



ANNUAL PERFORMANCE PLAN

2024/2025

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EXECUTIVE AUTHORITY STATEMENT

The Independent Regulatory Board for Auditors (IRBA) is nearing the conclusion of its current strategic phase with the ongoing execution of its refocused five-year strategy spanning from 2021 to 2025. This period has been marked by the IRBA's proactive response to industry dynamics and risks, particularly in the wake of prior corporate failures that had cast a shadow over the integrity of the auditing profession.

The past two years have witnessed a notable transformation, with the continued implementation of the refocused strategy aimed at restoring trust and credibility in both the regulator and the profession. This has translated into a newfound stability within the regulator and the profession at large, demonstrating the success of concerted efforts.

The importance of maintaining the IRBA's sustainability and relevance cannot be overstated, especially as we look ahead to steer the profession forward in the coming years. The role played by the IRBA in safeguarding the financial interests of the public through the regulation of the auditing profession remains paramount. An effective audit profession is instrumental in underpinning the nation's economy and fostering economic growth by providing investors and financial statement users with the assurance necessary to make informed investment decisions.

However, it is imperative to acknowledge the significant challenges that lie ahead. We must navigate a challenging economic landscape characterised by dwindling fiscal revenues and inflationary risks, which drive up costs.

I extend my best wishes to the Board, CEO, and management of the IRBA as they continue their vital work in upholding trust within the profession and unlocking the full potential that the practice of auditing offers to our economy in the coming year. Furthermore, I commend their efforts in developing an innovative strategy for the ensuing five years.

As the Executive Authority, I stand in full support of this Annual Performance Plan and reaffirm my shared commitment to ensuring its successful implementation.

Enoch Godongwana, Minister of Finance

Executive Authority of the IRBA

ACCOUNTING AUTHORITY STATEMENT

This year's Annual Performance Plan (APP) outlines the annual priorities set forth to conclude the IRBA's refocused Strategic Plan for the period 2021 to 2025. In its capacity as the IRBA's Accounting Authority, the Board has conducted a comprehensive review of the refocused strategy, taking into consideration the prevailing environment. In collaboration with IRBA management, the Board has identified the following key priorities for the upcoming year:

- **Sustainability of Funding and Professional Resources:** Ensuring the sustained availability of funding and professional resources essential for the effective regulation of the auditing profession across all facets of the organisation.
- **Transition to Realtime Investigations:** Finalising the clearing of backlog investigations and older disciplinary matters to be in a position to conduct real-time enforcement activities. This includes the full implementation of our enforcement powers, including the imposition of fines.
- **Leveraging the Restoring Confidence Strategy:** Capitalising on the accomplishments of the IRBA's Restoring Confidence strategy, which concentrated on introducing impactful reforms aimed at enhancing auditing practices, fortifying the broader financial reporting and governance ecosystem, and enhancing the regulator's readiness for the future.
- **Promotion of Profession Attractiveness:** Actively promoting the appeal of the profession to students, trainees and candidate auditors, both in terms of recruitment and retention within the profession.

In addition to its role in overseeing the IRBA's operations from a governance standpoint, the Board is firmly committed to working collaboratively with management to drive forward these priorities. Our objective is to ensure the sustained sustainability, credibility, relevance, and public confidence in both the profession and the regulatory body.

The Board, in conjunction with the management team, will initiate the process of formulating the IRBA's new strategy for the period 2026 to 2030. This process will encompass a comprehensive review of the IRBA's mandate, vision, mission, and strategic objectives. Our aim is to entrench the auditing regulator's effectiveness in playing a facilitative role within the South African economy, aligning with our nation's evolving needs and aspirations.

Fulvio Tonelli

Chairperson

CHIEF EXECUTIVE OFFICER'S STATEMENT

The fiscal year 2024/2025 signifies the culmination of the IRBA's current five-year refocused strategy, with anticipation of a year marked by dynamism from a socio-political-economic perspective.

Reflecting upon the preceding two years, I take great satisfaction in our accomplishments. We have diligently pursued our core mandate while actively collaborating with key stakeholders to restore confidence in the auditing profession. These achievements were made possible through the unwavering support and guidance of a stable and robust governance structure, alongside the dedication of our statutory committees, executive team and staff. Our collective efforts have ensured the sustainability and pertinence of the regulator and the profession. We have furthered our commitment to enhancing audit quality and have fostered productive engagements with key stakeholders on various reforms, all aimed at advancing audit quality and addressing gaps within the broader financial reporting and governance ecosystem that affect audit quality.

Despite foreseeing significant socio-political-economic challenges that heighten the risk within the profession's operational landscape, as well as impacting our regulatory capacity and financial stability, we remain steadfast in our determination to fulfil our strategic objectives with focus and adaptability. As we conclude the current five-year strategy, we will concentrate our efforts on the following strategic and operational areas:

- **Standards:** Develop new and revised standards and professional ethics code, including pertinent guidance for registered auditors, tailored to our local requirements.
- **Audit Quality:** Persist in conducting rigorous risk-based inspections at auditing firms and implementing a proactive monitoring approach with firm leadership to enhance audit quality and expedite the sustained remediation of inspection findings.
- **Education:** Ensure the continuous entry and retention of competent individuals within the profession. Additionally, we will implement practical processes based on ACCA's accreditation that will broaden the talent pool and could address skill shortages within firms.
- **Investigations:** Give priority to addressing the backlog of investigations and implement the fines mandated by the Minister.
- **Legal Matters:** Give priority to addressing the backlog of older disciplinary hearings and defend the IRBA against ongoing litigation while pursuing further amendments to our enabling legislation.
- **Promoting the Profession's Appeal:** Maintain our advocacy efforts among young individuals, emphasising the societal and economic significance of auditing. Highlight the intellectually stimulating aspects of advanced technologies and sustainability reporting/assurance as integral elements of a career in auditing.
- **Restoring Confidence:** Close out the Restoring Confidence 2.0 Project and conclude ongoing sub-projects aimed at restoring confidence and incorporate the lessons and outcomes into the core functions of the IRBA, streamlining our efforts and optimising the use of our limited resources.
- **Operations:** Pursue administrative efficiency and compliance, ensuring that our organisation is equipped with the requisite facilities, systems, and support to effectively carry out its functions.

Despite expectations of financial and resource limitations in the coming years, coupled with the need for an expanded scope and coverage, our commitment to innovation and adaptation remains unwavering. Nevertheless, in order to fulfil our mandate as an independent auditing regulator and meet the public's expectations, we recognise the imperative need for adequate resources in the form of sustained funding and professional skills, which will allow us to further strengthen the profession and our role within it.

Finally, as we embark on the forthcoming fiscal year, we will initiate a consultative process aimed at formulating our new five-year strategy spanning from 2026 to 2030. This strategic endeavour will be characterised by a resolute focus on navigating the swiftly evolving landscape filled with disruptive forces. Through a commitment to innovation and thought leadership, we aspire to chart a course that not only responds to these disruptors but also actively shapes the future of our profession. This proactive approach will ensure that the IRBA remains at the forefront of regulatory excellence, adaptability, and forward-thinking throughout the next five-year horizon and beyond.

Imre Nagy

Chief Executive Officer

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the IRBA under the guidance of the Board, and included consultation with staff;
- Considers all the relevant policies, legislation and other mandates for which the IRBA is responsible; and
- Accurately reflects the impact, outcomes and outputs that the IRBA will endeavour to achieve over the 2024/2025 period.

For and on behalf of the IRBA Management

Imre Nagy
Chief Executive Officer

Signature:



For and on behalf of the Board

Fulvio Tonelli
Chairperson

Signature:



Approved by:

Enoch Godongwana
Minister of Finance

Signature:



SIGNED AND DATED

Executive Authority of the IRBA

PART A: OUR MANDATE

1. UPDATES TO THE RELEVANT LEGISLATIVE MANDATES

The IRBA is a statutory body established in terms of the Auditing Profession Act, No. 26 of 2005, as amended (APA), with its primary objective being to protect the investing public. It does this by regulating auditors through setting, monitoring and enforcing high-quality auditing standards and ethical behaviour.

As a Schedule 3A public entity, in terms of the Public Finance Management Act, the regulator supports the state's policy outcomes and the IRBA's Strategic Plan demonstrates how it contributes to selected outcomes. The Strategic Plan is also aligned to the National Development Plan, as the IRBA has an important role to play on the road to government's desired destination.

2. UPDATES TO INSTITUTIONAL STRATEGIES

The strategy addresses the IRBA's mandate with reference to the following two programmes:

- **Programme 1:** The current mandate, which arises from the APA.
- **Programme 2:** The extended mandate, which consists of sub-programmes that are designed to co-ordinate specific interventions to address issues and challenges in the profession in the current economic environment and in response to government's priorities for economic growth. These proposed interventions for 2021-2025 – referred to as our Institutional Responsibility – will allow the IRBA to contribute significant added value to the efforts of government to grow the economy, while also being critical success factors in support of delivering effectively on its own primary mandate.

2.1 Programme 1: Regulation of Auditors – Legislative Mandate

The IRBA was established in terms of Section 3 of the APA, and the objects of the Act, as set out in Section 2, are as follows:

- a) To protect the public in the Republic by regulating audits performed by registered auditors;
- b) To provide for the establishment of an Independent Regulatory Board for Auditors;
- 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 South Africa;
- d) To set out measures to advance the implementation of appropriate standards of competence and good ethics in the auditing profession; and
- e) To provide for procedures for disciplinary action in respect of improper conduct.

2.2 Programme 2: Institutional Responsibility

The strategy is aimed at adequately responding to changes in the market, as outlined in the situational analysis section of this document. The IRBA has a responsibility to respond to the concerns of its many and varied stakeholders, especially those who rely on the auditor's opinion that a company's accounts reflect fairly, as investment decisions are made based on the veracity of these opinions.

3. INTERNAL AND EXTERNAL ENVIRONMENT – RESOURCE CONSTRAINTS

The IRBA has considered its operational requirements, in context of the anticipated budgetary and resource constraints, for the achievement of the annual performance targets and prepared the budget accordingly.

The budget assumptions propose increases to the revenue from IRBA fees and a careful management of expenses in line with National Treasury's cost containment measures, to achieve a breakeven position while still fulfilling the regulator's mandate.

Disciplinary costs represent a significant portion of the expenses. Any additional or unbudgeted disciplinary actions will result in the use of the IRBA's reserves.

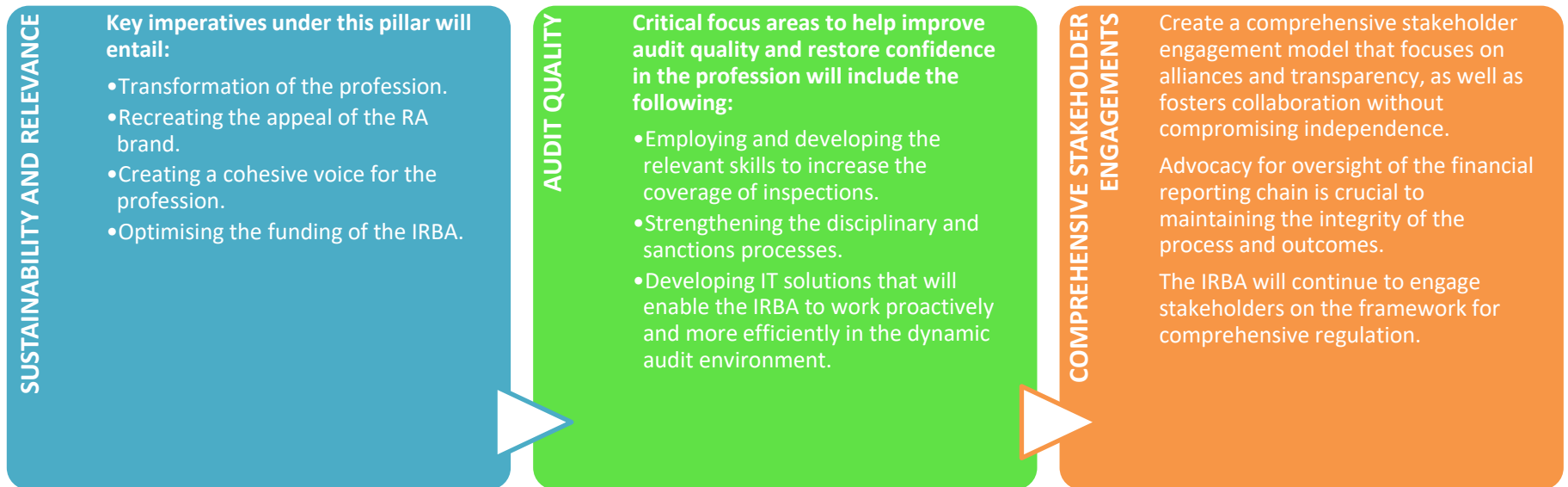
Management has taken the actions listed below to cut costs, while still achieving our strategic objectives:

- All local flights will be booked in economy class and local car rentals have been limited to class A and class B vehicles.
- Local accommodation has been limited to only three- or four-star lodgings.
- Committee meetings are also held on virtual platforms, with fewer in-person meetings scheduled per year, where applicable.
- The Disciplinary Strategy is aimed at using internal IRBA Legal Department resources on certain matters to contain legal costs on external legal counsel. In many disciplinary cases, evidence is prepared and led by lawyers employed by the IRBA. The IRBA also plans to settle disciplinary cases where they can be finalised in a short period of time.
- To give effect to our mandate, international travel will be limited to participating in international bodies whose main purpose is to develop and set auditing standards and to promote the auditing profession, and to cooperate with international regulators in respect of matters relating to audits and auditors.
- To follow a hybrid work approach for staff which allows for a combination between remote working and physical office attendance to reduce travel costs and our carbon footprint.
- Limiting the increase in the staff head count in compliance with the NT cost containment guideline.

PART B: OUR STRATEGIC FOCUS

1. STRATEGIC AREAS

In addition to its legislative mandate, and arising out of the situational analysis, the revised Key Strategic Focus Areas¹ (referred to as our Institutional Responsibility) for 2021-2025 are:



¹ The Key Strategic Focus Areas are as per the approved refocused Five-Year Strategy. Subsequently, the IRBA has implemented various initiatives to improve audit quality in a proactive manner, and this includes adopting the new suite of Quality Management standards.

The IRBA's strategic focus is to protect the financial interests of the public by ensuring that only suitably qualified individuals are admitted to the auditing profession and that registered auditors deliver services of the highest quality and adhere to the highest ethics standards.

2. VISION

To be a preeminent, internationally respected and locally recognised auditing regulator, whose purpose is to protect the public interest and safeguard the integrity of the South African financial markets by creating an enabling environment in which auditors can deliver high-quality audits.

3. MISSION

We endeavour to protect the financial interests of the investing community by creating and enhancing regulatory tools and principles, to empower registered auditors to carry out their duties competently, independently and in good faith.

4. VALUES

As the overall custodian of the auditing profession in South Africa, the IRBA acknowledges the importance of the mandate assigned to it by Parliament, and all its registrants and staff subscribe to the core values highlighted below.

4.1 Independence, Integrity and Objectivity

It is imperative that we are not just independent of the auditing profession in our composition and membership, but also reflect independence in the perception of our key stakeholders through our actions and behaviour. Therefore, it is important that we act with integrity and objectivity in our deliberations, decisions and actions.

4.2 Commitment to Public Interest

We recognise the scope and extent of our mandate in respect of both the public and the profession and undertake to execute and deliver on this mandate with diligence and commitment in terms of our vision.

4.3 Transparency and Accountability

As a public entity in the overall delivery structure of the South African government and a beneficiary of public funds, we promote transparency in our interactions with the relevant stakeholders and we also recognise our accountability to the Parliament of South Africa and the Minister of Finance as our Executive Authority.

5. UPDATED SITUATIONAL ANALYSIS

5(a) Attractiveness of Auditing and the Collective Responsibility

The past few years have been challenging to the profession, as the integrity of the auditors and the value proposition of the audit product have been questioned. The IRBA intends to continue to restore confidence in the profession and assist in moving past these challenges.

Despite all the negativity, students, trainees and RCAs are being approached by the IRBA at universities and through various engagements with key role-players including professional bodies and auditing firms in order to promote the attractiveness of the profession. The IRBA offers a pathway to the auditing profession via the ADP to those who are passionate about the profession. These Registered Candidate Auditors undertake the ADP, with a strong belief that they can make a difference in society and change the status quo. This sentiment is evidenced by the steadily growing number of ADP candidates who sign on each year.

The IRBA has also accredited the Association of Chartered Certified Accountants (ACCA) as a professional body, effective 1 April 2024, offering a pathway to qualified ACCA candidates to meet the requirements of the RA training and registration criteria.

5(b) Audit Quality

With the implementation of the quality management standards – (ISQM 1 and ISQM 2) that became effective in December 2022, IRBA has taken steps to monitor implementation through our inspections work. We have further strengthened the implementation of these standards by issuing during 2023 an IRBA Rule that tailor some of the quality management principles for the South African market. Reviews of other foundational international standards related to audit evidence, fraud and going concern continue, to strengthen audit quality.

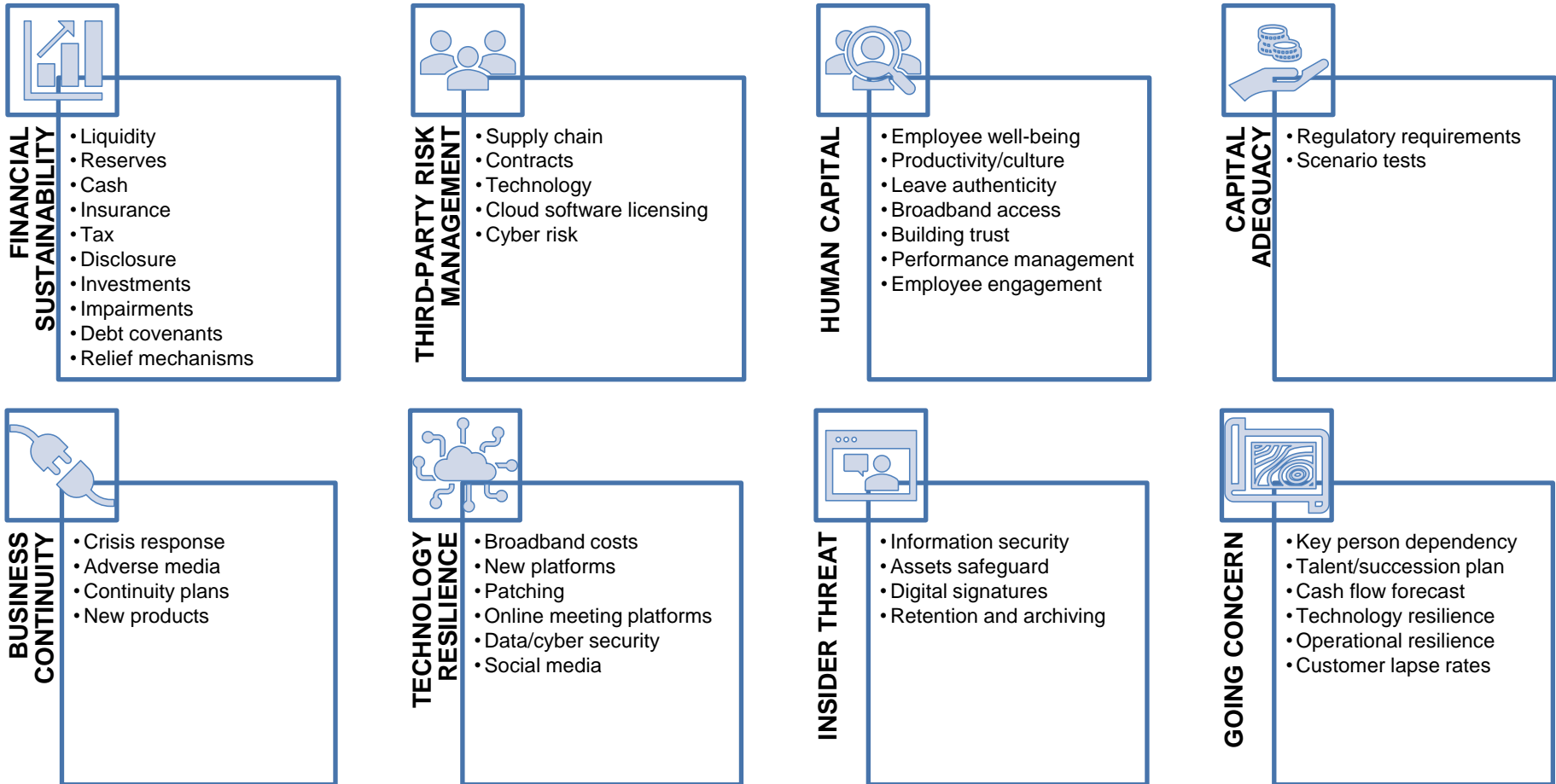
5(c) Gaps in the Financial Reporting and Governance Ecosystem

The financial reporting chain has a number of role-players, and auditors usually join the process only after the financial year-end. By that time, likely transgressions would have already taken place. The IRBA is mandated to investigate such conduct, to determine whether it is due to corporate or auditing failures.

We have therefore identified the following possible gaps: lack of management oversight by those charged with governance, lack of regulation of preparers of financial information, lack of regulation of assurance service providers such as internal auditing and forensic regulators, lack of inclusion of the other financial role-players in a regulatory framework and the need to strengthen and formalise corporate governance.

5(d) Organisational Impact

Largely, from a control environment perspective (which has now expanded physically and virtually), organisations need to strengthen security, compliance, crisis plans, productivity and overall governance oversight. All these aspects have an impact on organisational sustainability and the going concern principle – from revenue to liquidity, capital adequacy, impairments, potential vulnerability of debt covenants, post balance sheet events and succession planning – especially for key persons.



PART C: MEASURING OUR PERFORMANCE

1. BUDGET ALLOCATION

The expense allocation, per strategic focus area (sub-programme), is as follows:

ACCOUNT DESCRIPTION	ACTUAL 2021/22	ACTUAL 2022/23	FORECAST 2023/24	BUDGET 2024/25	BUDGET 2025/26	BUDGET 2026/27
DEPARTMENT: OPERATIONS						
INCOME	48 858 119	52 934 454	58 318 115	53 842 004	56 274 212	58 817 215
STAFF EXPENDITURE	13 238 474	14 869 393	16 825 668	18 320 330	19 449 312	20 505 549
DEPARTMENTAL EXPENDITURE	7 028 166	9 216 281	11 084 251	13 364 177	14 005 658	14 677 930
CENTRAL EXPENDITURE	11 541 531	13 306 844	14 496 542	15 984 356	16 546 481	17 135 582
TOTAL EXPENDITURE	31 808 171	37 392 518	42 406 461	47 668 863	50 001 451	52 319 061
SURPLUS/ (SHORTFALL)	17 049 948	15 541 936	15 911 654	6 173 141	6 272 761	6 498 154
DEPARTMENT: LEGAL						
INCOME	39 463 931	44 695 062	49 184 092	60 009 060	63 841 450	67 919 593
DIRECT COSTS	8 894 729	14 658 464	13 220 473	21 190 812	21 105 861	21 249 742
STAFF EXPENDITURE	13 027 699	16 816 625	16 224 061	16 641 661	17 560 393	18 390 906
DEPARTMENTAL EXPENDITURE	2 067 497	1 908 633	3 866 966	5 054 750	5 297 376	5 551 651
TOTAL EXPENDITURE	23 989 925	33 383 723	33 311 499	42 887 223	43 963 630	45 192 299
SURPLUS/ (SHORTFALL)	15 474 006	11 311 339	15 872 593	17 121 837	19 877 820	22 727 294

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	FORECAST	BUDGET	BUDGET	BUDGET
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27

DEPARTMENT: EDUCATION AND TRANSFORMATION

INCOME	11 789 508	15 394 535	12 053 804	15 732 816	15 884 107	16 042 660
DIRECT COSTS	1 280 143	716 523	974 434	1 488 900	1 560 367	1 635 265
STAFF EXPENDITURE	9 046 440	12 803 114	13 458 165	13 429 710	14 161 424	14 866 630
DEPARTMENTAL EXPENDITURE	748 214	1 519 958	1 465 503	2 464 726	2 583 034	2 707 019
TOTAL EXPENDITURE	11 074 797	15 039 595	15 898 102	17 383 336	18 304 825	19 208 914
SURPLUS/ (SHORTFALL)	714 711	354 940	(3 844 298)	(1 650 520)	(2 420 718)	(3 166 254)

DEPARTMENT: INSPECTIONS

INCOME	57 752 479	68 392 959	74 497 641	79 619 140	83 440 859	87 446 020
STAFF EXPENDITURE	36 331 928	30 285 182	36 150 186	44 607 028	47 374 930	50 149 744
DEPARTMENTAL EXPENDITURE	680 708	628 305	1 525 382	2 636 694	2 763 254	2 895 893
TOTAL EXPENDITURE	37 012 636	30 913 487	37 675 568	47 243 722	50 138 184	53 045 637
SURPLUS/ (SHORTFALL)	20 739 843	37 479 473	36 822 073	32 375 418	33 302 675	34 400 383

DEPARTMENT: INVESTIGATIONS

INCOME	4 777 500	9 181 640	14 510 000	9 020 000	9 452 960	9 906 702
DIRECT COSTS	1 449 574	1 583 412	2 048 000	900 000	943 200	988 474
STAFF EXPENDITURE	18 882 178	23 434 026	23 026 990	24 294 978	25 936 299	27 252 743
DEPARTMENTAL EXPENDITURE	593 624	2 594 182	1 612 932	1 430 333	1 498 988	1 570 940
TOTAL EXPENDITURE	20 925 376	27 611 621	26 687 921	26 625 311	28 378 487	29 812 157
SURPLUS/ (SHORTFALL)	(16 147 876)	(18 429 980)	(12 177 921)	(17 605 311)	(18 925 527)	(19 905 455)

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	FORECAST	BUDGET	BUDGET	BUDGET
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
DEPARTMENT: STANDARDS AND ETHICS						
INCOME	-	(1)	-	-	-	-
STAFF EXPENDITURE	12 101 902	12 498 584	12 806 401	13 284 310	13 770 768	14 746 665
DEPARTMENTAL EXPENDITURE	692 561	600 974	1 046 124	1 865 565	1 955 112	2 048 958
TOTAL EXPENDITURE	12 794 464	13 099 557	13 852 524	15 149 875	15 725 880	16 795 623
SURPLUS/ (SHORTFALL)	(12 794 464)	(13 099 558)	(13 852 524)	(15 149 875)	(15 725 880)	(16 795 623)
DEPARTMENT: EXECUTIVE						
INCOME	-	(1 748)	-	-	-	-
STAFF EXPENDITURE	7 368 316	11 261 014	13 489 307	14 046 020	14 808 624	15 814 623
DEPARTMENTAL EXPENDITURE	658 528	1 067 095	2 768 350	5 598 670	5 874 747	6 164 624
CENTRAL EXPENDITURE	230 000	695 314	540 577	1 620 000	1 697 760	1 779 253
TOTAL EXPENDITURE	8 256 844	13 023 424	16 798 234	21 264 690	22 381 131	23 758 500
SURPLUS/ (SHORTFALL)	(8 256 844)	(13 025 172)	(16 798 234)	(21 264 690)	(22 381 131)	(23 758 500)
TOTAL: IRBA						
GOVERNMENT GRANT	44 609 000	45 684 000	45 857 000	47 421 000	49 545 000	51 765 000
INCOME	118 032 537	144 912 901	162 706 652	170 802 020	179 348 588	188 367 190
DIRECT COSTS	11 624 446	16 958 399	16 242 907	23 579 712	23 609 428	23 873 480
STAFF EXPENDITURE	109 996 938	121 967 938	131 980 777	144 624 037	153 061 750	161 726 860
DEPARTMENTAL EXPENDITURE	12 469 298	17 535 428	23 369 506	32 414 915	33 978 169	35 617 015
CENTRAL EXPENDITURE	11 771 531	14 002 159	15 037 119	17 604 356	18 244 241	18 914 835
TOTAL EXPENDITURE	145 862 213	170 463 923	186 630 309	218 223 020	228 893 588	240 132 190
SURPLUS/ (SHORTFALL)	16 779 324	20 132 978	21 933 343	-	-	-

FINANCIAL POSITION (HISTORICAL AND BUDGETED)

ACCOUNT DESCRIPTION	ACTUAL 2022/23	FORECAST 2023/24	BUDGET 2024/25
ASSETS			
Non-current assets	14 728 869	11 741 694	16 215 273
Property, plant, and equipment	12 760 189	10 107 517	9 379 685
Intangible assets	1 968 680	1 634 177	6 835 588
Non-current Restricted Cash	10 000 000	10 000 000	10 000 000
Current assets	110 316 174	126 262 506	122 585 245
Inventory	231 572	320 987	340 246
Trade receivables	15 277 953	15 992 318	16 951 857
Other receivables	856 533	865 098	917 004
Loans receivable	261 478	340 222	340 222
Restricted Cash	937 972	937 972	937 972
Bank and Cash	92 750 668	107 805 909	103 097 944
Total assets	135 045 043	148 004 201	148 800 518

ACCOUNT DESCRIPTION	ACTUAL 2022/23	FORECAST 2023/24	BUDGET 2024/25
RESERVES AND LIABILITIES			
Funds and reserves	117 557 454	139 507 805	139 507 799
Reserves	37 631 278	37 631 278	37 631 278
Accumulated surplus	79 926 176	101 876 527	101 876 521
LIABILITIES			
Non-current liabilities	3 787 574	3 598 660	3 141 998
Operating lease	3 787 574	3 598 660	3 141 998
Current liabilities	13 700 014	4 897 735	6 150 721
Trade and other payables	13 700 014	4 897 735	6 150 721
Net reserves and liabilities	135 045 043	148 004 201	148 800 518

2. HUMAN CAPITAL REQUIREMENTS

The organisational structure, to support the achievement of the Annual Performance Plan, is indicated below.

DEPARTMENTS	CURRENT	VACANT	REQUIRED	TRANSFERRED	FIXED TERM	TOTAL
CEO/EXECUTIVE	7	0	0	0	1	8
STANDARDS	8	0	0	0	0	8
INVESTIGATIONS	12	1	0	0	0	13
INSPECTIONS	22	5	0	0	0	27
EDUCATION & TRANSFORMATION	10	0	0	0	0	10
LEGAL	12	2	0	0	0	14
CFO/OPERATIONS	19	2	0	0	1	22
TOTAL	90	10	0	0	2	102

PROGRAMME 1

STRATEGIC FOCUS AREA 1: AUDITING AND ETHICS STANDARDS

STRATEGIC OBJECTIVE	Developing and maintaining auditing and ethics standards that are internationally comparable										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Standards and Guidance issued	Issued auditing pronouncements, illustrative audit reports and comment letters.	High-quality audits.	Percentage of target dates met for issuing audit pronouncements, illustrative audit reports and comment letters.	100% of target dates achieved. Target: 10 Actual: 10 Achieved: Yes	Target: 17 Actual: 17 Achieved: Yes (100%)	Target: 6 Actual: 6 Achieved: Yes (100%)	Annual Target: 85% Year to date target: 85% Year to date actual: 100% (7 out of 7) Achieved: Yes (100%). <i><u>Explanation for the deviation:</u></i> <i>Project deliverables have exceeded expectations due to successful project management and public consultation processes.</i>	85% of target dates met	85% of target dates met	85% of target dates met	85% of target dates met

To adopt and/or develop and issue additional guidance on ethical issues, based on the IRBA Code	Issued additional guidance on ethical issues, comment letters and Code amendments.	To provide auditors with a Code that is consistent with international Codes and one that enables the IRBA to take disciplinary action, where necessary.	Percentage of target dates met for issuing additional guidance on ethical issues, comment letters and Code amendments.	100% of target dates achieved Target: 6 Actual: 6 Achieved: Yes	Target: 5 Actual: 5 Achieved: Yes (100%)	Target: 6 Actual: 6 Achieved: Yes (100%)	Annual Target: 85% Year to date target: 85% Year to date actual: 100% (5 out of 5) Achieved: Yes (100%). <i>Explanation for the deviation: No projects were planned to be completed in this quarter.</i>	85% of target dates met	85% of target dates met	85% of target dates met	85% of target dates met
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STRATEGIC FOCUS AREA 2: EDUCATION

STRATEGIC OBJECTIVE	Providing an appropriate framework for the education and training of properly qualified auditors										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
To monitor the environment in which the Audit Development Programme is offered	Monitoring reports.	To ensure that the environment is conducive to the development of audit competence.	The number of monitoring visits completed per annum.	Target: 40 Actual: 44 Achieved: Yes	Target: 42 Actual: 46 Achieved: Yes <i><u>Explanation for the deviation:</u> The actual is above target, due to additional visits performed to finalise Portfolios of Evidence (PoEs) for Recognised Prior Learning candidates who submitted PoEs. It also includes revisits that had to be conducted based on the monitoring intensity outcomes for firms already inspected.</i>	Target: 43 Actual: 46 Achieved: Yes <i><u>Explanation for the deviation:</u> Additional ADP monitoring inspections were conducted for firms with candidates who submitted Portfolios of Evidence to complete the ADP. Also, revisits were conducted for firms with prior high outcomes.</i>	Annual Target: 43 visits Year to date target: 33 Year to date actual: 40 Achieved: Yes	43 visits	43 visits	44 visits	45 visits

STRATEGIC OBJECTIVE	Providing an appropriate framework for the education and training of properly qualified auditors										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
To monitor the programmes and institutional requirements of accredited professional bodies	Monitoring reports.	To ensure compliance with the Accreditation Model.	The number of final monitoring reports to be submitted to the accredited professional body, within 10 working days after the Education and Transformation Committee's (EDCOM) approval.	<p>Target: Final Monitoring Reports (FMRs) submitted within 10 working days of EDCOM's Q3 meeting, which was on 19 November 2020, while the target date was 3 December 2020.</p> <p>Actual: FMRs were submitted to the South African Institute of Chartered Accountants (SAICA) on 3 December 2020.</p> <p>Achieved: Yes</p>	<p>Target: Submit the FMRs to SAICA by 9 December 2021, after EDCOM's approval, which was on 25 November 2021.</p> <p>Actual: FMRs were submitted to SAICA on 8 December 2021.</p> <p>Achieved: Yes</p>	<p>Target: 1</p> <p>Actual: 1</p> <p>Achieved: Yes</p>	<p>Target: 1</p> <p>Actual: 1</p> <p>Achieved: Yes</p>	1 report	2 reports	2 reports	2 reports

STRATEGIC OBJECTIVE	Providing an appropriate framework for the education and training of properly qualified auditors										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
To contribute to the transformation of the profession	IRBA transformation initiatives.	To facilitate the transformation of the RA profession through targeted initiatives aimed at identifying and addressing barriers to transformation.	The number of IRBA transformation initiatives completed per annum.	Target: 6 Actual: 17 Achieved: Yes <i>Explanation for the deviation: Synergies created with the ADP Reloaded projects and greater engagement with transformation stakeholders presented opportunities for additional initiatives.</i>	Target: 8 Actual: 12 Achieved: Yes <i>Explanation for the deviation: The actual is above target, due to additional stakeholder engagements.</i>	Target: 8 Actual: 8 Achieved: Yes	Annual Target: 8 Year to date target: 6 Year to date actual: 6 Achieved: Yes	8	8	8	8

STRATEGIC OBJECTIVE	Providing an appropriate framework for the education and training of properly qualified auditors										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
To monitor the Continuing Professional Development (CPD) compliance of RAs and/or tax practitioners ²	Monitoring reports.	To ensure that RAs and tax practitioners are complying with the CPD Policy.	The number of the CPD monitoring reports analysed per annum.	Target: 2 Actual: 2 Achieved: Yes	Target: 2 Actual: 2 Achieved: Yes	Target: 1 Actual: 1 Achieved: Yes	Annual Target: 1 Year to date target: 1 Year to date actual: 1 Achieved: Yes	1 report	1 report	1 report	1 report

² The IRBA is no longer a Registered Controlling Body (RCB) for tax practitioners effective 1 April 2023. Therefore, the CPD report will not relate to the monitoring of tax practitioner CPD compliance.

STRATEGIC FOCUS AREA 3: INSPECTIONS

STRATEGIC OBJECTIVE	To monitor registered auditors' compliance with professional standards										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Risk-based inspections performed	Inspection reports.	Compliance of firms (including their individually registered auditors) with the auditing and ethics standards.	The number of planned inspections completed per annum.	Target: 128 inspections Actual: 125 inspections performed Achieved: No <i>Explanation for the deviation: The target was based on a pre-COVID-19 scenario. The national lockdown adversely affected the Inspections Department's capacity and timeframes during the first two quarters. It similarly had an adverse impact on the firms' ability to access and submit information, causing delays and the rescheduling of a number of planned inspections.</i>	Target: 121 Actual: 121 Achieved: Yes	Target: 117 Actual: 117 Achieved: Yes	Annual Target: 105 Year to date target: 81 Year to date actual: 81 Achieved: Yes	Annual Target: 105 inspections	109 inspections	109 inspections	109 inspections

STRATEGIC FOCUS AREA 4: INVESTIGATIONS

STRATEGIC OBJECTIVE	To investigate and take appropriate action against registered auditors in respect of improper conduct										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Completed investigations	Closed matters.	Taking appropriate action against registered auditors in respect of improper conduct.	The number of investigations completed per annum.	Target: 91 Actual: 62 Achieved: No <i>Explanation for the deviation: With respect to the plan, 34 matters were completed, 17 were not proceeded with, and 18 matters planned have been tabled before INVESCO and will be completed in the next financial year. The remaining 22 planned matters were not addressed in this financial year, due to insufficient available resources.</i> Furthermore, 28 matters that were not in the plan were also completed in this financial year. Of these, 12 matters were from the previous financial year and were completed in the current year, and there were 16 additional matters allocated and completed in the current year, due to a change in resource allocation.	Target: 64 Actual: 79 Achieved: Yes <i>Explanation for the deviation: We were successful in recruiting additional investigators, which resulted in more investigations being completed than originally planned.</i>	Target: 96 Actual: 96 Achieved: Yes	Annual Target: 96 Year to date target: 72 Year to date actual: 71 Achieved: No <i>Explanation for the deviation: Response awaited from Respondent on matter tabled at Investigating Committee.</i>	96 completed investigations	80 completed investigations	80 completed investigations	80 completed investigations

STRATEGIC FOCUS AREA 5: DISCIPLINARY

STRATEGIC OBJECTIVE	To take appropriate action against registered auditors in respect of improper conduct										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Disciplinary matters referred to the Disciplinary Committee (referred to as matters) scheduled for hearings or finalised	Matters scheduled for disciplinary hearing panel or finalised.	Disciplinary action taken against those charged with improper conduct.	Percentage of planned matters scheduled for hearings or finalised.	<p>Target: Development and adoption of a disciplinary strategy and an implementation plan.</p> <p>Actual: A disciplinary strategy and an implementation plan developed.</p> <p>Achieved: Yes</p>	<p>Target: Disciplinary strategy implemented, in line with the plan.</p> <p>Actual: Disciplinary strategy implemented, in line with the plan.</p> <p>Achieved: Yes³</p>	<p>Target: Disciplinary strategy implemented</p> <p>Actual: 2022/2023 disciplinary strategy implementation plan partially implemented</p> <p>Achieved: No</p> <p><i>Explanation for the deviation: Of the 19 deliverables, one relating to the digitisation of disciplinary processes was not achieved, due to the organisation wide assessment of the "as is" status of current systems to determine suitability for continued use and challenges with procurement requests for a service provider. The project will be rolled over to the 2023/2024 financial year.</i></p>	<p>Annual Target: 85% of planned matters scheduled for hearings, in line with the approved hearing plan or finalised.</p> <p>Year to date target: N/A</p> <p>Year to date actual: 77%</p> <p>Achieved: N/A</p>	85% of planned matters scheduled for hearings, in line with the approved hearing plan or finalised.	85% of planned matters scheduled for hearings, in line with the approved hearing plan or finalised.	85% planned matters scheduled for hearings, in line with the approved hearing plan or finalised.	85% of planned matters scheduled for hearings, in line with the approved hearing plan or finalised.

³ The approved 2021/2022 implementation plan considered the items that were relevant to redefining processes, the capacitation of staff and committee members, compliance with the APA amendments, as well as cost savings. Of the 26 planned deliverables, 25 were successfully delivered, while the remaining one has not been delivered on yet, as the opportunity to do so did not arise in the current financial year. The approved 2022/2023 implementation plan considered items that are relevant to the redefining processes, achieving consistency in disciplinary processes, as well as the continued capacitation of committee members and the management of disciplinary costs.

STRATEGIC FOCUS AREA 6: OPERATIONAL EFFECTIVENESS

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Reports from internal and external audits	Systems, policies and processes that ensure compliance, accountability and sound management of the revenue, expenditure, assets and liabilities.	Financial sustainability to deliver on the mandate.	A clean audit report regarding financial statements, compliance and performance information.	Target: Clean audit report Actual: Clean audit report Achieved: Yes	Target: Clean audit report Actual: Non-compliance finding on Supply Chain Management (SCM) Achieved: No <i>Explanation for the deviation: A material finding was raised on the non-compliance by management to prevent the reoccurrence of irregular expenditure.⁴</i>	Target: Clean audit report for the 2021/2022 financial year-end Actual: Clean audit report for the 2021/2022 financial year-end Achieved: Yes	Annual Target: Clean audit report for the 2022/2023 financial year-end. Year to date target: Clean audit report for the 2022/2023 financial year-end Year to date actual: Clean audit report for the 2022/2023 financial year-end Achieved: Yes	Clean audit report for the 2022/2023 financial year-end	Clean audit report for the 2023/2024 financial year-end	Clean audit report for the 2024/2025 financial year-end	Clean audit report for the 2025/2026 financial year-end

⁴ The findings related to non-compliance with laws and regulation, and the annual financial statements were unqualified.

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Promote transformation through targeted procurement policies	Implementation of the Preferential Procurement Policy Framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of small, medium and micro enterprise (SMME) payments effected within 30 days, in line with National Treasury's procurement strategy.	Target: 97% Actual: 97% Achieved: Yes	Target: 100% Actual: 97.12% Achieved: No <i>Explanation for the deviation: Some invoices were not processed for payment within 30 days, due to a temporary breakdown in workflow management controls. Controls have since been enhanced to ensure a timely processing of payments</i>	Target: 100% Actual: 100% Achieved: Yes	Annual Target: 100%. Year to date target: 100% Year to date actual: 100% Achieved: Yes	100%	100%	100%	100%

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Promote transformation through targeted procurement policies	Implementation of the Preferential Procurement Policy Framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of the spending awarded to SMMEs and small businesses.	Target: 12% Actual: 27% Achieved: Yes <u>Explanation for the deviation:</u> During the year, SCM implemented additional internal efficiencies to source goods and services from SMME service providers.	Target: 14% Actual: 26.05% Achieved: Yes <u>Explanation for the deviation:</u> During the first quarter, SCM implemented additional internal efficiencies to source goods and services from SMME service providers.	Target: 20% Actual: 35% Achieved: Yes <u>Explanation for the deviation:</u> During the first quarter, Supply Chain Management (SCM) implemented additional internal efficiencies to source goods and services from SMME service providers.	Annual Target: 20% Year to date target: 20% Year to date actual: 29% Achieved: Yes	20%	23%	25%	25%

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Promote transformation through targeted employment policies	A transformed workforce.	Transformation of management control, achieved according to the relevant Broad-based Black Economic Empowerment (B-BBEE) codes.	Achievement of the management control score, calculated according to the B-BBEE scorecard. The maximum score attainable is 20.	Target: 16 Actual: 17 Achieved: Yes	Target: 17 Actual: 14.79 Achieved: No <u>Explanation for the deviation:</u> The target was not met, mainly due to the CEO and CFO/Director Operations vacancies. ⁵	Target: 17 Actual: 14.8 Achieved: No <u>Explanation for the deviation:</u> The target was not met due to various vacancies.	Annual Target: 17 Year to date target: 17 Year to date actual: 15.5 Achieved: No <u>Explanation for the deviation:</u> The target was not met due to various vacancies.	17	17	17	17

⁵ The target relates to the management control section of the BEE scorecard, whereby only by appointing employment equity candidates onto the positions of CEO and CFO/Director Operations can it be met.

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks										
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets							
				Audited/Actual Performance			Year to date December 2023	Planned Performance Current Year	MTEF Period		
				2020/2021	2021/2022	2022/2023	2023/2024	2023/2024	2024/2025	2025/2026	2026/2027
Promote transformation through targeted employment policies	Transformed workforce.	Transformation of staff achieved according to the approved Employment Equity Plan.	Achievement of the employment equity target, according to the approved Employment Equity Plan.	<p>Target:</p> <p>73% Black 26% White 1% Other</p> <p>Actual:</p> <p>76% Black 22% White 2% Other</p> <p>Achieved:</p> <p>Yes, as the higher actual is in line with the EE Plan that recommends having more Blacks.</p> <p>Yes, if considering that the EE Plan stipulates that there should be less Whites.</p> <p>No, as the actual is higher than what is the desired target, as further explained below.</p> <p><i>Explanation for the deviation: It has been challenging to identify suitable candidates for certain positions. As such, non-South African candidates were appointed, after an exhaustive process was followed.</i></p>	<p>Target:</p> <p>76% Black 23% White 1% Other</p> <p>Actual:</p> <p>78% 21% 1%</p> <p>Achieved:</p> <p>Yes (Expected outcome is 76% or more)</p> <p>Yes (Expected outcome is 23% or less)</p> <p>Yes</p>	<p>Target:</p> <p>77% (or more) Black 21% (or less) White 2% Other (or less)</p> <p>Actual:</p> <p>77% Black 20% White 3% Other</p> <p>Achieved:</p> <p>Black - Yes White - Yes Other - No</p> <p><i>Explanation for the deviation: The target was not met due to various vacancies.</i></p>	<p>Annual Target:</p> <p>77% (or more) Black 21% (or less) White 2% Other (or less)</p> <p>Year to date target:</p> <p>76% (or more) Black 22% (or less) White 2% Other (or less)</p> <p>Year to date actual:</p> <p>80% Black 18% White 2% Other</p> <p>Achieved:</p> <p>Yes Yes Yes</p>	<p>77% (or more) Black 21% (or less) White 2% Other (or less)</p>	<p>77% (or more) Black 21% (or less) White 2% Other (or less)</p>	<p>77% (or more) Black 21% (or less) White 2% Other (or less)</p>	<p>77% (or more) Black 21% (or less) White 2% Other (or less)</p>

QUARTERLY PERFORMANCE OBJECTIVES FOR 2024/2025

STRATEGIC FOCUS AREA 1: AUDITING AND ETHICS STANDARDS

STRATEGIC OBJECTIVE	To develop and maintain auditing and ethical standards that are internationally comparable						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Standards and Guidance issued	Issued auditing pronouncements, illustrative auditing reports and comment letters.	High-quality audits.	Percentage of target dates met for issuing auditing pronouncements, illustrative auditing reports and comment letters.	85% of target dates met	85% of target dates met	85% of target dates met	85% of target dates met
To adopt and/or develop and issue additional guidance on ethical issues, based on the IRBA Code	Issued additional guidance on ethical issues, comment letters and Code amendments.	To provide auditors with a Code that is consistent with international Codes and one that enables the IRBA to take disciplinary action, where necessary.	Percentage of target dates met for issuing additional guidance on ethical issues, comment letters and Code amendments.	85% of target dates met	85% of target dates met	85% of target dates met	85% of target dates met

STRATEGIC FOCUS AREA 2: EDUCATION

STRATEGIC OBJECTIVE	To provide an appropriate framework for the education and training of properly qualified auditors and to establish processes, so that only competent candidates enter the auditing profession						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
To monitor the environment in which the Auditing Development Programme is offered	Monitoring reports.	To ensure that the environment is conducive to the development of auditing competence.	The number of monitoring visits completed per annum.	11 visits	11 visits	10 visits	11 visits
To monitor the programmes and institutional requirements of accredited professional bodies	Monitoring reports.	To ensure compliance with the Accreditation Model.	The number of Final Monitoring Reports to be submitted to the accredited professional body, within 10 working days after the EDCOM approval.	N/A	N/A	N/A	2 reports submitted within the target date

STRATEGIC OBJECTIVE	To provide an appropriate framework for the education and training of properly qualified auditors and to establish processes, so that only competent candidates enter the auditing profession						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
To contribute to the transformation of the profession	IRBA transformation initiatives.	To facilitate the transformation of the RA profession through targeted initiatives aimed at identifying and addressing barriers to transformation.	The number of IRBA transformation initiatives completed per annum.	2	2	2	2
To monitor the CPD compliance of RAs and tax practitioners ⁶	Monitoring reports.	To ensure that RAs and/or tax practitioners are complying with the CPD Policy.	The number of CPD monitoring reports analysed per annum.	N/A	N/A	1 report	N/A

⁶ The IRBA is no longer a Registered Controlling Body (RCB) for tax practitioners effective 1 April 2023. Therefore, the CPD report will not relate to the monitoring of tax practitioner CPD compliance.

STRATEGIC FOCUS AREA 3: INSPECTIONS

STRATEGIC OBJECTIVE	To monitor registered auditors' compliance with professional standards						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Risk-based inspections performed	Inspection reports.	Compliance of firms (including their individually registered auditors) with the auditing and ethics standards.	The number of planned inspections completed per annum.	21 inspections	32 inspections	28 inspections	28 inspections

STRATEGIC FOCUS AREA 4: INVESTIGATIONS

STRATEGIC OBJECTIVE	To investigate and take appropriate action against registered auditors in respect of improper conduct						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Completed investigations	Closed matters.	Taking appropriate action against registered auditors in respect of improper conduct.	The number of investigations completed per annum.	20 completed investigations	20 completed investigations	20 completed investigations	20 completed investigations

STRATEGIC FOCUS AREA 5: DISCIPLINARY

STRATEGIC OBJECTIVE	To take appropriate action against registered auditors in respect of improper conduct						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Disciplinary matters referred to the Disciplinary Committee (referred to as matters) scheduled for hearings or finalised.	Matters scheduled for disciplinary hearings or finalised.	Disciplinary action taken against those charged with improper conduct.	Percentage of planned matters scheduled for hearings or finalised.	N/A	N/A	N/A	85% of planned matters scheduled for hearings, in line with the approved annual hearing plan or finalised

STRATEGIC FOCUS AREA 6: OPERATIONAL EFFECTIVENESS

STRATEGIC OBJECTIVE	To strengthen the IRBA’s organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Reports from internal and external audits	Systems, policies and processes that ensure compliance, accountability and sound management of the revenue, expenditure, assets and liabilities.	Financial sustainability to deliver on the mandate.	A clean audit report regarding financial statements, compliance and performance information.	N/A	Clean audit report for the 2023/2024 financial year-end	N/A	N/A
Promote transformation through targeted procurement policies	Implementation of the Preferential Procurement Policy Framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of SMME payments effected within 30 days, in line with National Treasury’s procurement strategy.	100%	100%	100%	100%
Promote transformation through targeted procurement policies	Implementation of the Preferential Procurement Policy Framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of the spending awarded to SMMEs and small businesses.	23%	23%	23%	23%

STRATEGIC OBJECTIVE	To strengthen the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically efficient and effective manner, in accordance with the relevant regulatory frameworks						
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
Promote transformation through targeted employment policies	Transformed workforce.	Transformation of management control achieved according to the relevant B-BBEE codes.	Achievement of the management control score, calculated according to the B-BBEE scorecard. The maximum score attainable is 20.	17	17	17	17
Promote transformation through targeted employment policies	Transformed workforce.	Transformation of staff achieved according to the approved Employment Equity Plan.	Achievement of the employment equity target according to the approved Employment Equity Plan.	77% (or more) Black 21% (or less) White 2% Other (or less)	77% (or more) Black 21% (or less) White 2% Other (or less)	77% (or more) Black 21% (or less) White 2% Other (or less)	77% (or more) Black 21% (or less) White 2% Other (or less)

UPDATED KEY RISKS

Outcome	Key Risk	Risk Mitigation
Confidence and trust in the financial markets through high-quality audits and ethical behaviour, which will stimulate economic investment, create employment and protect the public.	Sustainability, relevance and reputation of the IRBA adversely affected by funding constraints.	<ul style="list-style-type: none"> • Develop a value proposition to make the RA designation more attractive.
	Sustainability, relevance and reputation of the IRBA adversely affected by human capital constraints.	<ul style="list-style-type: none"> • Implement a succession plan framework to address staff retention and skills development needs. • Obtain National Treasury’s approval to utilise annually approved retained surpluses.
	Loss of confidence in the profession and the regulator.	<ul style="list-style-type: none"> • Conduct research on transparency reporting by auditing firms. • Update the stakeholder engagement plan, with a positive focus on the value of the auditing profession. • Revise the Competency Framework for registered auditors. • Implement projects under the Restoring Confidence Strategy (RC2.0). • Frequent engagement with accredited professional bodies on the monitoring outcomes. • Complete the assessment of the accreditation application of a second professional body. • Influence positive messaging in the media, as well as branding and marketing actions to increase visibility, among others. • Implement amendments to the APA. • Further enhancements of the risk-based inspections process (Cycle 9 Strategy).

	Reputational damage of the IRBA	<ul style="list-style-type: none"> • Continue positive messaging in the media, branding and marketing actions to increase visibility and public profile. • Further enhancements of the risk-based inspections process (9th Inspections Cycle Strategy). • Update the stakeholder frameworks and plan for 2026-2030 as part of developing the new 5-year strategy. • CEO and relevant directors to continue to engage with key stakeholders with the aim of maintaining confidence in the regulator and the profession. The strategy is to increase awareness, with a broader focus on sustainability and the relevance of the profession as a whole, rather than just on the regulation of the auditing profession (comprehensive stakeholder engagement), to further gain feedback and support on current reforms. • Research and discuss with relevant stakeholders (including NT) the regulation of accountants and its importance in strengthening the financial reporting and governance ecosystem.
	Inability to effectively regulate, due to a lack of responsiveness to new technology.	<ul style="list-style-type: none"> • Developing local standards to ensure consistency in the market regarding the promotion of audit quality. • Identify and plan training needs on new technologies for relevant employees (PDPs and at organisational level).
	Failure to remain relevant with respect to technology (Digital Transformation)	<ul style="list-style-type: none"> • Implement a digital transformation strategy within the organisation and as per the expert's detailed plan adopted. • Proposal on a new ERP System following a bidding process.

PUBLIC ENTITIES

Name of Public Entity	Mandate	Outcomes	Current Annual Budget (R'000)
Independent Regulatory Board for Auditors	To protect investors and the public interest.	Economic stimulation through trust in capital markets and financial reporting.	R218m. (Annual budget for 2024/2025).

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TID)

STANDARDS

INDICATOR TITLE	AUDITING STANDARDS: Percentage of target dates met for issuing auditing pronouncements, illustrative auditing reports and comment letters.
Definition	Standards and Guidance issued. Issued auditing pronouncements, illustrative auditor reports and comment letters.
Source of data	Committee for Auditing Standards (CFAS) Project Timetable.
Method of calculation/assessment	(The number of target dates met for issuing auditing pronouncements, illustrative auditor reports and comment letters, as per the CFAS Project timetable dates / total number of target dates set/planned for issuing auditing pronouncements, illustrative auditor reports and comment letters as per the CFAS project timetable dates) x 100 = %.
Means of verification	Proof of approval of the plan by the CFAS – the CFAS work programme is used as a measure to determine the “completed” documents.
Assumptions	The data stored in the plan is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly
Desired performance	Projects are performed in terms of the plan.
Indicator responsibility	Director Standards

INDICATOR TITLE	AUDITOR ETHICS: Percentage of target dates met for issuing additional guidance on ethical issues, comment letters and Code amendments.
Definition	To adopt and/or develop and issue additional guidance on ethical issues, based on the IRBA Code. Issued additional guidance on ethical issues, comment letters and Code amendments.
Source of data	Committee for Auditor Ethics (CFAE) Project Timetable.
Method of calculation/assessment	(The number of target dates met for issuing guidance on ethical issues, comment letters and Code amendments, as per the CFAE Project timetable / total number of target dates set/planned for issuing guidance on ethical issues, comment letters and code amendments as per the CFAE project timetable) x 100 = %.
Means of verification	Proof of approval of the plan by the CFAE – the CFAE work programme is used as a measure to determine the “completed” documents.
Assumptions	The data stored in the plan is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly
Desired performance	Projects are performed in terms of the plan.
Indicator responsibility	Director Standards

EDUCATION AND TRANSFORMATION

INDICATOR TITLE	AUDITING DEVELOPMENT PROGRAMME: The number of monitoring visits completed per annum.
Definition	To monitor the firm environment in which the ADP is offered.
Source of data	ADP monitoring visit reports and acknowledgement of the monitoring visit letter from the firm.
Method of calculation/assessment	The number of ADP monitoring visit reports is an indication of the number of visits that have been undertaken. The total number of visits approved is indicated in the Auditing Development Committee (ADCOM) minutes. A simple count of the number of ADP monitoring visit reports completed.
Means of verification	Proof of approval of signed-off monitoring visits by the ADCOM; proof of signed-off reports by firms.
Assumptions	The ADP monitoring reports are reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Cumulative (year-end).
Reporting cycle	Quarterly
Desired performance	ADP monitoring visits are performed in terms of the number of monitoring visits approved by the ADCOM.
Indicator responsibility	Director Education and Transformation

INDICATOR TITLE	MONITOR ACCREDITED PROFESSIONAL BODIES: The number of final monitoring reports to be submitted to the accredited professional body, within 10 working days after the Education and Transformation Committee approval.
Definition	The final annual set of monitoring reports includes a report for the institutional requirements and for each of the accredited programmes. These reports are an outcome of the monitoring of the accredited professional body.
Source of data	Final Monitoring Reports submitted by the Monitoring Committee to the EDCOM.
Method of calculation/assessment	A simple count of the Final Monitoring Reports.
Means of verification	Proof of the EDCOM approval of the Final Monitoring Reports, and proof of the email submission to the accredited professional body.
Assumptions	The Final Monitoring Reports are reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Cumulative (year-end)
Reporting cycle	Annual
Desired performance	The number of Final Monitoring Reports to be submitted annually to the accredited professional body after the EDCOM approval.
Indicator responsibility	Director Education and Transformation

INDICATOR TITLE	TRANSFORMATION OF THE PROFESSION: The number of IRBA transformation initiatives completed per annum.
Definition	To facilitate the transformation of the RA profession through targeted initiatives aimed at identifying and addressing barriers to transformation.
Source of data	The transformation reports submitted to the EDCOM.
Method of calculation/assessment	A simple count of the IRBA transformation initiatives completed.
Means of verification	The transformation reports submitted to the EDCOM.
Assumptions	The transformation reports are reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Cumulative (Year-end).
Reporting cycle	Quarterly
Desired performance	Transformation initiatives are conducted to identify and address barriers to transformation.
Indicator responsibility	Director Education and Transformation

INDICATOR TITLE	CONTINUING PROFESSIONAL DEVELOPMENT: The number of the CPD monitoring reports analysed per annum.
Definition	The CPD reports reflect the result of monitoring RAs and/or tax practitioners' compliance with the CPD Policy. (excluding tax practitioners)
Source of data	CPD monitoring reports.
Method of calculation/assessment	A simple count of the analysed CPD monitoring reports.
Means of verification	CPD reports are submitted to the EDCOM.
Assumptions	The CPD reports and data are reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	CPD compliance is monitored annually.
Indicator responsibility	Director Education and Transformation

INSPECTIONS

INDICATOR TITLE	INSPECTIONS: The number of planned inspections completed per annum.
Definition	Risk-based inspections performed.
Source of data	Inspections plan booking schedule.
Method of calculation/assessment	A simple count of the number of actual inspections.
Means of verification	The booking schedule for completed inspections and signed findings reports by the firms.
Assumptions	The data stored in the plan is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Cumulative (year-end).
Reporting cycle	Quarterly
Desired performance	Inspections are performed in terms of the plan.
Indicator responsibility	Director Inspections

INVESTIGATIONS

INDICATOR TITLE	INVESTIGATIONS: The number of investigations completed per annum.
Definition	Conduct investigations into the alleged improper conduct of registered auditors.
Source of data	Minutes of the Enforcement Committee meetings.
Method of calculation/assessment	A count of the number of investigations completed in the period. Completed means either of the following: matter dismissed, or matter referred for a disciplinary hearing, or monetary fine imposed.
Means of verification	The number of investigations completed as per the minutes of the Enforcement Committee meetings relating to the period.
Assumptions	The minutes are reliable.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Cumulative (year-end).
Reporting cycle	Quarterly
Desired performance	The target number of investigations completed per annum is achieved.
Indicator responsibility	Director Investigations

DISCIPLINARY

INDICATOR TITLE	DISCIPLINARY PROCESSES: Percentage of planned matters scheduled for hearings or finalised.
Definition	Disciplinary action taken against those charged with improper conduct, with disciplinary processes concluded swiftly, with costs being managed effectively.
Source of data	<ul style="list-style-type: none"> • The 2024/2025 approved disciplinary hearing plan. • Notices of set down issued in respect of matters scheduled for hearings. • Imposition or withdrawal or dismissal letters in respect of matters finalised.
Method of calculation/assessment	(Number of matters scheduled for hearings, in line with the approved hearing plan or finalised / the number of hearings planned as per the approved hearing plan) x 100 = %.
Means of verification	<ul style="list-style-type: none"> • Approved disciplinary hearing plan. • Notices of set down issued in respect of matters scheduled for hearings. • Imposition or withdrawal or dismissal letters in respect of matters finalised.
Assumptions	The data stored in the annual hearing plan and source documents (issued notices of set down, imposition, withdrawal or dismissal letters) is reliable.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	Disciplinary action taken against those charged with improper conduct and disciplinary processes concluded swiftly, with costs being managed effectively.
Indicator responsibility	Director Legal

OPERATIONS

INDICATOR TITLE	CLEAN AUDIT: A clean audit report regarding financial statements, compliance and performance information.
Definition	A clean audit report regarding financial statements, compliance and performance information.
Source of data	Audited annual financial statements.
Method of calculation/assessment	A simple count of the audit report and a review of an unqualified opinion for the 2023/2024 financial year-end.
Means of verification	A review of the signed audit report.
Assumptions	Internal controls remain effective.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	Clean audit achieved.
Indicator responsibility	CFO/Director Operations

INDICATOR TITLE	TRANSFORMATION RELATING TO PROCUREMENT: Percentage of SMME payments effected within 30 days, in line with National Treasury's procurement strategy.
Definition	Increased procurement and effective payments to promote empowered businesses.
Source of data	Payment reports from the accounting system.
Method of calculation/assessment	$(1 - \text{Value of payments made to SMME service providers before 30 days} / \text{value of total payments made to SMME service providers}) \times 100 = \%$.
Means of verification	Payment reports reviewed and approved by the CFO/Director Operations.
Assumptions	The data stored in the reports is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly
Desired performance	Payments made within 30 days.
Indicator responsibility	CFO/Director Operations

INDICATOR TITLE	TARGETED PROCUREMENT: Percentage of the spending on contracts awarded to SMMEs and small businesses.
Definition	Increased procurement and effective payments to promote empowered businesses.
Source of data	Payment reports from the accounting system.
Method of calculation/assessment	$(\text{Value of payments made to empowered service providers} / \text{total value of payments made}) \times 100 = \%$
Means of verification	Payment reports reviewed and approved by the CFO/Director Operations.
Assumptions	The data stored in the reports is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly
Desired performance	Contracts awarded to SMMEs and small businesses.
Indicator responsibility	CFO/Director Operations

INDICATOR TITLE	TRANSFORMED WORKFORCE B-BBEE CODES: Achievement of the management control score, calculated according to the B-BBEE scorecard. The maximum score attainable is 20.
Definition	Transformation of management control achieved according to the relevant B-BBEE codes and formulas.
Source of data	Sage 300 People reports.
Method of calculation/assessment	Calculation of the management control total in terms of the B-BBEE codes.
Means of verification	Management control report reviewed and approved by the CFO/Director Operations.
Assumptions	The data stored in the report is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative.
Reporting cycle	Quarterly
Desired performance	Promote transformation through targeted employment policies.
Indicator responsibility	CFO/Director Operations

INDICATOR TITLE	TRANSFORMED WORKFORCE – EMPLOYMENT EQUITY: Achievement of the employment equity target according to the approved Employment Equity Plan.
Definition	Transformation of staff achieved according to the approved Employment Equity Plan.
Source of data	HR Employment Equity Reports.
Method of calculation/assessment	Number of each designated group (Black, White, Other) divided by the number of total employees x 100 = %.
Means of verification	Employment equity statistics report reviewed and approved by the CFO/Director Operations.
Assumptions	The data stored in the report is reliable, valid and timely.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Reflect on the contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Calculation type	Non-cumulative.
Reporting cycle	Quarterly
Desired performance	Targets achieved in terms of the employment equity report.
Indicator responsibility	CFO/Director Operations