



ANNUAL PERFORMANCE PLAN

FOR THE 2025/2026 FINANCIAL YEAR

The Independent Regulatory Board for Auditors

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Key Definitions

- **Activities** are processes or actions that use a range of inputs to produce the desired outputs and ultimate outcomes. In essence, activities describe “what we do”.
- **Assumptions** are factors that are accepted as true and expected to happen without proof.
- **Budget programme** refers to a main division within a department’s budget that funds a clearly defined set of objectives, based on the services or functions within that department’s constitutional and legislative mandates. It also constitutes a management unit, established within a department, that is responsible for the delivery of that defined set of services and functions.
- **Budget sub-programme** is a constituent part of a programme that defines the services or activities that contribute to the achievement of the objective(s) of the programme of which it forms a part. Some of the defined services or activities could include key projects identified by a department.
- **Impacts** are changes in conditions; the results of achieving specific outcomes. Essentially, they seek to answer the “what do we aim to change” question.
- **Indicators** are predetermined signals that a specific point in a process has been reached or a result has been achieved. They should include a unit of measurement that specifies what is to be measured, along a scale or dimension, but should not indicate the direction or change. In addition, indicators can be qualitative or quantitative measures. (Refer to the Department of Planning, Monitoring and Evaluation’s Guidelines for Implementation of the Revised Framework for Strategic and Annual Performance Plans for the full list of indicators.)
- **Inputs** are the resources that contribute to the production and delivery of outputs. They are “what we use to do the work” and include finances, personnel, equipment and buildings.
- **Outcomes** are “what we wish to achieve”; they are organisational and behavioural changes in development conditions that occur between the completion of outputs and the achievement of changes in an organisation’s performance. They are the medium-term results for specific beneficiaries that are the consequence of achieving certain outputs.
- **Outputs** may be defined as “what we produce or deliver”. Also, they are the building blocks towards the desired outcomes, and the final products or goods and services produced for delivery.
- **Performance information** includes planning, budgeting, implementation, monitoring, reporting and evaluation elements, which are key to effective management. It indicates how well an organisation performs towards the achievement of its results. This information is vital in enhancing transparency, accountability and oversight.
- **Risks** are a potential, unwanted outcome that will affect the achievement of an organisation’s predetermined results and service delivery.

- **Strategic plans** reflect organisational programmes and projects, which contribute to the achievement of the overall priorities of government and the realisation of an organisation's mandate. They identify the impact and outcomes against which organisations can be measured and evaluated by Parliament, provincial legislatures and the public. Strategic plans span over a five-year planning horizon, after an election year.
- **Targets** are the outcomes an organisation would like to attain; and they must be specific, measurable, achievable, relevant and time-bound (SMART).

List of Abbreviations

ADCOM	Audit Development Committee
ADP	Audit Development Programme
AFIAAR	African Forum of Independent Accounting and Auditing Regulators
AI	Artificial Intelligence
APA	Auditing Profession Act No. 26 of 2005, as amended
CPD	Continuing Professional Development
CFAE	Committee for Auditor Ethics
CFAS	Committee for Auditing Standards
CRAGE	Corporate Reporting and Governance Ecosystem
EDCOM	Education and Transformation Committee
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
FMR	Final Monitoring Report
IAASB	International Auditing and Assurance Standards Board
IESBA	International Ethics Standards Board for Accountants
IFIAR	International Forum of Independent Audit Regulators
IIA (SA)	Institute of Internal Auditors South Africa
IoDSA	Institute of Directors in South Africa
IPAE	International Panel on Accountancy Education
IRBA	Independent Regulatory Board for Auditors
IT	Information Technology
MAFR	Mandatory Audit Firm Rotation
MANCO	Management Committee (IRBA executive management, including the Chief Executive Officer)
PAFA	Pan African Federation of Accountants
PFMA	Public Finance Management Act No. 1 of 1999, as amended
RA	Registered Auditor
SMP	Small and Medium Practice
SWOT	Strengths, Weaknesses, Opportunities and Threats

Statement from the Executive Authority

The reputation of our country hinges on the strength of its regulatory institutions, which are globally recognised for their commitment to transparency and the protection of the public interest. To continue upholding these attributes, institutions such as the Independent Regulatory Board for Auditors (IRBA) play a key role. Therefore, as we move into the 2026-2030 strategic period, the importance of maintaining the sustainability and relevance of the IRBA cannot be overstated. Its role in safeguarding the financial and non-financial interests of the public through the effective regulation of the auditing profession is paramount

In line with the President's vision for a growing and inclusive economy that provides opportunities and livelihoods for all, it is essential to foster a robust and well-regulated accounting and auditing profession. This will not only enhance public trust, but also drive economic growth and development across the nation. By prioritising strong regulatory frameworks, we can ensure that the financial landscape remains secure and equitable for all citizens.

The IRBA's strategy is centred on efficiently and effectively fulfilling its core mandate, while adapting to the evolving regulatory landscape. To maintain its standing as a respected regulator both locally and globally, it is crucial that it initiates and continues with key projects that align and support the identified strategic objectives.


By prioritising these initiatives, the IRBA can enhance its regulatory framework, ensuring it remains relevant and responsive to the needs of the profession and the public. This proactive approach will not only strengthen the auditing profession, but further reinforce public confidence in corporate reporting systems, ultimately contributing to a more stable and trustworthy economic environment.

The path ahead requires that the IRBA remains adaptable, innovative and well capacitated, as it continues to find more innovative ways to fulfil its mandate in an effective manner. I support this Annual Performance Plan and wish the IRBA well in its implementation.

Minister of Finance: Enoch Godongwana

Executive Authority

Signature:



Statement from the Accounting Authority

The IRBA has achieved significant milestones over the past five years in its journey as an organisation that is committed to upholding the highest standards of auditing and regulation in South Africa. As such, the successful implementation of its Strategic Plan for 2026-2030 and the execution of its mandate will continue to ensure that the financial interests of investors are protected, and high-quality audits are delivered. In turn, that will bolster the confidence in and reliance on financial statements, leading to improved investor confidence.

This Annual Performance Plan, therefore, aims to assist the IRBA to deliver on the core mandate and address the new responsibilities identified in its latest strategy. All this must be done in an effective and innovative way that will ensure the sustainability and relevance of the IRBA as a future-fit regulator.

We have adopted an adaptable strategy, with a strong focus on creating an attractive profession. Other focal areas include maintaining impactful collaborative relationships with our stakeholders across the corporate reporting value chain, and strengthening the organisation through the necessary innovation and financial sustainability.

Again, the IRBA is also prioritising risk management, capacity building and good governance to support economic growth and investor confidence, while aligning its strategy with government's broader goals.

The Board is committed to supporting the executive management in implementing this plan, while ensuring that the IRBA continues to uphold its values of integrity, independence, transparency, accountability, competence and innovation.

Fulvio Tonelli
Chairperson

Signature: 

Chief Executive Officer's Overview

It is with great optimism that I present our organisation's first-year Annual Performance Plan in terms of our latest five-year strategy, marking the beginning of a new chapter in our journey. As we reflect on the IRBA's key achievements over the past five years, we recognise the significant strides taken in restoring public confidence in the profession and the regulator. These include the progress made in decisively addressing audit failures, including failures related to state capture, as well as having stabilised our governance and leadership structures. The amendments to the Auditing Profession Act have considerably strengthened our independence and enforcement powers, and introduced new maximum monetary fines. Additionally, our rebranding efforts – around the clarion call of integrity, public interest and audit quality – have been well-received, while our office building has been revamped and rebranded.

In implementing this plan, the emphasis will be on adaptability, technological innovation and close collaboration with our stakeholders, to drive optimal impact in a volatile and rapidly changing landscape. Thus, the initiatives will be linked to the identified key strategic priorities which are fostering a thriving and attractive profession; leveraging impactful collaboration with key stakeholders within the corporate reporting and governance ecosystem; and driving organisational development through innovation.

To ensure the long-term sustainability and relevance of the profession, it is crucial that we retain our registered auditors (RAs) and further transform the profession into one that attracts a diverse range of young talent. Also, the IRBA will continue to engage with National Treasury and other key stakeholders to address weaknesses in the current regulatory framework, including the need for legislation to regulate professional accounting organisations and establish a mandatory reporting framework for sustainability reporting and assurance.

From an organisational development perspective, we will continue investing in our professional capacity by attracting and retaining skilled personnel, while also advancing innovation and technology to ensure we are well-equipped to regulate audit firms effectively in this rapidly evolving landscape. Furthermore, adequate funding and sufficient reserves for legal, enforcement and unforeseen litigation costs, as well as investment in digital transformation, advanced technology tools and learnership support programmes are imperative to pursue our strategic goals.

As we embark on this new journey, I am confident that our collective efforts and unwavering commitment will enable us to achieve our strategic objectives for this year and continue to build public trust in corporate reporting. I extend my heartfelt gratitude to the Board, staff and stakeholders for their invaluable contributions and support. Together, we look forward to this next year with eagerness and dedication, as we continue to serve our stakeholders and fulfil our mandate.

Imre Nagy

Chief Executive Officer

Signature: 

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.
- Considers all the relevant policies, legislation and other mandates for which the IRBA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs that the IRBA will endeavour to achieve over the 2025-2026 period.

Imre Nagy
Chief Executive Officer (on behalf of management)

Signature: 

Fulvio Tonelli
Chairperson (on behalf of the Accounting Authority)

Signature: 

Minister of Finance: Enoch Godongwana
Executive Authority

Signature: 

PART A: OUR MANDATE

1. CONSTITUTIONAL MANDATE

The Independent Regulatory Board for Auditors is guided by the Constitution and laws of South Africa, which ensure that it acts impartially, without fear or prejudice, and in the public interest.

Impact of Independent Regulation

Independent audit regulation has a significant impact on various aspects of the financial ecosystem, as well as on broader economic and societal objectives. Furthermore, it plays a critical role in ensuring the integrity and transparency of corporate reporting, which is essential for the effective functioning of financial markets, the protection of public interest and the promotion of economic growth and stability. Some key impacts include the ones briefly highlighted below.

Enhanced Credibility of Corporate Reporting

- **Trust in Financial Statements and Corporate Reporting:** Independent audit regulation ensures that financial statements and non-financial information are reliable, accurate and free from material misstatement, whether due to fraud or error. These build trust among investors, creditors and other stakeholders.
- **Investor Confidence:** By holding auditors accountable, independent regulation enhances investor confidence in the transparency and integrity of corporate reporting, which is critical for capital markets.

Protection of the Public Interest

- **Safeguarding Stakeholders:** Independent audit regulators work to protect the interests of various stakeholders, including shareholders, employees and the public. This protection is vital in preventing corporate reporting scandals and corporate failures that could have widespread negative consequences.
- **Economic Stability:** By ensuring the reliability of the financial information, independent audit regulation contributes to the overall stability and smooth functioning of the economy.

Strengthening of Corporate Governance

- **Accountability and Oversight:** Independent regulation promotes better corporate governance by ensuring that auditors provide an unbiased assessment of a company's financial health, thus holding management accountable.
- **Reduction of Conflicts of Interest:** Independent oversight reduces the risk of conflicts of interest between auditors and their clients, fostering greater objectivity in audits.

Global Competitiveness and Economic Growth

- **Attraction of Investment:** Countries with robust independent audit regulation are often seen as more attractive to foreign and domestic investors, as they provide assurance that businesses operate within a transparency and accountability framework.
- **Support for Economic Growth:** Reliable financial and non-financial information is essential for making informed business decisions that, in turn, drive economic growth and development.

Professional Standards and Quality

- **Improvement in Audit Quality:** Independent regulators set and enforce high standards for audit and ethical practices, enabling auditors to possess the necessary skills, knowledge and ethical background to perform high-quality audits.
- **Continuous Improvement:** Through regular inspections and the establishment of best practices, independent regulation fosters a culture of continuous improvement within the auditing profession.

Public Trust and Social Value

- **Reinforcement of Ethics Standards:** Independent regulation helps to reinforce ethics standards in the auditing profession, contributing to the overall integrity of the financial ecosystem.
- **Contribution to Social Cohesion:** By ensuring that companies are held accountable, independent audit regulation contributes to a sense of fairness and justice in society, which can strengthen the social compact and cohesion.

Deterrence of Financial Misconduct

- **Reduction of Fraud:** Independent regulation serves as a deterrent against financial fraud and misconduct by increasing the likelihood of detection and the consequences of such improper actions.
- **Legal and Regulatory Compliance:** Independent audit regulators ensure that auditors adhere to legal and regulatory requirements, reducing the risk of non-compliance that could lead to penalties or reputational damage.

Constitutional Principles

The IRBA is committed to fulfilling its constitutional mandate by ensuring its sustainability and relevance, while focusing on RAs' audit quality and ethics. Key principles include:

- ***Effectiveness and Accountability:*** The organisation strives to be effective, transparent and accountable in all its operations.
- ***Respect for Government Functions:*** The IRBA respects the powers and functions of other government entities and avoids encroaching on their mandate.

- ***Collaboration and Co-operation:*** The organisation seeks to collaborate with relevant government departments and institutions, in a spirit of mutual trust and good faith, in safeguarding the public interest.
- ***Consultation and Co-ordination:*** The IRBA informs and consults with other regulators and institutions on matters of common interest and co-ordinates its actions accordingly.
- ***Adherence to Legal Frameworks:*** The organisation complies with the Public Finance Management Act (PFMA) and ensures fair, transparent and cost-effective procurement processes.

All this encapsulates the IRBA's role as an independent regulator that is dedicated to maintaining the integrity and quality of the auditing profession in South Africa, while adhering to constitutional principles and fostering inter-governmental and stakeholder co-operation.

2. LEGISLATIVE AND POLICY MANDATE

The IRBA is a statutory body established in terms of the Auditing Profession Act 26 of 2005, as amended (APA), with its primary objective being to protect the investing public. It does this by qualifying and regulating auditors through setting, monitoring and enforcing high-quality auditing standards and ethical behaviour.

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

The IRBA continues to support the national initiative regarding transformation, in relation to its employment and procurement policies; and it also takes advantage of opportunities to appoint and procure the services of women and people with disabilities.

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

- Programme 1: The *legislative mandate*, which arises from the APA; and
- Programme 2: The *institutional responsibility* programmes that address issues and challenges in the profession, contribute to government's priorities for economic growth and support the delivering of the IRBA's primary mandate.

2.1 Programme 1: Regulation of Auditors – Legislative Mandate

The objects of the Auditing Profession Act, as set out in Section 2, are as follows:

- a) To protect the public in the Republic by regulating audits performed by RAs;
- b) To provide for the establishment of an Independent Regulatory Board for Auditors;
- c) To improve the development and maintenance of internationally comparable ethics standards and auditing standards for auditors that promote investment and consequently 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.

The IRBA's general functions are to promote the integrity of the auditing profession by developing competency requirements for RAs; registering and licensing them; developing ethics and auditing standards for RAs; monitoring their compliance; and, where necessary, undertaking investigations into improper conduct by RAs, conducting disciplinary hearings and imposing sanctions.

The IRBA and National Treasury have worked together to strengthen the regulator's powers by amending the APA, to help it deliver on its mandate in a more effective manner. Consequently, the

Auditing Profession Amendment Act 5 of 2021 became effective on 26 April 2021; and the Minister of Finance, on 6 June 2024, gazetted the notice of maximum fines for RAs found guilty of improper conduct. These sanctions will be implemented during the course of this five-year strategy.

As an independent audit standard setter and regulator, maintaining the IRBA's local and international reputation is critical. Therefore, we will continue to actively participate, influence and benchmark our standard-setting and regulatory activities, to ensure international recognition as an independent audit regulator. Particularly, this will be done through our ongoing engagements with the International Auditing and Assurance Standards Board (IAASB), the International Ethics Standards Board for Accountants (IESBA), the International Panel on Accountancy Education (IPAE) and the International Forum of Independent Audit Regulators (IFIAR). We will also support the activities of the African Forum of Independent Accounting and Auditing Regulators (AFIAAR), the Pan African Federation of Accountants (PAFA), the International Foundation for Ethics and Audit and the global initiatives of the Monitoring Group, to enhance international standard setting.

2.2 Programme 2: Institutional Responsibility

This programme aims to respond to challenges in the profession, including the greater corporate and governance ecosystem in which RAs operate. It focuses on areas that aim to maintain public confidence in the work of RAs and the accountancy profession at large; support an auditing profession that enhances the economic growth of the country; and improve the effectiveness of the regulator.

2.3 Performance Measurement

The performance management and measurement of the above two programmes will be based on a combination of input and output measures.

Programme 1 will be evaluated through output measures that are based on achieving specific targets and ratings in terms of compliance and proxies for audit quality. These output measures are expressed as technical indicator descriptions (see Part D) and are included in this Annual Performance Plan. The performance will be reported to National Treasury.

On the other hand, Programme 2 will primarily be assessed using input measures that track the actions that the IRBA takes to contribute towards achieving its institutional responsibility objectives. These measures aim to ensure that the IRBA follows through on its planned initiatives and actions to enhance the profession's appeal, foster stakeholder collaboration and strengthen its internal capacity and capabilities. Performance against these input measures will be reported internally to the Board.

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

The strategic framework is focused on the three core pillars, as outlined below, that have been identified as essential for promoting high-quality audits through innovation and adaptability.

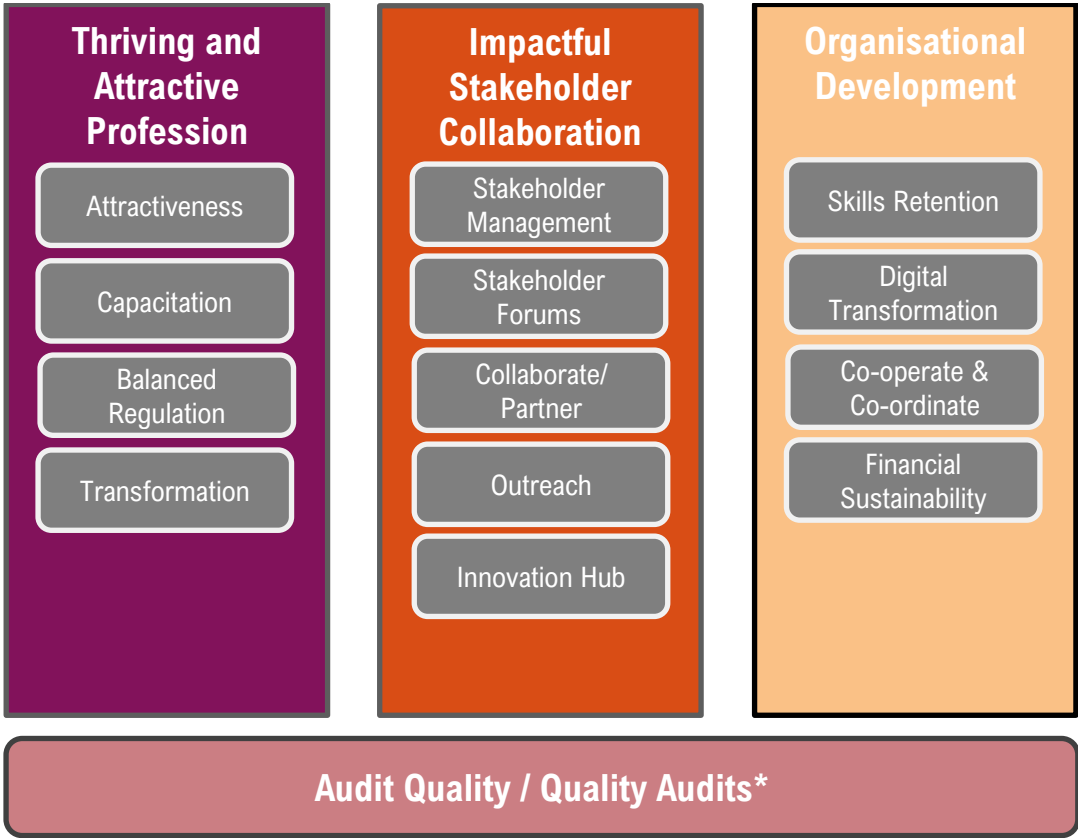


Diagram 1: The core strategic pillars over the five-year planning period.

These pillars collectively support the overarching objective of fostering and upholding **high audit quality and quality audits** across the auditing profession, which is vital for ensuring confidence in the profession and maintaining its overall appeal.

The pillars were developed based on a thorough analysis of the current situation and key strategic issues identified through engagements with the IRBA’s staff, management, Board and various external stakeholders. The situational analysis and key strategic issues are set out in detail in Section 4 of Part B. These strategic issues were prioritised to form the themes grouped under the strategic pillars, as set out in the diagram above. Then, the strategic pillars were translated into a programme of potential activities and initiatives that the IRBA can implement to achieve the desired outcomes related to its institutional responsibility. The sub-programmes and initiatives aligned with the identified pillars are detailed below. These may be adapted to maintain agility and are not exhaustive. Prioritisation will be based on available capacity, resources and potential impact.

* This includes the following elements: Strengthening the Corporate Reporting and Governance Ecosystem (CRAGE); Firm Governance and Culture; Proactive Audit Quality Improvement; and Legislative Amendments.

3.1 Thriving and Attractive Profession

The emphasis of this pillar is on fostering a thriving auditing profession, thereby enhancing the attractiveness and appeal of the profession; promoting adequate capacitation; enforcing effective, balanced (“right-touch”) regulation; and promoting transformation within the profession.

- **Pipeline Strategy:** Research and develop a comprehensive pipeline strategy in co-operation and collaboration with key stakeholders, to help capacitate the profession, by identifying and addressing barriers to the entry, retention and transformation of RAs in South Africa. Even though the IRBA has no direct control over transformation, adopt a strong focus on driving transformation in the profession through collaboration with stakeholders and high-impact initiatives at all levels of the pipeline (consider key partnerships and learnership support initiatives targeted at reducing barriers).
- **Auditor Competency Framework Review:** Conduct a thorough review of the Competency Framework that caters to the evolving needs of the profession.
- **Sustainability and Environmental, Social and Governance (ESG) Assurance Standards:** Advocate for mandated reporting standards and prescribed international assurance and ethics standards in non-financial reporting, emphasising the critical role auditors play in this area. Collaborate closely with the relevant stakeholders to support this initiative.
- **Regulation of Sustainability Reporting:** Advocate for mandatory sustainability reporting and regulation of assurance services.
- **Amendments to the APA:** Conduct a comprehensive review of the APA, focusing on key amendments, such as the Mandatory Audit Firm Rotation (MAFR) rule; removing confidentiality restrictions in relation to inspections; and putting measures in place for the appropriate prescription of fees/levies to fund regulatory activities. Collaborate closely with National Treasury to drive this initiative.
- **Mutual Recognition:** Research the concept of mutual recognition and reciprocity of the RA designation in/from other jurisdictions.
- **International Equivalence:** Explore the mandated need to assess foreign audit oversight regimes for equivalence to that of the IRBA, including bilateral co-operation, given the number of foreign publicly traded entities that are listed on South African stock exchanges. These entities are audited by foreign auditors that currently fall outside of the IRBA’s regulatory mandate.

3.2 Impactful Stakeholder Collaboration

This second pillar centres on building and maintaining confidence with stakeholders through effective stakeholder management; engaging in stakeholder forums; fostering collaboration and partnerships with key stakeholders; conducting outreach initiatives; and creating innovation hubs

to collaborate and support ongoing improvements and impact.

- **Stakeholder Strategy:** Develop and implement an updated stakeholder strategy that emphasises purpose and impact. This should prioritise building and maintaining strong relationships with key stakeholders in the CRAGE; fostering open, visible engagements; as well as collaboration, co-operation and co-ordination without competition.
- **Innovation Hubs:** Create opportunities that bring together internal and external stakeholders to nurture ideas and explore solutions to challenges in the profession, e.g. focused roundtable meetings, partnerships and outreach events.

3.3 Organisational Development

This final pillar focuses on internal innovation, growth and the sustainability of the organisation. Key areas include professional capacitation, as well as retaining and developing skills; embracing digital transformation and technological advancements; enhanced co-operation and co-ordination among departments; and ensuring the financial sustainability of the organisation.

- **Professionalisation and Talent Retention:** Attract and retain competent staff, with a focus on enhancing expertise in technology, ESG and other specialised areas that are crucial for effective regulation.
- **Brand and Marketing Investment:** Strengthen the IRBA brand and increase marketing efforts to enhance visibility and transparency. Promote the IRBA brand and the RA designation.
- **Digital Transformation and Technological Advancements:** Implement a comprehensive digital transformation strategy, to align the IRBA's capabilities with advancements in audit firm technologies and innovations in regulatory technology. This includes internally enhancing data collection and analytics, integrating the information technology (IT) systems and ensuring efficient operations.
- **Departmental Collaboration and Co-ordination:** Better interactions between departments and consistent messaging when engaging external stakeholders.
- **Funding and Capacitation:** Pursue financial sustainability by reviewing the current billing methodology and exploring alternative revenue streams by leveraging additional services within the ambit of the APA. Motivate for the retention of existing reserves, to aid with enforcement, litigation, innovation and learnership support initiatives.
- **International Recognition and Equivalence:** Maintain and enhance international recognition and equivalence, to ensure the continued global credibility of the local auditing profession.

3.4 Audit Quality and Quality Audits

- **Strengthen Regulation:** Advocate for the legislated regulation of accounting services, corporate reporting and sustainability standards.
- **Credibility of the Profession:** Focus on enhancing the credibility of the auditing profession through initiatives that improve and uphold high audit quality and ethics standards.
- **Capacitation and Training:** Increase awareness and provide training initiatives on new pronouncements and ethics standards for all registered candidate auditors (RCAs) and RAs, with a specific focus on specialisation in the relevant sectors/industries as well as on small and medium practices (SMPs).
- **Firm Governance and Culture:** Strengthen firm governance and culture through proactive audit quality improvement initiatives, including considering a firm governance code; transparency reporting; ownership structures of larger firms; and the governance practices of SMPs.
- **Proactive Audit Quality Improvement:** Implement proactive measures to improve audit quality, and have annual direct engagements with the audit committees of publicly traded entities.

4. ALIGNMENT WITH NATIONAL GOVERNMENT PRIORITIES

The IRBA's strategy contributes to the Medium-Term Development Plan (MTDP), which aligns with the goals and objectives of the National Development Plan (NDP): Vision 2030 and the Strategic Priorities of the Government of National Unity (GNU). The NDP Vision 2030 remains national government's long-term plan towards 2030 to address socio-economic challenges in the country, and is also aligned to its international commitments on the continent in terms of Africa Agenda 2063 and the United Nation's Sustainable Development Goals to support sustainable development.

The IRBA's core mandate, which focuses on the regulation of RAs with the objective of ensuring quality audits, together with the three strategic pillars, ensures that the organisation will make a direct contribution to the national government's three strategic priorities. That contribution will be towards the priorities that are relevant to building confidence in the economy; attracting investment and helping to grow the economy and improve opportunities; investing in education and development; building a professionalised capacity; improving co-ordination and implementation by government institutions; as well as growing technology and innovation capabilities. We will help achieve this through an effective organisation that can create a thriving and attractive profession that produces high-quality audits. In turn, that will bolster public and investor confidence in the financial markets, consequently leading to investment, improved economic growth and opportunities. In addition, the IRBA, as an organ of state, will contribute to building a capable and ethical developmental state through all its regulatory activities.

	Audit Quality / Quality Audits	Thriving and Attractive Profession	Impactful Stakeholder Collaboration	Organisational Development	
Strategic Priority 1: Drive inclusive growth and job creation	✓	✓	✓	✓	➔
Strategic Priority 2: Reduce poverty and tackle the high cost of living	✓	✓		✓	➔
Strategic Priority 3: Build a capable, ethical and developmental state	✓	✓	✓	✓	➔

Diagram 2: An alignment of the core strategic pillars with the national government's strategic priorities.

PART B: OUR STRATEGIC FOCUS

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

1. VISION

To be an internationally respected audit regulator of a thriving and trusted auditing profession in South Africa that safeguards the public interest.

2. MISSION

To protect the public interest through collaboration and innovation, as well as empower auditors to perform their duties competently and with integrity.

3. 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 following core values:

- **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. It is, therefore, important that we act with integrity and objectivity in our deliberations, decisions and actions.
- **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 it with diligence and commitment in terms of our vision.
- **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 recognise our accountability to the Parliament of South Africa and the Minister of Finance, as our Executive Authority.
- **Competence and Innovation:** Our own capability and capacity, together with ongoing innovation in how we do things, are essential to meet our mandate and stakeholder expectations.

4. SITUATIONAL ANALYSIS

4.1 Strategic Planning Process

As the previous strategy neared its completion, the organisation focused on developing this new Strategic Plan for 2026-2030, prioritising the concepts of adaptability, innovation and impactful collaboration that will help it effectively navigate a volatile and rapidly changing environment.

The strategic planning process was rooted in a consultative approach, involving a wide range of internal and external stakeholders, to create a comprehensive and forward-looking roadmap. The consultative approach included the steps that are highlighted below.

- **Appointment of Facilitators:** Experts were engaged to facilitate and guide the strategic development process.
- **Internal Survey and Information Gathering:** An IRBA-wide survey was conducted to inform the strategy.
- **Workshops:** Key workshops included those held with the Management Committee (MANCO) and managers within the organisation, to gather insights and align internal leadership.
- **External Stakeholder Engagement:** Input from external stakeholders was obtained to ensure the strategy is comprehensive and aligned with broader industry needs.
- **Board Consultation:** A separate workshop held with the Board served as a critical step in refining the strategy.

This process underscores the IRBA's commitment to a collaborative and informed approach in shaping its future direction.

4.2 Overview of the Current Situation

As the IRBA embarked on developing this strategy, it became essential to address both the challenges and the opportunities that lie ahead; hence, the focus on enhancing adaptability and innovation. By assessing the current state, understanding industry trends and leveraging internal capabilities, the IRBA aims to ensure its financial sustainability, strengthen its brand perception and continue its pivotal role in the global auditing profession.

Current State Assessment

- **Declining Number of RAs:** The number of RAs is decreasing, raising concerns about the profession's future capacity.
- **Financial Sustainability:** Ensuring long-term financial sustainability is a significant requirement for a well capacitated and effective regulator of the profession.
- **Brand Perception:** There is a need to further enhance the IRBA's brand perception and visibility.

Industry Trends and External Factors

- **ESG Reporting:** Environmental, social and governance reporting has become a priority, necessitating the IRBA's active involvement.
- **Global Benchmarking:** The regulator must continue to play a leading role in the auditing profession and benchmark itself internationally.

Internal Capabilities and Resources

- **Resource Constraints:** The effective deployment of the organisation's limited resources is critical to its ability to successfully deliver on its mandate.
- **Digital Transformation:** Embracing digital transformation is crucial for future success and relevance.

Risk Management and Compliance

- **Reputational Risk:** Managing and mitigating reputational risk remains a key focus area.

Long-Term Goals and Objectives

- **Process Streamlining:** Aim to streamline processes to enhance efficiency.
- **Talent Management:** Attracting and retaining qualified staff are crucial focus areas.
- **Positive Brand Perception:** Strengthen the IRBA brand, to maintain a positive image.
- **Industry Regulation:** Ensure the audit industry remains thriving and attractive to stakeholders.

These considerations have informed the development of the strategy, ensuring that it aligns with current challenges and future opportunities.

4.3 Current Key Strategic Issues

The key issues that the Board and MANCO used to guide their thinking in formulating the strategy are as highlighted below.

Priority/Issue	Solutions Considered
Thriving and Attractive Profession	<ul style="list-style-type: none">• Attractiveness of the Auditing Profession: Promote auditing as an attractive career, highlighting the broad exposure and opportunities the profession offers; the social value of audit for the economy and society, e.g. sustainability; and the use of advanced technology.• Professional Capacitation: Promote a pipeline strategy with targeted training, track auditor wellness initiatives and offer specific support for SMPs, while promoting the RA designation.• Balanced Regulation: Focus on the fair regulation of the entire corporate reporting

Priority/Issue	Solutions Considered
	<p>and governance ecosystem.</p> <ul style="list-style-type: none"> • “Right-touch” Regulation: This refers to a regulatory approach that is proportionate, targeted and evidence-based, ensuring that the level of regulatory intervention is appropriate to the risk posed. • Financial Challenges: Engage on the issue of the audit firm’s declining profit margins, due to rising costs and client fee pushback, despite revenue growth in the auditing profession. • Advance Transformation: Collaborate with stakeholders to help drive transformation within the profession, including analysing transformation statistics to identify and address barriers.
Stakeholder Confidence and Engagement	<ul style="list-style-type: none"> • Purposeful Stakeholder Management: Enhance the IRBA’s reputation through visible outreach, transparency and strategic collaborations with local and international stakeholders, including celebrating its 20th anniversary. • Unified Communication: Implement a “one voice” strategy across the organisation, with roadshows and cohesive, co-ordinated messaging, to strengthen internal and external communication. • High-impact Collaboration: Engage in strategic forums and outreach events, to educate and collaborate with stakeholders, contributing to advocacy and regulation discussions. • Transparency: Increase transparency by lifting confidentiality restrictions on firm inspection results. • Innovation: Establish innovation hubs to explore new approaches and technologies in auditing. • Social Value and Social Media: Leverage social media platforms for broader engagement and promote the social value of auditing to stakeholders.
Digitally Transformed IRBA (Innovation and Technology)	<ul style="list-style-type: none"> • Digital Transformation Strategy: Develop a strategy to leverage advanced technology for regulatory functions, including an integrated data strategy, business intelligence and a future-fit Enterprise Resource Planning (ERP) system. • Operational Efficiency: Implement IT tools and systems to streamline the IRBA’s operations, to make processes more efficient and user-friendly for stakeholders. • IT Systems Integration: Integrate the IRBA’s IT systems to manage the information value chain, enabling the tracking of RAs throughout their careers, as well as share compliance and inspection information. • Artificial Intelligence (AI) Tools Implementation: Utilise AI tools for file authentication, business intelligence, data analytics, risk indicators and statistical analysis, to enhance regulatory oversight.

Priority/Issue	Solutions Considered
Quality Audits / Audit Quality	<ul style="list-style-type: none"> • Advocate for the Regulation of the Accounting Profession: Motivate for increased regulation and accountability in accounting services and the corporate reporting and governance ecosystem, to strengthen the value chain, while ensuring proportionate responsibility and accountability across all stakeholders within the corporate reporting ecosystem. • Strengthen Audit Quality: Enhance public trust by driving audit quality improvement initiatives, focusing on firm governance, culture and a proactive engagement with audit firms and audit committees. • Inspection Strategy and Audit Quality: Increase the inspection capacity and maintain transparency in inspection results, to drive better outcomes. • Training and Knowledge Sharing: Promote awareness and correct the application of new standards through training, and continue issuing reports that share lessons learnt and best practices. • Regulatory and Legislative Review: Revise the Auditing Profession Act to address oversight, confidentiality issues and other regulatory aspects, while tackling investigation backlogs and implementing appropriate sanctions for improper conduct by RAs.
Capacity to Deliver (IRBA)	<ul style="list-style-type: none"> • Skills Retention and Attraction: Focus on improving the performance management system, succession planning and motivation through performance rewards and non-financial incentives, while enhancing internal communication and personal development. • Resource Allocation: Prioritise efforts with the highest public interest impact, particularly focusing on areas such as public interest entities. • Stakeholder Collaboration: Leverage partnerships with professional bodies, firms, regulators, academia and investors, to achieve common goals; and consider reviewing statutory committee remuneration. • IT Systems Efficiency: Automate and integrate processes to free up resources, focusing on efficiency improvements across all regulatory and support functions. • Maintain a Clean Audit Status: Continue to uphold a clean audit status as a standard for excellence.
Local and International Recognition/Impact	<ul style="list-style-type: none"> • International Accreditation and Recognition: Maintain the active participation in international bodies – such as the IAASB, IESBA, IPAE and IFIAR – to learn, influence and secure the mutual recognition of the RA designation, while benchmarking against and aligning with global best practices. • Stakeholder Engagement: Enhance visibility and involvement at local, regional and continental levels, particularly in South Africa’s financial reporting and assurance

Priority/Issue	Solutions Considered
	<p>value chain, and promote audit regulation across Africa.</p> <ul style="list-style-type: none"> • Public Education and Awareness: Intensify marketing efforts to educate the public on the IRBA's role and the importance of audits performed by RAs, including the value they add to society and the economy. • Training and Capacity Building: Facilitate departmental master classes and training, to strengthen internal and external skills and capabilities. • Regulatory Ambitions: Advocate for mandatory sustainability reporting and the regulation of assurance services.
Financial Sustainability	<ul style="list-style-type: none"> • APA Review: As part of the comprehensive review of the APA, assess the IRBA's powers to levy fees, considering the recent Supreme Court of Appeal judgment in relation to the regulator's authority to levy fees. • Financial Sustainability: Ensure the IRBA's financial sustainability through it managing its own funds, avoiding reliance on the government grant for future regulatory activities. • Budget Management: Conduct a root cause analysis of fund usage, to address surplus generation and ensure accurate budget management processes. • Service Promotion and Alternative Income Generation: Explore new revenue streams, such as training programmes and audit bootcamps, that maintain the IRBA's independence, while aligning to and promoting its mandate and strategic objectives. • Supplementary Activities: Leverage opportunities to provide additional services, such as inspections for the Auditor-General South Africa, while ensuring these activities align with the IRBA's core mandate and strategy.

4.4 Situational Analysis

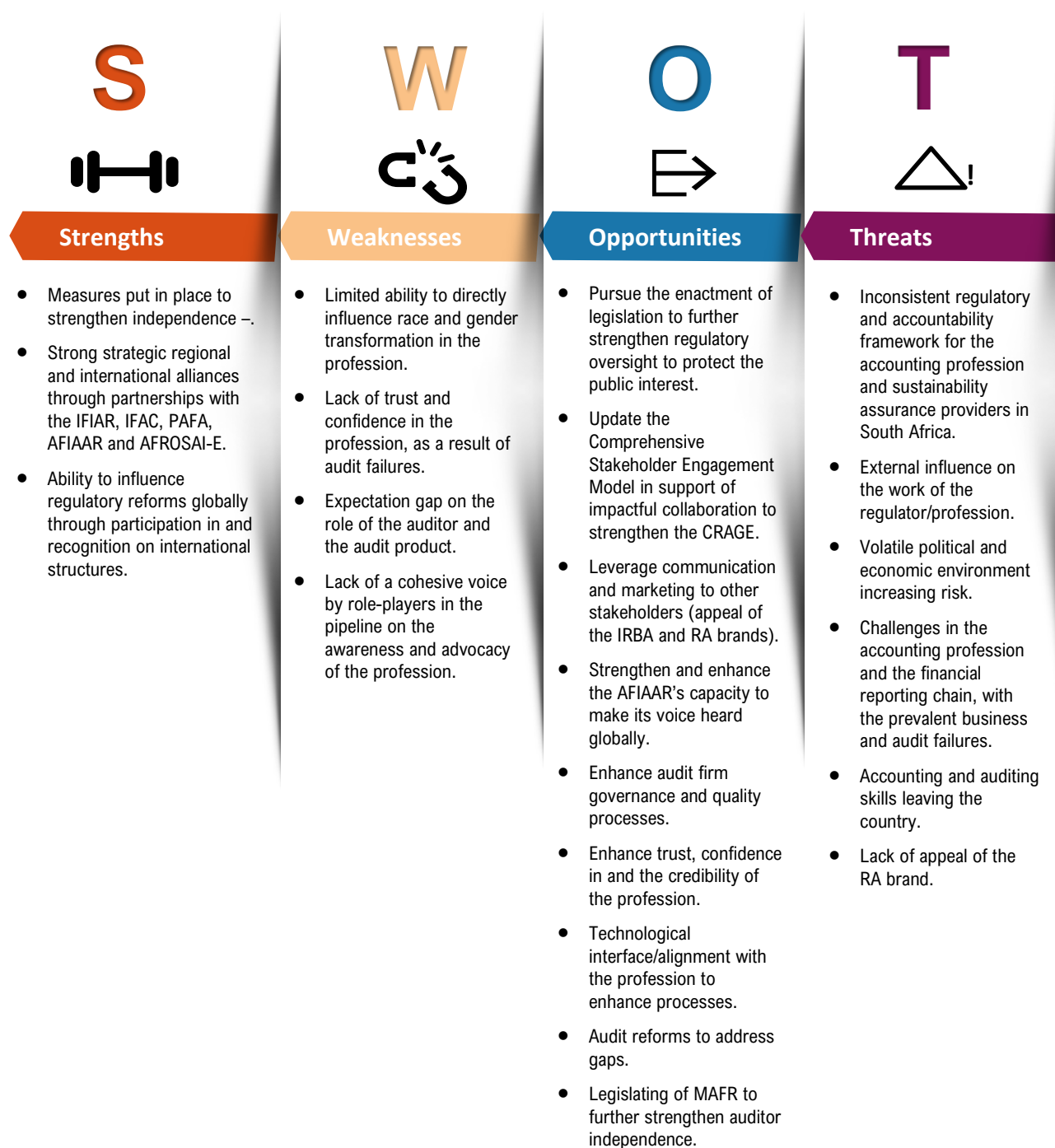
As already highlighted, the detailed situational analysis we conducted revealed several critical insights and risk factors affecting both the IRBA and the broader profession, which were confirmed by our stakeholders. These include socio-political and economic stability; weaknesses in corporate reporting and governance; awareness and marketing of the value of audit; ongoing reputational risks to the profession; the need to strengthen firm governance and culture; the declining number of RAs and loss of audit skills; the lack of attractiveness of the profession; challenges in the training pipeline; transformation of the profession; sustainability reporting trends; internal digital transformation and technology needs; the training needs of SMPs; inconsistent audit quality; transparency; the IRBA's financial sustainability; independence and capacitation of the regulator; mutual recognition of foreign auditors; and equivalence assessments of foreign audit regulators overseeing auditors of foreign publicly traded entities on trading on South African stock exchanges.

There is a growing need for the co-ordinated regulation of diverse role-players in the CRAGE, as well as the regulation of non-auditors that are involved in the process of sustainability assurance.

Technology at audit firms is changing the way in which audits are conducted; as such, the IRBA should also plan to acquire the necessary technology solutions and specialist IT skills.

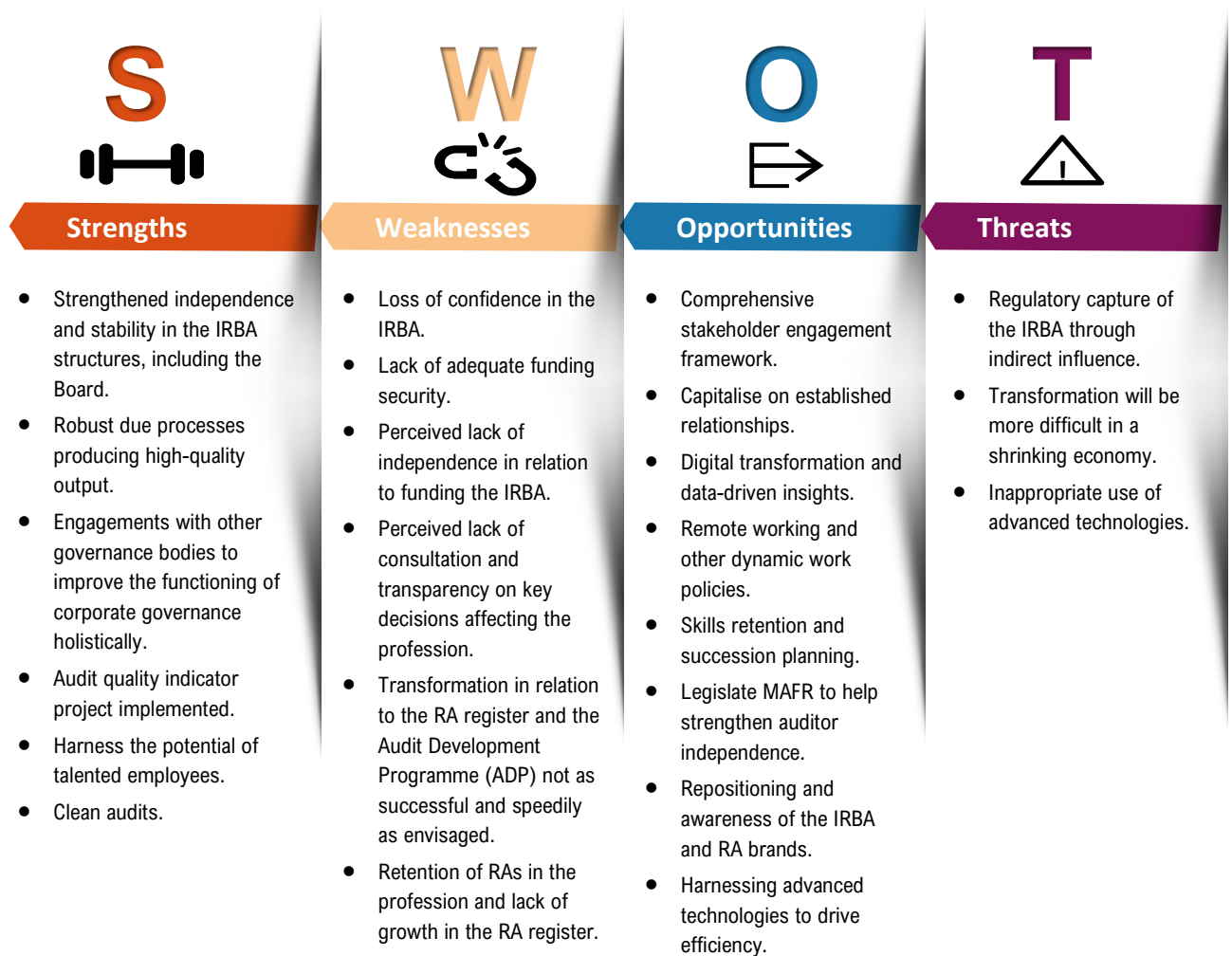
Our external strengths, weaknesses, opportunities and threats (SWOT) analysis in this regard is reflected in the graphic that follows.

External SWOT Analysis



Internal SWOT Analysis

The IRBA also developed a set of strengths, weaknesses, opportunities and threats in relation to its internal environment, as a guide to determining the appropriate strategies to build its capacity and capabilities. It intends to make a direct contribution to building a capable developmental state in South Africa. To do this, it must harness its strengths, make improvements where weaknesses have been identified and respond appropriately to the internal opportunities and threats. The internal SWOT analysis is as presented below.



4.5 Stakeholder Management

The IRBA’s success as a standard setter and regulator is dependent on its ability to engage with and build the confidence of all the stakeholders that are connected to its core mandate. As a starting point, it developed a stakeholder map to guide its efforts towards comprehensive engagement with key stakeholder groupings in developing the strategy.

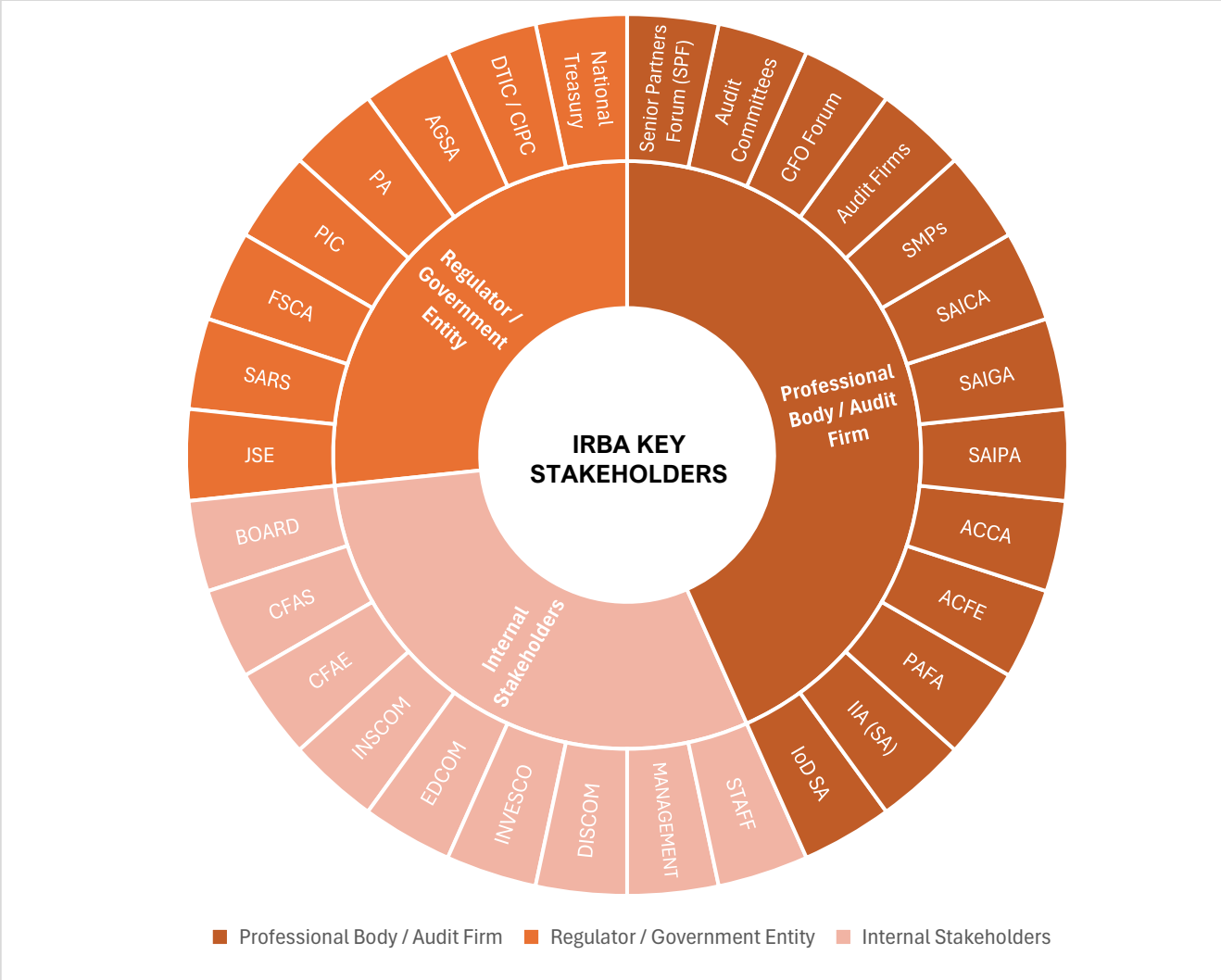


Diagram 3: The IRBA’s key stakeholder groups.

PART C: MEASURING OUR PERFORMANCE

1. ORGANISATIONAL PERFORMANCE INFORMATION

1.1 Measuring the Impact

Impact Statement	Confidence and trust in corporate reporting through high-quality audits and ethical behaviour, which will stimulate economic investment, create employment and protect the public interest.
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1.2 Measuring the Outcomes

STRATEGIC FOCUS AREA 1: EDUCATION AND TRANSFORMATION

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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
To monitor the environment in which the Audit Development Programme (ADP) is offered.	ADP monitoring reports.	Conducive environment to the development of audit competence.	The number of ADP monitoring visits completed per annum.	Target: 42 Actual: 46 Achieved: Yes <i>Explanation for the deviation: The actual is above target, due to additional visits performed to finalise Portfolios of Evidence (PoEs) for the Recognition of Prior Learning (RPL) 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>Explanation for the deviation: Additional ADP monitoring inspections were conducted for firms with candidates who submitted PoEs to complete the ADP. Also, revisits were conducted for firms with prior high outcomes.</i>	Target: 43 visits Actual: 47 visits Achieved: Yes. <i>Explanation for the deviation: Additional monitoring visits were requested, due to the RPL applications.</i>	Annual target: 45 visits Year-to-date target: 33 Year-to-date actual: 33 Achieved: Yes	45 visits	45 visits	45 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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
To monitor the programmes and institutional requirements of accredited professional bodies.	Accredited professional body monitoring reports.	Compliance with the Accreditation Model.	The number of Final Monitoring Reports (FMRs) to be submitted to the accredited professional body, within 10 working days after the Education and Transformation Committee's (EDCOM) approval.	Target: Submit the FMRs to the South African Institute of Chartered Accountants (SAICA) by 9 December 2021, after EDCOM's approval, which was on 25 November 2021. Actual: FMRs were submitted to SAICA on 8 December 2021. Achieved: Yes	Target: 1 Actual: 1 Achieved: Yes	Target: 1 Actual: 1 Achieved: Yes	Annual target: 2 reports submitted within the target date Year-to-date target: N/A Year-to-date actual: N/A Achieved: N/A	2 reports	2 reports	2 reports	2 reports
To contribute to the transformation of the profession.	IRBA transformation initiatives.	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: 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	Target: 8 Actual: 10 Achieved: Yes <i>Explanation for the deviation: There were additional engagement opportunities.</i>	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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
To monitor the Continuing Professional Development (CPD) compliance of RAs.	CPD monitoring reports.	RAs are complying with the CPD Policy.	The number of the CPD monitoring reports analysed per annum.	Target: 2 Actual: 2 Achieved: Yes	Target: 1 Actual: 1 Achieved: Yes	Target: 1 Actual: 1 Achieved: Yes	Annual target: 1 report Year-to-date target: 1 Year-to-date actual: 1 Achieved: Yes	1 report	1 report	1 report	1 report

STRATEGIC FOCUS AREA 2: 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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
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.	Target: 17 Actual: 17 Achieved: Yes (100%)	Target: 6 Actual: 6 Achieved: Yes (100%)	Target: 85% Actual: 100% (11 of 11) Achieved: Yes <i>Explanation for the deviation: No significant delay experienced with international publications, due process and public consultations.</i>	Annual target: 85% Year-to-date target: 85% Year-to-date actual: 100% Achieved: Yes <i>Explanation for the deviation: No unexpected delays in consultations and final votes.</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 ethics standards, based on the IRBA Code.	Issued additional guidance on ethical issues, comment letters and Code amendments.	A prescribed 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.	Target: 5 Actual: 5 Achieved: Yes (100%)	Target: 6 Actual: 6 Achieved: Yes (100%)	Target: 85% Actual: 100% (5 of 5) Achieved: Yes. <i>Explanation for the deviation: No significant delay experienced with international publications, due process and public consultations.</i>	Annual target: 85% Year-to-date target: 85% Year-to-date actual: 100% Achieved: Yes <i>Explanation for the deviation: No unexpected delays in consultations and final votes.</i>	85% of target dates met	85% of target dates met	85% of target dates met	85% of target dates met

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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
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: 121 Actual: 121 Achieved: Yes	Target: 117 Actual: 117 Achieved: Yes	Target: 105 Actual: 105 Achieved: Yes	Annual Target: 109 Year-to-date target: 81 Year-to-date actual: 83 Achieved: No <i>Explanation for the deviation: A combination of additional theme inspections at some bigger firms and an almost fully capacitated team.</i>	Annual target: 109 inspections	111 inspections	111 inspections	111inspections

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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
Completed investigations.	Closed matters.	Take appropriate action against registered auditors in respect of improper conduct.	The number of investigations completed per annum.	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	Target: 96 Actual: 96 Achieved: Yes	Annual target: 80 Year-to-date target: 60 Year-to-date actual: 57 Achieved: No <i>Explanation for the deviation: Timing difference between the tabling of matters at ENCOM following an INVESCO.</i>	80 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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
Disciplinary matters referred to the Disciplinary Committee scheduled for hearings or finalised.	Matters scheduled for the disciplinary hearing panel or finalised.	Errant auditors are disciplined appropriately.	Percentage of planned matters scheduled for hearings or finalised.	Target: Disciplinary strategy implemented, in line with the plan. Actual: Disciplinary strategy implemented, in line with the plan. Achieved: Yes ¹	Target: Disciplinary strategy implemented Actual: 2022/2023 disciplinary strategy implementation plan partially implemented Achieved: No <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 was rolled over to the 2023/2024 financial year.</i>	Target: 85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised. Actual: 94% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised. Achieved: Yes <i>Explanation for the deviation: Most of the respondents admitted guilt to the charges, resulting in the matters being finalised through admission of guilt processes and without the need for hearings, which ordinarily take significantly longer to schedule or finalise.</i>	Annual target: 85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised. Year-to-date target: N/A Year-to-date actual: N/A Achieved: N/A	85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised.	85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised.	85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised.	85% of the planned matters scheduled for hearings, in line with the approved hearing plan, or finalised.

¹ 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 was not delivered, as the opportunity to do so did not arise in that 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			YTD December 2024	Planned Performance Current Year	MTEF Period		
				2021/2022	2022/2023	2023/2024	2024/2025	2024/2025	2025/2026	2026/2027	2027/2028
Report from external audit	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: Non-compliance finding on Supply Chain Management Achieved: No <i>Explanation for the deviation: A material finding was raised on a non-compliance by management to prevent the reoccurrence of irregular expenditure.²</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	Target: Clean audit report for the 2022/2023 financial year-end Actual: Clean audit report for the 2022/2023 financial year-end Achieved: Yes	Annual target: Clean audit report for the 2023/2024 financial year-end. Year-to-date target: Clean audit report for the 2023/2024 financial year-end Year-to-date actual: Clean audit report for the 2023/2024 financial year-end Achieved: Yes	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	Clean audit report for the 2026/2027 financial year-end

² The finding related to non-compliance with laws and regulation, and the annual financial statements were unqualified.

2. QUARTERLY PERFORMANCE OBJECTIVES FOR 2025/2026

STRATEGIC FOCUS AREA 1: EDUCATION AND TRANSFORMATION

STRATEGIC OBJECTIVE		Providing an appropriate framework for the education and training of properly qualified auditors					
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets			
				Q1	Q2	Q3	Q4
To monitor the environment in which the Auditing Development Programme is offered	ADP monitoring reports.	Conducive environment to the development of auditing competence.	The number of ADP monitoring visits completed per annum.	11 visits	11 visits	11 visits	12 visits
To monitor the programmes and institutional requirements of accredited professional bodies	Accredited professional body monitoring reports.	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.	N/A	N/A	N/A	2 reports
To contribute to the transformation of the profession	IRBA transformation initiatives.	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 Continuing Professional Development (CPD) compliance of RAs	CPD Monitoring reports.	RAs are complying with the CPD Policy.	The number of CPD monitoring reports analysed per annum.	N/A	N/A	1 report	N/A

STRATEGIC FOCUS AREA 2: 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			
				Q1	Q2	Q3	Q4
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.	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 ethics standards, based on the IRBA Code	Issued additional guidance on ethical issues, comment letters and Code amendments.	A prescribed 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 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.	28 inspections	33 inspections	30 inspections	20 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.	Take 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 scheduled for hearings or finalised.	Matters scheduled for the disciplinary hearing panel or finalised.	Errant auditors are disciplined appropriately.	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
Report from external audit	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 2024/2025 financial year-end	N/A	N/A

3. KEY RISKS

Risk Name	Root Causes of the Risk	Mitigating Action Plans
Strengthening the IRBA's Organisational Capability, Capacity and Performance – Inability to raise adequate funding	The IRBA faces several financial challenges, including budget cuts resulting in below inflationary increases in the grants received from National Treasury due to economic constraints, uncertainty of reserve retention, stagnant growth in the number of registered auditors, and litigation challenging its authority to levy fees and enforcement outcomes.	<ul style="list-style-type: none"> • Obtain approval from National Treasury to retain surpluses. • Conduct research on the possible monetisation of certain functions within the IRBA, which means creating an external services function. • Revision of the Auditing Profession Act to safeguard the IRBA's funding method. • Review the remuneration and rewards policy and address the lack of or low performance incentives with the Board, in order to compete with private sector remuneration packages and help attract and retain scarce professional skills that are necessary to effectively execute regulatory functions.
Education, Monitoring and Enforcement of Registered Auditors – Reputational damage of the profession	The organisation is challenged by unethical behaviour, lack of auditor independence and increased risks in financial reporting, due to macroeconomic factors; inadequate audit quality; insufficient experience among auditors for complex audits; gaps in the financial reporting and regulatory ecosystem; poor communication; avoidance of accountability by RAs; the declining attractiveness of the profession; and improper use of advanced technology, such as AI, without adequate risk management.	<ul style="list-style-type: none"> • Increased focus/support for small and medium practices, e.g. develop a plan to address the lack of experience and depth among the auditors being appointed to complex audits, and that could entail roadshows and guidelines. • Establish an annual Audit Committee Roundtable and issue guidance to enhance members' understanding of the IRBA's annual Public Inspections Report and the Survey Report: Audit Quality Indicators. • Revise the Competency Framework for registered auditors.
Education, Monitoring and	The IRBA faces challenges because of a lack of	<ul style="list-style-type: none"> • Continue positive messaging in the media, as well as through branding and

Risk Name	Root Causes of the Risk	Mitigating Action Plans
Enforcement of Registered Auditors – Reputational damage of the IRBA	understanding of its mandate; limited regulatory reach on secondary listed company auditors; insufficient stakeholder engagement; declining brand attractiveness and visibility; unintended regulatory consequences; failure to achieve a clean audit; the risk of losing international recognition; and a potential reduction in the number of trainees and registered auditors.	<p>marketing actions to increase visibility and the public profile.</p> <ul style="list-style-type: none"> • Further enhancements to the risk-based inspections process (9th Inspections Cycle Strategy). • Update the stakeholder framework and plan for 2026-2030. • The CEO and the 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 the relevant stakeholders (including National Treasury) the regulation of accountants and its importance in strengthening the financial reporting and governance ecosystem. • Advocate for a mandated ESG reporting framework and assurance. • Upskill the staff on ESG Reporting and assurance. • Conduct research on the exposure of local investors to secondary listed companies on the Johannesburg Stock Exchange audited by foreign auditors that are not regulated by the IRBA. • Revision of the APA to remove the confidentiality of inspection/monitoring reports, to improve compliance through transparency.
Harness Disruptive Technology to Strengthen the Regulatory	The IRBA is challenged by insufficient skills and resources to effectively harness and regulate	<ul style="list-style-type: none"> • Contribute to the development of global standards; and develop local standards, pronouncements and guides to promote audit quality.

Risk Name	Root Causes of the Risk	Mitigating Action Plans
Function	advanced technology; baseline digitisation that hinders leveraging technology; increased access to data; lack of authoritative standards from the IAASB on new technologies; difficulties in keeping up with rapidly evolving technologies, e.g. AI; and the fast-paced development of advanced technology in the auditing industry that may outpace regulatory frameworks.	<ul style="list-style-type: none"> Identify and plan for training needs on new technologies for relevant employees (Professional Development Plans and at the organisational level).
Modernising the IRBA's Technology State	The organisation has faced challenges due to the slow implementation of its digital transformation strategy; delays in adopting the latest ERP technology; failing to embed a culture of effective ERP usage and innovation; and lack of sufficient in-house information and communication technology human resources, resulting in a heavy reliance on contracted vendors.	<ul style="list-style-type: none"> Implement a digital transformation strategy within the organisation and as per the digital transformation implementation plan. Proposal on a new ERP system, following a bidding process.
The Education, Monitoring and Enforcement of Registered Auditors	The IRBA is challenged by the lack of attractiveness of the auditing profession. This is compounded by the lack of brand attractiveness and visible thought leadership (marketing) and balanced communication.	<ul style="list-style-type: none"> Stakeholder engagement for the Strategic Plan to be finalised and implemented. Task team to be formed to develop a strategy for the transformation and growth of the RA pipeline (pipeline strategy). Allocation of a portion of the retained reserves to fund RA pipeline initiatives. Develop a framework/guide for the implementation of maximum fines promulgated by the Minister of Finance.

PART D: TECHNICAL INDICATOR DESCRIPTION

1. EDUCATION AND TRANSFORMATION

INDICATOR TITLE	AUDIT DEVELOPMENT PROGRAMME: The number of ADP 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 letters from the firms.
Method of Calculation/Assessment	<ul style="list-style-type: none"> • The number of ADP monitoring visit reports is an indication of how many visits have been undertaken. • The total number of visits approved is specified in the Audit 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's approval.
Definition	The final annual set of monitoring reports that includes key matters. These reports are an outcome of the monitoring of each 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's approval of the Final Monitoring Reports, and evidence of the email submissions to each 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	Non-cumulative
Reporting Cycle	Annual
Desired Performance	The number of Final Monitoring Reports to be submitted annually to each accredited professional body after the EDCOM's approval.
Indicator Responsibility	Director Education and Transformation

INDICATOR TITLE	TRANSFORMATION OF THE PROFESSION: The number of the IRBA's 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's 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	CPD reports reflect the result of monitoring RAs' compliance with the CPD Policy.
Source of Data	CPD monitoring reports.
Method of Calculation/Assessment	A simple count of the analysed CPD monitoring reports.
Means of Verification	CPD reports submitted to the EDCOM.
Assumptions	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

2. AUDITING AND ETHICS STANDARDS

INDICATOR TITLE	AUDITING STANDARDS: Percentage of target dates met for issuing audit pronouncements, illustrative audit reports and comment letters.
Definition	<ul style="list-style-type: none"> Standards and Guidance issued. Issued auditing pronouncements, illustrative audit 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 audit reports and comment letters, as per the CFAS project timetable dates / total number of target dates set/planned for issuing auditing pronouncements, illustrative audit 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	<ul style="list-style-type: none"> 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

3. 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

4. INVESTIGATIONS

INDICATOR TITLE	INVESTIGATIONS: The number of investigations completed per annum.
Definition	Investigating and taking appropriate action against registered auditors in respect of improper conduct.
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 any of the following outcomes: matter dismissed, 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

5. DISCIPLINARY

INDICATOR TITLE	DISCIPLINARY PROCESSES: Percentage of planned matters scheduled for hearings or finalised.
Definition	Disciplinary action taken against those charged with improper conduct and disciplinary processes concluded swiftly, with costs being managed effectively.
Source of Data	<ul style="list-style-type: none"> • The approved annual disciplinary hearing plan. • Notices of set down issued in respect of matters scheduled for hearings. • Imposition, 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, 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 and 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

6. OPERATIONAL EFFECTIVENESS

INDICATOR TITLE	CLEAN AUDIT: A clean audit report regarding financial statements, compliance and performance information.
Definition	An audit outcome entailing an unqualified audit opinion on the financial statements, and no material findings on performance information and compliance with laws and regulations.
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 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	Chief Financial Officer/Director Operations