational Purpose, Appropriateness of Underlying Subject Matter and Suitability of Criteria*.
6. Guide for Registered Auditors *Reporting Responsibilities of the Reporting Accountant Relating to Property Entities in terms of the JSE Listings Requirements*.
7. Revised Guide for Registered Auditors (November 2018) *Assurance Engagements on the Annual Financial Statements and Annual Statutory Returns of a Medical Scheme*.
8. Guide: Auditing in the Public Sector (Revised August 2019).
9. Illustrative Report: *ISAE 3420 Compilation of Proforma Financial Statements – prospectus*.
10. Illustrative Report: *SARB Macro Prudential Assurance Report*.
11. Illustrative Report: *Mutual Banks Act Assurance Report (November 2020)*.
12. Illustrative Report: *Reg 46 SA Consolidated Report (March 2021)*.

13. Illustrative Report: *Reg 46 Foreign Operations Report (March 2021)*.
14. Illustrative Report: *SARB Macro Prudential Foreign Exposure Limit Return Report*.
15. Illustrative Report: *Reg 28 Retirement Funds Report*.
16. Illustrative engagement letter: *Sustainability limited assurance*.
17. Illustrative report: *Sustainability limited assurance*.
18. Illustrative engagement letter: *Sustainability reasonable assurance*.
19. Illustrative report: *Sustainability reasonable assurance*.
20. Illustrative engagement letter: *Sustainability combined assurance*.
21. Illustrative report: *Sustainability combined assurance*.

The Category A only changes will be released after the finalisation of the IAASB's Proposed Amendments to the IAASB's International Standards: *Conforming and Consequential Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management*.

This Exposure Draft only deals with changes to pronouncements that are Category B as well as those that are both Category A and B in the same pronouncement. The following pronouncements are therefore included in this Exposure Draft:

1. Guide for Registered Auditors *Joint Audit Engagements*.
2. Revised Guide (2019) for Registered Auditors *Assurance Engagements on Financial Service Providers' Separate Accounts (Section 19(3)) and Reporting Requirements (Section 19(4)) of the Financial Advisory and Intermediary Services Act*.
3. Guide for Registered Auditors *Assurance Engagements on Fresh Produce Agents' Trust Accounts*.
4. Guide for Registered Auditors *Engagements on Legal Practitioners' Trust Accounts (Revised March 2020)*.
5. Revised Guide (June 2018): *Access to Working Papers*.

The proposed conforming and consequential amendments have been presented in a tabular format to show the extant text; notes on the relevant paragraphs in the QM standards; the proposed conforming and consequential amendments to the IRBA pronouncements; and the category of each change as described above.

This Exposure Draft includes those conforming and consequential amendments to the IRBA pronouncements that the CFAS has determined would be necessary, to address inconsistencies with the new and revised QM standards.

Project Timetable

Subject to comments received on exposure of these proposed conforming and consequential amendments to the IRBA pronouncements, the CFAS intends to finalise the proposed conforming and consequential amendments in the last quarter of 2021.

Effective Date

The CFAS will take a final decision on the effective date, based on input received from the exposure. It is proposed that the effective date of the amendments to the IRBA pronouncements be aligned to the effective date of the QM Standards as follows:

- For conforming amendments relating to the design and implementation of systems of quality management, effective from 15 December 2022

- For audit and reviews of financial statements for periods beginning on or after 15 December 2022; and
- For other assurance and related services engagements beginning on or after 15 December 2022.

Early adoption will be permitted.⁴

Guide for Respondents

The CFAS welcomes comments on all matters addressed in the Exposure Draft. Comments, however, will be most helpful when they refer to specific paragraphs, include the reasons for the comments and, where appropriate, make specific suggestions for any proposed changes to the wording. Also, when a respondent agrees with the proposals in this Exposure Draft, it will be helpful for the CFAS to be made aware of this view.

Request for Specific Comments

Respondents are requested to comment on the following:

- a) Are there any aspects of the proposed conforming and consequential amendments contained in this Exposure Draft with which respondents disagree? Please provide details and suggestions for correction and/or improvements.
- b) Are there any aspects of the proposed conforming and consequential amendments contained in this Exposure Draft that are unclear and require further clarity? If so, please list those aspects and the clarification required.
- c) Given the abovementioned scope, are there further aspects that should be included in this Exposure Draft? If so, please list those aspects and the details thereof.
- d) Do the respondents support the effective date?

⁴ In line with the IAASB's Proposed Amendments to the IAASB's International Standards: Conforming and Consequential Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management.

Exposure Draft: Conforming and Consequential Amendments to IRBA Pronouncements arising from the International Auditing and Assurance Standards Board’s (IAASB) Quality Management Standards

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
1.1	Guide for Registered Auditors <i>Joint Audit Engagements</i>	Contents table	Quality Control System	<u>System of Quality Control Management</u>		A
1.2		Contents table	The Role of an Engagement Quality Control Reviewer in a Joint Audit Engagement	The Role of an Engagement Quality Control—Reviewer in a Joint Audit Engagement		A
1.3		2	...Other than the definition of group engagement partner in the ISAs’ Glossary of Terms, there are no other references to joint auditors in the ISAs.	...Other than the definition of group engagement partner in the ISAs’ <u>Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements (as updated) (Glossary of Terms)</i></u> , there are no other references to joint auditors in the ISAs.		A
1.4		Footnote 2	IAASB Glossary of Terms (December 2018), definition of “Auditor”.	IAASB —Glossary of Terms <u>relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements (as updated)</i></u> , definition of “Auditor”.		A
1.5		7	Firms may establish policies and procedures that are relevant to joint audit	Firms may establish policies <u>and or</u> procedures that are relevant to joint audit engagements, while considering this Guide.		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			engagements, while considering this Guide.			
1.6		13	<p>For the purposes of this Guide, unless otherwise specified or the context clearly indicates the contrary, all the terms defined in the ISAs (December 2018) and reflected in the Glossary of Terms have the same meaning in this Guide as attributed to them in the Glossary of Terms, including, but not limited to the following:</p> <ul style="list-style-type: none"> • “Audit documentation”; • “Audit evidence”; • “Audit file”; • “Audit opinion”; • “Component auditor”; • “Engagement partner”; • “Engagement quality control reviewer” (EQCR); • “Experienced auditor”; • “Firm⁵”; • “Management”; and • “Those charged with governance”. 	<p>For the purposes of this Guide, unless otherwise specified or the context clearly indicates the contrary, all the terms defined in the ISAs (December 2018) and reflected in the Glossary of Terms have the same meaning in this Guide as attributed to them in the Glossary of Terms, including, but not limited to the following:</p> <ul style="list-style-type: none"> • “Audit documentation”; • “Audit evidence”; • “Audit file”; • “Audit opinion”; • “Component auditor”; • “Engagement partner”; • “Engagement quality control reviewer” (EQC-Reviewer); • “Experienced auditor”; • “Firm⁵”; • “Management”; and • “Those charged with governance”. 		A
1.7		26	The joint audit engagement partners shall remain alert for evidence of non-compliance with relevant ethical requirements by members of the engagement team and determine	The joint audit engagement partners shall remain alert <u>throughout the joint audit engagement</u> , for evidence of non-compliance with <u>breaches of</u> relevant ethical requirements <u>or the firm’s related</u>	To align with wording used in Paragraphs 18 and 19 of ISA 220 (Revised)	B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			the appropriate action, if such non-compliance is identified. ⁹ A joint auditor may cross-review the work done by the other joint auditor(s) to ensure independence and compliance with the IRBA Code and other relevant ethical requirements. A letter by each of the joint auditors to each other, explaining their processes in this regard and any identified threats or non-compliance as well as safeguards applied, may form part of the audit documentation.	policies or procedures by members of the engagement team and determine the appropriate action, if such non-compliance is <u>breaches are</u> identified. ⁹ A joint auditor may cross-review the work done by the other joint auditor(s) to ensure independence and compliance with the IRBA Code and other relevant ethical requirements. A letter by each of the joint auditors to each other, explaining their processes in this regard and any identified threats or non-compliance as well as safeguards applied, may form part of the audit documentation.		
1.8		Footnote 9	ISA 220, paragraphs 9 and 10.	ISA 220 (<u>Revised</u>), paragraphs 9 <u>18</u> and 10 <u>19</u> .	To match the category for the proposed changes made to paragraph 26 of the guide.	B
1.9		28	Quality Control System ISA 220, <i>Quality Control for an Audit of Financial Statements</i> , presumes that audit engagements are conducted by a firm that is subject to the requirements of International Standard on Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements</i> . Therefore, prior to the acceptance or continuance of a joint audit engagement, the joint	<u>System of Quality Control—System Management</u> ISA 220 (<u>Revised</u>), <i>Quality Control Management for an Audit of Financial Statements</i> , presumes that audit engagements are conducted by a firm that is subject to the requirements of International Standard on Quality Control <u>Management (ISQM)</u> 1, <i>Quality Control for Firms that Perform Audits and or Reviews of Financial Statements, and or Other Assurance and or Related Services Engagements</i> . Therefore, prior to the acceptance or continuance of a		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			auditors, based on their professional judgment, need to satisfy themselves that there are sufficient appropriate quality control systems in place at each firm(s) that is party to the joint audit engagement. ¹⁰ For this purpose, the joint auditors may need to agree on access to the relevant firm records, resources or information. Consequently, the joint auditors document how they have satisfied themselves to achieve the abovementioned purpose with respect to sufficient appropriate quality control systems of the other joint auditor(s), for example, through firm monitoring and inspection results.	joint audit engagement, the joint auditors, based on their professional judgment, need to satisfy themselves that there are sufficient appropriate <u>systems of quality control systems management</u> in place at each firm(s) that is party to the joint audit engagement. ¹⁰ For this purpose, the joint auditors may need to agree on access to the relevant firm records, resources or information. Consequently, the joint auditors document how they have satisfied themselves to achieve the abovementioned purpose with respect to sufficient appropriate <u>systems of quality control systems management</u> of the other joint auditor(s), for example, through firm monitoring and inspection <u>remediation</u> results.		
1.10		Footnote 10	ISA 220, paragraph 2.	ISA 220 (Revised), paragraph 2.		A
1.11		29	The joint audit engagement partners need to ensure that their responsibility with respect to audit quality will be discharged ¹¹ , and to then plan and perform the audit accordingly. A letter or memorandum by each joint auditor to the other(s) may form part of the audit documentation. A joint auditor may also request or obtain relevant excerpts from the last regulatory inspection report, peer review report or transparency report of the other joint auditor.	The joint audit engagement partners need to ensure that their <u>overall</u> responsibility with respect to audit quality will be discharged ¹¹ , and to then plan and perform the audit accordingly. A letter or memorandum by each joint auditor to the other(s) may form part of the audit documentation. A joint auditor may also request or obtain relevant excerpts from the last regulatory inspection report, peer review report or transparency report of the other joint auditor.		A
1.12		Footnote 11	ISA 220, paragraph 8	ISA 220 (Revised), paragraph 8 <u>13</u>		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
1.13		Footnote 12	ISA 220, paragraphs 12 and 13	ISA 220 (Revised), paragraphs 42 22, 23 and 24 and 13		A
1.14		30	If any joint auditor is not satisfied with the quality control systems of the other joint auditor(s) – whether at the engagement acceptance, during or at the end of the engagement – the dissatisfied joint auditor applies professional judgment in determining whether additional work in relation to the joint audit engagement can be performed in overcoming the deficiency(ies) identified. If not, they should then consider bringing this to the attention of management and/or those charged with governance, declining or resigning from the joint audit engagement. Also refer to paragraphs 73-76 of this Guide.	If any joint auditor is not satisfied with the <u>system of quality control–management systems</u> of the other joint auditor(s) – whether at the engagement acceptance, during or at the end of the engagement – the dissatisfied joint auditor applies professional judgment in determining whether additional work in relation to the joint audit engagement can be performed in overcoming the deficiency(ies) identified. If not, they should then consider bringing this to the attention of management and/or those charged with governance, declining or resigning from the joint audit engagement. Also refer to paragraphs 73-76 of this Guide.		A
1.15		32	In issuing the audit engagement letter, joint auditors should apply ISA 210, Agreeing the <i>Terms of Engagement</i> , and draft the audit engagement letter in accordance with the policies and procedures of each joint auditor’s firm. To ensure that there are clear terms of engagement for all parties involved, a single audit engagement letter is agreed to between the audit client and the joint auditors. It is encouraged that the audit engagement letter makes reference to a joint auditors’ agreement, where	In issuing the audit engagement letter, joint auditors should apply ISA 210, Agreeing the <i>Terms of Engagement</i> , and draft the audit engagement letter in accordance with the policies <u>and</u> or procedures of each joint auditor’s firm. To ensure that there are clear terms of engagement for all parties involved, a single audit engagement letter is agreed to between the audit client and the joint auditors. It is encouraged that the audit engagement letter makes reference to a joint auditors’ agreement, where this has been put in place. Joint audit engagement letters should be specific		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			this has been put in place. Joint audit engagement letters should be specific and tailored for every engagement and not extend to permanent agreements.	and tailored for every engagement and not extend to permanent agreements.		
1.16		33	In addition to the audit engagement letter, the joint auditors may decide to put in place a formal joint auditors' agreement that documents their agreement regarding each joint auditor's duties and obligations in respect of the joint audit engagement, and the policies and procedures to be followed by the joint auditors in conducting the joint audit engagement.	In addition to the audit engagement letter, the joint auditors may decide to put in place a formal joint auditors' agreement that documents their agreement regarding each joint auditor's duties and obligations in respect of the joint audit engagement, and the policies and or procedures to be followed by the joint auditors in conducting the joint audit engagement.		A
1.17		34	... Communication protocols in respect of the quality control systems of a joint auditor; Communication protocols in respect of the <u>systems of quality control management systems</u> of a joint auditor; ...		A
1.18		38	The Role of an Engagement Quality Control Reviewer in a Joint Audit Engagement The joint auditors, together with their respective firm(s), consider the appointment of an engagement quality control reviewer (EQCR) in a joint audit engagement, if applicable, in accordance with ISQC 1 and the policies and procedures of the firm(s).	The Role of an Engagement Quality Control Reviewer in a Joint Audit Engagement The joint auditors, together with their respective firm(s), consider the appointment of an engagement quality control reviewer (<u>EQC Reviewer</u>) in a joint audit engagement, if applicable, in accordance with <u>ISQGM 1, ISQM 2</u> and the policies and or procedures of the firm(s).		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
1.19		39	Each firm may appoint and perform engagement quality control reviews in accordance with its own policies and procedures. In instances where one of the joint auditors appoints an EQCR, it may be appropriate for the other joint auditor(s) to also appoint an EQCR to ensure that the audit file as a whole is subject to engagement quality control review.	Each firm may appoint and perform engagement quality control reviews in accordance with its own policies and or procedures. In instances where one of the joint auditors appoints an <u>EQC Reviewer</u> , it may be appropriate for the other joint auditor(s) to also appoint an <u>EQC-Reviewer</u> to ensure that the audit file as a whole is subject to engagement quality control review.		A
1.20		40	The EQCRs determine the scope of their respective reviews pertaining to the joint audit engagement. The EQCR of each joint auditor may consider the cross-review documentation, which is included in the working papers prepared by the engagement team, depending on the scope of the engagement quality review and areas of significant judgment. The EQCR may also request access to the working papers of the other joint auditor(s). In performing the review, the EQCR may also consider the following: ...	The <u>EQC-Reviewers</u> determine the scope of their respective reviews pertaining to the joint audit engagement. The <u>EQC-Reviewer</u> of each joint auditor may consider the cross-review documentation, which is included in the working papers prepared by the engagement team, depending on the scope of the engagement quality review and areas of significant judgment. The <u>EQC-Reviewer</u> may also request access to the working papers of the other joint auditor(s). In performing the review, the <u>EQC-Reviewer</u> may also consider the following: ...		A
1.21		41	In instances where all joint auditors have an EQCR respectively appointed by each of their firms, the EQCRs may interact with each other for purposes of coordinating the engagement quality control review. Each EQCR may consider performing a cross-review of the other EQCR's documentation in	In instances where all joint auditors have an <u>EQC-Reviewer</u> respectively appointed by each of their firms, the <u>EQC Reviewers</u> may interact with each other for purposes of coordinating the engagement quality control review. Each <u>EQ Reviewer</u> may consider performing a cross-review of the other <u>EQC Reviewer's</u> documentation in carrying out		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			carrying out their review. The joint auditors may agree that only one EQCR is required to be appointed jointly for the entire engagement, subject to the consideration of the policies and procedures of the firm(s).	their review. The joint auditors may agree that only one <u>EQC_Reviewer</u> is required to be appointed jointly for the entire engagement, subject to the consideration of the policies and <u>or</u> procedures of the firm(s).		
1.22		Foot note 19	ISA 220, paragraph 17	ISA 220_(Revised), paragraph 32		A
1.23		59	<p>Timely reviews of the following by the engagement partner at appropriate stages during the engagement allow significant matters to be resolved on a timely basis to the engagement partner's satisfaction on or before the date of the auditor's report:</p> <ul style="list-style-type: none"> • Critical areas of judgment, especially those relating to difficult or contentious matters identified during the course of the audit engagement; • Significant risks; and • Other areas the engagement partner considers important.²⁰ 	<p>Timely reviews of <u>documentation</u> by the <u>engagement partner at appropriate stages throughout the audit engagement enables significant matters to be resolved to the engagement partner's satisfaction on or before the date of the auditor's report.</u> the following by the engagement partner at appropriate stages during the engagement allow significant matters to be resolved on a timely basis to the engagement partner's satisfaction on or before the date of the auditor's report:</p> <ul style="list-style-type: none"> • Critical areas of judgment, especially those relating to difficult or contentious matters identified during the course of the audit engagement; • Significant risks; and <p>Other areas the engagement partner considers important.²⁰ <u>The engagement partner exercises professional judgment in identifying the areas of significant judgment made by the engagement team. The firm's policies or procedures may specify certain matters that are commonly expected to be significant judgments. Significant judgments in</u></p>		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
				<u>relation to the audit engagement may include matters related to the overall audit strategy and audit plan for undertaking the engagement, the execution of the engagement and the overall conclusions reached by the engagement team.</u> ²⁰		
1.24		Footnote 20	ISA 220, paragraph A18	ISA 220, paragraphs A18 A91 and A92	Reference should have originally been ISA 220.A19. To align with paragraph A91 and A92 of ISA 220 (Revised)	A
1.25		Footnote 21 on page 17 of 29	ISQC1, paragraph A35	ISQGM1, paragraph A35 <u>76</u>		A
1.26		66	... The quality control system of each joint auditor in accordance with the ISAs. The <u>system of quality control</u> management-system of each joint auditor in accordance with the ISAs. ...		A
1.27		76	If the differences of opinion between the joint auditors are as a result of a joint auditor concluding that the other joint auditor(s) is/are not independent and/or non-compliant with other relevant ethical requirements, the first mentioned joint auditor should inform the audit client as appropriate in terms of ISA 260 (Revised), and consider the	If the differences of opinion between the joint auditors are as a result of a joint auditor concluding that the other joint auditor(s) is/are not independent and/or non-compliant with other <u>in breach of</u> relevant ethical requirements, the first mentioned joint auditor should inform the audit client as appropriate in terms of ISA 260 (Revised), and consider the implications on the joint audit		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			implications on the joint audit engagement in accordance with ISA 220, paragraph 11(c), and withdraw from the joint audit engagement.	engagement in accordance with ISA 220 (Revised), paragraphs 14(e) , 17, 20 and 21, and withdraw from the joint audit engagement.		
1.28		81	The joint auditors establish policies and procedures for the access and retrieval of the final audit file.	The joint auditors establish policies and <u>or</u> procedures for the access and retrieval of the final audit file.		
1.29		82	The joint auditors establish policies and procedures for assembling the final audit file, in accordance with ISQC 1 and respective firm requirements, and this is ordinarily not more than 60 days after the date of the joint auditors' report ³⁰ . The assembly period may be included in a formalised joint auditors' agreement.	The joint auditors' <u>systems of quality management shall establish policies and procedures for assembling the final audit file a quality objective that addresses the assembly of engagement documentation on a timely basis after the date of the joint auditors' report</u> , in accordance with <u>ISQCM 1 and respective firm requirements</u> , and this is ordinarily not more than 60 days after the date of the joint auditors' report ³⁰ . The assembly period may be included in a formalised joint auditors' agreement.	To align the wording to conforming and consequential amendments to ISA 230.A21 (Referenced through footnote 30) arising from the QM standards.	B
1.30		83	The joint auditors confirm to each other in writing that their respective portion of the final audit file has been assembled, closed and archived in accordance with ISQC 1, the ISAs and the IRBA Code. This is not expected to be a common practice, however where a joint auditor is required to retrieve an archived file for purposes of modification, the joint auditors are expected to provide notice to each other if the archived engagement file is retrieved for modification and to	The joint auditors confirm to each other in writing that their respective portion of the final audit file has been assembled, closed and archived in accordance with ISQCM 1, the ISAs and the IRBA Code. This is not expected to be a common practice, however where a joint auditor is required to retrieve an archived file for purposes of modification, the joint auditors are expected to provide notice to each other if the archived engagement file is retrieved for modification and to provide details of the executed modifications.		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			provide details of the executed modifications.			
1.31		Appendix 2 point 1 Page 24 of 29	... Documentation of the involvement of the engagement quality control reviewer, where applicable; Documentation of the involvement of the engagement quality control reviewer, where applicable; ...		A
1.32		Appendix 5 page 28 of 29	Each individual auditor must comply with ISQC 1 in ensuring that the firm is competent to perform the engagement and has the capabilities, including time and resources to do so (ISQC 1.26(a)). Although the shared auditor must have the competencies and capabilities, including time and resources to perform the outsourced work (ISQC 1.26(a)), the engagement auditor may be involved in transferring skills to the shared auditor by for example, involving the shared auditor in more complex or higher risk areas.	Each individual auditor must comply with ISQCM 1 in ensuring that the firm is competent to perform the engagement and has the capabilities, including time and resources to do so <u>able to perform the engagement in accordance with professional standards and applicable legal and regulatory requirements.</u> (ISQCM 1.26 <u>30</u> (a)(ii)). Although the shared auditor must have the competencies and capabilities, including time and resources to perform the outsourced work (ISQCM 1.26 <u>30</u> (a)(ii) and ISQM 1.32), the engagement auditor may be involved in transferring skills to the shared auditor by for example, involving the shared auditor in more complex or higher risk areas.		B
2.1	Revised Guide (2019) for Registered Auditors Assurance Engagements on Financial Service Providers'	Contents table	Ethical Requirements and Quality Control	Ethical Requirements and Quality Control Management		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
	<i>Separate Accounts (Section 19(3)) and Reporting Requirements (Section 19(4)) of the Financial Advisory and Intermediary Services Act</i>					
2.2		Footnote 9	<i>Financial Statements</i> is defined in the <i>Glossary of Terms in the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017 Edition Volume Part I</i> (as updated) (the Glossary).	<i>Financial Statements</i> is defined in the <i>Glossary of Terms in the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017 Edition Volume Part I</i> (as updated) in the <i>Glossary of Terms relating to International Standards issued by the IAASB in the Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (as updated) (the <i>Glossary</i>)⁵		A
2.3		34	<i>Ethical Requirements and Quality Control</i> The auditor is required to implement quality control procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other</i>	<i>Ethical Requirements and Quality Control Management</i> The auditor is required to implement quality control <u>management policies or</u> procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control <u>Management</u> (ISQ C <u>M</u>) 1, <i>Quality Control Management for Firms that Perform Audits and <u>or</u> Reviews of Financial</i>		B

⁵ This change depends on the title of the latest version of the handbooks that the IAASB will release.

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			<p><i>Assurance and Related Services Engagements.</i> These include ensuring that:</p> <p>(a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform the engagement;</p> <p>(b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the Provider's separate accounts;</p> <p>(c) The engagement partner takes full responsibility for overall quality on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the firm's monitoring process that are possibly relevant to the engagement; and</p> <p>(d) An engagement quality control review is performed in appropriate circumstances.</p>	<p><i>Statements and or Other Assurance and Related Services Engagements.</i> These include ensuring that:</p> <p>(a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform <u>the a quality</u> engagement;</p> <p>(b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the Provider's separate accounts;</p> <p>(c) The engagement partner takes full responsibility for overall quality on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the firm's monitoring <u>and remediation process</u> that are possibly relevant to the engagement; and</p> <p>(d) An engagement quality control review is performed in appropriate circumstances.</p>		
2.4		Extracts from illustrative assurance reports (page 23-24 and 31-32)	<p><i>Auditor's Independence and Quality Control</i></p> <p>[Name of firm]/[The firm] applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical</p>	<p><i>Auditor's Independence and Quality Control-Management</i></p> <p>[Name of firm]/[The firm] applies the International Standard on Quality Control <u>Management (ISQM) 1</u> and accordingly <u>designs, implements and operates</u> maintains a comprehensive system of quality control-management, including documented policies <u>and or</u> procedures</p>	To align the wording to ISQM 1	A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			requirements, professional standards and applicable legal and regulatory requirements.	regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.		
3.1	Guide for Registered Auditors Assurance Engagements on Fresh Produce Agents' Trust Accounts	Contents table	Ethical requirements and quality control	Ethical requirements and quality control management		A
3.2		10	For purposes of this Guide, unless stated otherwise, the following terms are defined in the ISAs and ISAEs, and reflected in the Glossary of Terms (2017) to the International Auditing and Assurance Standards Board's pronouncements and have the meanings attributed below:...	For purposes of this Guide, unless stated otherwise, the following terms are defined in the ISAs and ISAEs, and reflected in the Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements (as updated)</i> and have the meanings attributed below: ..		A
3.3		35	Ethical requirements and quality control a) The auditor is also required to implement quality control procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance</i>	<i>Ethical Requirements and Quality Control Management</i> The auditor is also required to implement <u>a system of quality control management, policies or</u> procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control Management (ISQCM) 1, <i>Quality Control Management for Firms that Perform Audits and or Reviews of Financial Statements and or Other</i>		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			<p><i>and Related Services Engagements.</i> These include ensuring that:</p> <ul style="list-style-type: none"> a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform the engagement; b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the fresh produce agent's trust accounts; c) The engagement partner takes full responsibility for overall quality on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the firm's monitoring process that are possibly relevant to the engagement; and d) An engagement quality control review is performed in appropriate circumstances. 	<p><i>Assurance and Related Services Engagements.</i> These include ensuring that:</p> <ul style="list-style-type: none"> a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform the <u>a quality</u> engagement; b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the fresh produce agent's trust accounts; c) The engagement partner takes full responsibility for overall <u>quality</u> on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the firm's <u>monitoring and remediation</u> process that are possibly relevant to the engagement; and d) An engagement quality control review is performed in appropriate circumstances. 		
3.4		Extracts from illustrative assurance reports (page 23, 58 and 61)	<p><i>Our independence and quality control</i> <i>(Name of firm)/(The firm)</i> applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding</p>	<p><i>Our Independence and Quality Control Management</i> [Name of firm]/[The firm] applies the International Standard on Quality Control <u>Management (ISQM)_1</u> and accordingly <u>designs, implements and operates</u> maintains a comprehensive system of quality control <u>management</u>, including</p>		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.	documented policies and <u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.		
4.1	Guide for Registered Auditors <i>Engagements on Legal Practitioners' Trust Accounts (Revised March 2020)</i>	Contents table	Ethical requirements and quality control	Ethical requirements Quality control <u>Quality control Management</u>		A
4.2		49	<p>Ethical Requirements and Quality Control</p> <p>The auditor is also required to implement quality control procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements</i>. These include ensuring that:</p> <p>a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform the engagement;</p>	<p><i>Ethical Requirements and Quality Control Management</i></p> <p>The auditor is also required to implement <u>a system of quality control management, policies or</u> procedures that are applicable to this engagement, in accordance with the International Standard on Quality Control <u>Management</u> (ISQGM) 1, <i>Quality Control—Management for Firms that Perform Audits and <u>or</u> Reviews of Financial Statements and <u>or</u> Other Assurance and Related Services Engagements</i>. These include ensuring that:</p> <p>a) The engagement partner and the assigned engagement team have the required competence and capabilities to perform the a quality engagement;</p>		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			<p>b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the legal practitioner's trust accounts;</p> <p>c) The engagement partner takes full responsibility for overall quality on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the audit firm's monitoring process that are possibly relevant to the engagement; and</p> <p>d) An engagement quality control review is performed in appropriate circumstances.</p>	<p>b) The engagement partner will be sufficiently involved so as to be able to accept responsibility for the conclusion on the legal practitioner's trust accounts;</p> <p>c) The engagement partner takes full responsibility for overall quality on the engagement, considers all possible ethical breaches by members of the engagement team and considers the latest results of the firm's <u>monitoring and remediation</u> process that are possibly relevant to the engagement; and</p> <p>d) An engagement quality control review is performed in appropriate circumstances.</p>		
4.3		50	<p>In addition to complying with the audit firms' policies and procedures for acceptance and continuance of the clients relationships and specific engagements,³² the engagement partner also performs suitable procedures to determine whether the client relationship and assurance engagement can be accepted or continued with. A legal practitioner's trust accounts assurance engagement can only be accepted or continued with when:</p> <p>a) Ethical requirements, including independence, can be met;</p> <p>b) The engagement team collectively has the appropriate</p>	<p>In addition to complying with the audit firms' <u>system of quality management</u>, policies and <u>or</u> procedures for acceptance and continuance of the clients relationships and specific engagements,³² the engagement partner also performs suitable procedures to determine whether the client relationship and assurance engagement can be accepted or continued with. A legal practitioner's trust accounts assurance engagement can only be accepted or continued with when:</p> <p>a) <u>Relevant</u> Eethical requirements, including independence, can be met;</p>		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			<p>competence and capabilities; and</p> <p>c) The terms of the engagement are agreed upon and the preconditions for the engagement have been met, including suitable roles, the responsibilities of all parties and the availability of evidence needed to support the auditor's opinion.</p>	<p>b) The engagement team collectively has the appropriate competence and capabilities; and</p> <p>c) The terms of the engagement are agreed upon and the preconditions for the engagement have been met, including suitable roles, the responsibilities of all parties and the availability of evidence needed to support the auditor's opinion.</p>		
4.4		Footnote 32	Paragraph 26 of the International Standard on Quality Control 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements</i> .	Paragraph 26 ³⁰ of the International Standard on Quality Management 1, <i>Quality Control Management for Firms that Perform Audits and or Reviews of Financial Statements, and or Other Assurance and or Related Services Engagements</i>		B
4.5		Page 75, 84 and 89	<p><i>Auditor's independence and quality control</i></p> <p><i>(Name of firm)/(The firm) applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and</i></p>	<p><i>Auditor's independence and quality control management</i></p> <p><i>(Name of firm)/(The firm) applies the International Standard on Quality Control Management (ISQM) 1, Quality Control Management for Firms that Perform Audits and or Reviews of Financial Statements and or Other Assurance and or Related Services Engagements and accordingly, designs, implements and operates maintains a comprehensive system of quality control management, including documented policies and or procedures regarding compliance with ethical requirements, professional</i></p>		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			applicable legal and regulatory requirements.	standards and applicable legal and regulatory requirements.		
5.1	Revised Guide (June 2018): <i>Access to Working Papers</i>	Footnote 1	Engagements governed by the Standards of the IAASB are outlined in Appendix 1 of the <i>International Framework for Assurance Engagements in the Supplement to the Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements 2016-2017 Volume III</i> (as updated).	Engagements governed by the Standards of the IAASB are outlined in Appendix 1 of the <i>International Framework for Assurance Engagements in the Supplement to the Handbook of International Quality Control Management, Auditing, Review, Other Assurance and Related Services Pronouncements 2016-20178 Volume III</i> (as updated).		A
5.2		Footnote 2	References to ISAs and ISAEs in this Revised Guide are to the <i>Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements 2016-2017 Edition Volumes I and II</i> (as updated).	References to ISAs and ISAEs in this Revised Guide are to the <i>Handbook of International Quality Control Management, Auditing, Review, Other Assurance and Related Services Pronouncements 201-20178 Edition Volumes I and II</i> (as updated).		A
5.3		Footnote 4	<i>Audit file</i> is defined in the <i>Glossary of Terms in the Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements 2016-2017 Edition Volume Part I</i> (as updated) (the <i>Glossary</i>).	<i>Audit file</i> is defined in the in the <i>Glossary of Terms relating to International Standards issued by the IAASB in the Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (as updated) (as updated) (the <i>Glossary</i>).		A
5.4		38	In terms of International Standard on Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements</i> , a firm shall establish	In terms of International Standard on Quality Control-Management (ISQCM) 1, <i>Quality Control-Management for Firms that Perform Audits and-or Reviews of Financial Statements, and-or Other Assurance and-or Related Services Engagements</i> , a firm shall establish		B

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			policies and procedures designed to maintain the confidentiality, safe custody, integrity, accessibility and reliability of documentation.	policies and procedures <u>quality objectives designed to maintain the confidentiality, safe custody, integrity, accessibility and reliability of documentation that address the performance of quality engagements which ensures that engagement documentation is appropriately maintained and retained to meet the needs of the firm and comply with law, regulation, relevant ethical requirements, or professional standards.</u>		
5.5		Footnote 5	As defined in the APA. It should be noted that the definition of auditing pronouncements includes the Standards of the IAASB. The Auditing and Assurance Standards Board of the PAAB, the predecessor to the CFAS, adopted the original text of the IAASB's handbooks on International Standards on Quality Control, Auditing, Assurance and Related Services as the standards to be applied by all auditors in South Africa from 1 January 2005. Following the promulgation of the APA, effective from 1 April 2006, the IRBA confirmed the adoption by the PAAB of the International Engagement Standards issued by the IAASB, as published in the successive IAASB Handbooks of International Quality Control, Auditing, Assurance, and Ethics Pronouncements, under copyright	As defined in the APA. It should be noted that the definition of auditing pronouncements includes the Standards of the IAASB. The Auditing and Assurance Standards Board of the PAAB, the predecessor to the CFAS, adopted the original text of the IAASB's handbooks on International Standards on Quality Control, Auditing, Assurance and Related Services as the standards to be applied by all auditors in South Africa from 1 January 2005. Following the promulgation of the APA, effective from 1 April 2006, the IRBA confirmed the adoption by the PAAB of the International Engagement Standards issued by the IAASB, as published in the successive IAASB Handbooks of International Quality Control, Auditing, Assurance, and Ethics Pronouncements, under copyright from the International Federation of Accountants (IFAC). <u>In March 2021, the IRBA approved the ISQM 1, ISQM 2 and ISA 220 (Revised) for adoption, issue</u>		A

	Name of Pronouncement/ Illustrative Report	Ref.	Comment/Extract from Extant Pronouncement/Illustrative Report	Proposed Changes	Notes	Category
			from the International Federation of Accountants (IFAC).	<u>and prescription for use by registered auditors in South Africa. ISQM 1 and ISQM 2 replaced ISQC 1. ISA 220 (Revised) replace ISA 220.</u>		
5.6		Footnote 33	ISQC1, par 46	ISQGM1, par 4631(f)		