

## FORM 6

### INDEPENDENT REGULATORY BOARD FOR AUDITORS

(Established under Section 3 of Act 26 of 2005)

#### APPLICATION BY AN INDIVIDUAL REGISTERED AUDITOR TO CHANGE FROM A NON-ASSURANCE TO AN ASSURANCE REGISTRATION STATUS

I, a Registered Auditor, hereby request to change my registration status from non-assurance to assurance:

#### 1. PERSONAL DETAILS

Surname:	
Forename(s):	
IRBA individual registration number:	

#### 2. ASSURANCE CATEGORY

Is any of the assurance work you intend to perform classified as high risk as per <b>Annexure A</b> ?	
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#### 3. FIRM DETAILS

You must be linked to a firm registered with the IRBA in order to perform assurance work.

3.1 If you are currently linked to a firm registered with the IRBA, please provide the following details:

Name of firm:	
IRBA practice number:	
Role in firm: (Please select either partner, director, sole proprietor, senior partner, CEO, Risk Leader, Quality Leader or employee.)	

If the firm to which you are currently linked is a non-assurance firm (eg. you are the sole proprietor and are non-assurance, or there is more than one partner in the firm and all partners are non-assurance), you will also need to provide a business plan for the firm, an ISQM manual and the name and RA number of the RA identified as the practice's Quality Reviewer as well as copies of the agreements entered into with the Quality Reviewer. (See **Annexure B**)

3.2 If you are intending to join a firm registered with the IRBA, please submit a completed **Form 1A** with this application.

3.3 If you are intending to register a new firm with the IRBA, please submit a completed **Form 2** with this application.

3.4 If you are an employee in a firm, please also submit a letter from the Senior Partner, CEO or equivalent of the firm confirming your position in the firm, your assurance proficiency, how your

assurance proficiency was determined and that they are aware you are applying to change your status to assurance.

#### 4. SUPPORTING DOCUMENTS

If it has been more than three years since you were last assurance or if you were registered with the IRBA as non-assurance, you will need to submit the following documents with your application:

- A brief CV detailing your professional history with specific reference to your assurance roles and experience;
- completed CPD reflective plans including your final reflections for the past three years, including the current year and your most current assurance CPD;
- A letter motivating why you now seek assurance registration;
- If you are a partner or shareholder and director in a firm, a letter from the Senior Partner, CEO or equivalent of the firm confirming your position in the firm and your assurance proficiency, how your assurance proficiency was determined; and that they are aware you are applying to change your status to assurance.

In these scenarios, you will be required to attend an interview with the IRBA's Proficiency Assessment Panel and a proficiency interview fee in the amount prescribed by the Board for the relevant year of the application will be payable prior to the date of your proficiency interview.

**I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT IN EVERY DETAIL.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of applicant

Please submit your completed form to [registry@irba.co.za](mailto:registry@irba.co.za).

*Please note that in order for the IRBA to engage with you, it will have to Process certain Personal Information which belongs to you, which Processing is described and explained under the specific and informative IRBA Processing Notices, housed for ease of reference on IRBA's website at <https://www.irba.co.za/library/popi-act>, which we ask you to download and read. By providing us with the required Personal Information, such act will be taken as an indication that you have read and agree with the provisions described under the Processing Notice and, where applicable, you consent to the processing by us of your Personal Information.*

**WHAT IS HIGH AND LOW RISK ASSURANCE WORK?**

**High risk audits and related assurance work:**

This refers to assurance engagements that are performed by RAs and firms that are required in terms of legislation or regulation. These engagements include but are not limited to:

- Audits required in terms of the Companies Act of 2008 (as amended), of:
  - public companies;
  - state-owned enterprises; and
  - private companies with a public interest score of 350 or more;
  - private companies with a public interest score of less than 350 but at least 100, if its annual financial statements were internally compiled;
  - private companies with a public interest score below 350 and where the MOI was altered to include an audit requirement. Such an engagement is not considered to be a voluntary audit.
- Audits of banks and regulatory returns to the SARB in terms of the regulations to the Banks Act.
- Audits required per the South African Reserve Bank Act.
- Audits required by legislation under the Financial Services Conduct Authority, of:
  - insurance companies;
  - collective investment schemes;
  - pension and retirement funds;
  - provident funds; and
  - any other audits required by the Financial Advisory and Intermediary Services Act (FAIS).
- Audits of Medical Schemes.
- Audits on behalf of the Auditor-General:
  - Secondment of staff to assist the Auditor-General – no opinion is expressed and consequently these engagements should be excluded;
  - Performance of an engagement under the supervision of the Auditor-General (so called “contracted out” engagements). Although this audit opinion is signed by the Auditor-General, a substantial portion of the work is performed by the contracted firm. These engagements should be included; and
  - Audits performed and signed by a firm in terms of Section 4(3) of the Public Audit Act, 2004 (as amended). These engagements should be included.
- Trust accounts for legal practitioners (including attorney trust accounts).
- Estate Agents (business and trust accounts).
- Audits of Cooperatives.
- Audits of non-profit organisations where the turnover is **more than R50 million**.
- Audits of all tertiary educational institutions.
- Audits required by the Sectional Titles Schemes Management Act, 2011 (as amended).
- Assurance work related to other regulatory returns in respect of **any of the above audit clients**.

**Low risk assurance work, being all assurance work not already stated above and including:**

- Voluntary audits by decision.
- Independent reviews required in terms of the Companies Act of 2008, as amended.
- Other assurance work.

We require all candidates who are registering a new firm, re-registering a previously registered firm where the below documents were not submitted on the previous registration of the firm, or converting existing firms from non-assurance to assurance, to first set up their audit quality structures before we register their firms or process the change of status from non-assurance to assurance.

We require this because we believe it is in the public interest for the IRBA as a regulator to ensure that all firms have their Quality Management structures in place. This also ensures that your firm is running in accordance with ISQM. (ISQM is effective from 15 December 2022).

We generally find that the process of setting up these structures is one that is very beneficial to you and those you will be working with as it focusses on the overall structures in terms of quality.

**The following documents must be submitted with this application relating to the practice you intend to register:**

1. Business plan (practice plan);
  2. Quality (ISQM) manual – the quality manual must be drafted in accordance with ISQC1; and
  3. Name and IRBA number of the RA identified as your firm's Quality Reviewer together with agreements entered into with the Quality Reviewer; and
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## **1. BUSINESS PLAN**

The business plan must contain more than an introduction. It must contain items such as:

- the structure of the firm;
- services offered by the firm;
- resources (HR, IT etc. including what software the firm will be using);
- financial projections including revenue streams (such as will your clients be private or public sector clients, how will clients be sourced);
- organogram of firm;
- risk identification and mitigation strategy; and
- firm's transformation strategy and objectives.

## **2. QUALITY MANUAL:**

Your manual must contain all the established procedures and policies covering all aspects of ISQM.

Please ensure that you also submit to us all your templates and checklists as identified in your manual.

Please note that we do not provide templates or examples of the quality manual as we see this as a developmental process you will go through as you familiarise yourself with the requirements of ISQM.

Leaving the process open is very important as different practitioners will have different manuals applicable to their own circumstances.

### 3. AGREEMENT WITH REVIEWER:

We are generally led by you regarding the structure of the agreement with your reviewer. However, the agreement must cover, amongst others, the following aspects:

- Scope of the review
  - Indicating your expectation from the reviewer on entering into such an agreement
    - Including aspects to be considered or focused on; how you will determine engagements to be reviewed (please ensure that the agreement specifically states that the first three engagements will require a review); and indicating the stages of an audit that would require a review
- Reporting requirement
  - Indicating the report and format thereof to be issued by the reviewer at the end of their review.
- Duration of the review
  - Estimate of the length of the review to be carried out by the reviewer.
- Commencement date
  - Commencement date of the agreement.
- Fees
  - The fees that would be payable to the reviewer for each of the reviews.
- Terms and conditions
  - These would be general terms and conditions of the formal arrangement you are entering into. Such terms would include the responsibilities of the firm.