irba news
INDEPENDENT REGULATORY BOARD FOR AUDITORS
ISSUE 3
May 2007

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MESSAGE FROM THE CEO

The IRBA turns one...

The IRBA has been in existence for one year, yet it feels like just the other day that we embarked on our journey towards implementing the new Audit legislation. What at the time appeared like major challenges, have now either proved to be just that or new requirements that were surmountable. It is true to say that new legislation needs to be tested, and although certain sections were applied without substantial difficulty, there are other sections which we believe need to be reconsidered in order to streamline some of the processes.

All the committees that were required to be established in terms of the Act, have been duly constituted and have had several meetings. New members brought fresh ideas and views to the table, which was necessary for the legislation to achieve its objectives based on strengthened independence and a vision for the profession that is aligned to the broader goals of our young democracy. The Minister has approved the appointments to the new Board which will become operational from May 2007. I thank the outgoing Board and the National Treasury for supporting me and the directorate through its first year and the transition and look forward to the support from the new members.

Considerable time has been spent to bring policies and procedures in line with the Public Finance Management Act (PFMA), which the IRBA is subject to. Besides the requirements of the PFMA, our own governing legislation has also necessitated increasing our capacity to deliver on the objectives of the Act, and human resources have almost doubled since April 2006. This in turn has required us to consider new premises to accommodate additional resources and to support the infrastructure required to deliver on our mandate. We will keep registered auditors informed of progress in this regard.

The last year has also been spent introducing the IRBA to the public and strategic stakeholders, locally and internationally. These liaisons have already seen our profile being raised in the global arena through increased representation on international committees and boards, thereby reaffirming our commitment to being a world-class regulator.

It is equally important, however, to ensure that our local presence is maintained and the next few months will see the directorate marketing the Registered Auditor brand and continuing its strategy to attract young professionals to the auditing profession. With the completion of the accreditation model to be used to accredit professional institutes, the IRBA is gearing up to consider applications for such accreditation and thereby mobilising young talent into the auditing profession. The first public practice examination also saw record results, not only in terms of the overall pass rate (71 percent) but also in terms of the number of Black candidates, a positive step towards transformation.

We have completed the first round of firm reviews, performed by our Inspections department, and consistent with our policy of transparency and accountability, we published the outcome in the media.

I would like to note my appreciation to staff of the IRBA, both old and new, for their unwavering commitment and support during the period of transition.

I look forward to the next twelve months, and will, undoubtedly, have further achievements to report on at the end of that period.

Kariem Hoosain
CEO

AUDIT TECHNICAL

IAASB RELEASES FOUR NEW INTERNATIONAL STANDARDS ON AUDITING AND AN AMENDED PREFACE

The International Auditing and Assurance Standards Board (IAASB) issued the first four final (ISAs) redrafted as part of its comprehensive program to enhance the clarity of its standards. It has also approved amendments to the Preface to International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services, which establishes the conventions to be used by the IAASB in drafting future ISAs and the obligations of auditors who follow those standards.

New ISAs

The four redrafted ISAs released by the IAASB are:

- ISA 240, The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements;
- ISA 300, Planning an Audit of Financial Statements;
- ISA 315, Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment; and
- ISA 330, The Auditor's Responses to Assessed Risks.

The four redrafted ISAs and the amended Preface were exposed for public comment in October 2005. The IAASB refined its clarity drafting conventions based on the comments received to the exposure drafts and after extensive consultation with interested parties, such as the IAASB's Consultative Advisory Group and national auditing standard setters. In developing these final standards, the IAASB improved the consistency with which the conventions were applied to the ISAs and considered the need for them to be applicable to audits of entities of all sizes.

The four redrafted ISAs have a provisional effective date for audits of financial statements for periods beginning on or after December 15, 2008. While the final common effective date for all redrafted ISAs will be determined as the IAASB's agenda progresses, it will not be earlier than 15 December 2008.

New Preface

The amended Preface contains important statements about the authority of the IAASB's standards. In order to embed these within the ISAs themselves, the IAASB intends to revise ISA 200, Objective and General Principles Governing an Audit of Financial Statements, to incorporate relevant provisions of the amended Preface. When ISA 200 is revised and exposed for public comment in 2007, respondents will be invited to comment on the material derived from the amended Preface in that new context.

IAASB RELEASES TWO EXPOSURE DRAFTS OF PROPOSED ISAS

Proposed ISA 550 (Revised and Redrafted), Related Parties

Proposed ISA 550 (Revised and Redrafted), Related Parties, deals with the auditor's responsibilities regarding related party relationships and transactions when performing an audit of financial statements.

In December 2005, the IAASB published an exposure draft of proposed ISA 550 (Revised and Redrafted). The comment period closed on April 30, 2006. The IAASB concluded that re-exposure of the proposed ISA is necessary because the changes made to the December 2005 exposure draft as a result of the comments are significant and substantive.

The closing date for comments to the IAASB is **30 June 2007**. Comments should reach the CFAS by **15 June 2007**.

Proposed ISA 570 (Redrafted), Going Concern

Proposed ISA 570 (Redrafted) reflects the application of the IAASB's clarity drafting conventions to extant ISA 570, Going Concern.

The closing date for comments to the IAASB is **31 May 2007**. Comments should reach the CFAS by 13 May 2007.

CFAS RELEASES NEW SAAPS ON REPORTING ON DONOR FUNDING

The Committee for Auditing Standards (CFAS) released a new South African Auditing Practice Statement (SAAPS) 5, Reporting on Donor Funding.

The purpose of the SAAPS is to provide guidance to auditors on the application of the IAASB's Engagement Standards when engaged to report on an entity that is a donor, an intermediary or a recipient. The SAAPS also provides guidance to an auditor of an entity that is a donor, an intermediary or a recipient, in respect of the auditor's considerations when engaged to report in terms of an assurance framework other than the IAASB Engagement Standards.

CFAS RELEASES EXPOSURE DRAFT OF PROPOSED REVISED SAAPS ON ILLUSTRATIVE INDEPENDENT AUDITOR'S REPORTS

The Committee for Auditing Standards (CFAS) released for comment a revised SAAPS 3, Illustrative Independent Auditor's Reports. The closing date for comments to the CFAS is **31 August 2007**.

The project to revise SAAPS 3 was initiated towards the end of 2006 as a result of the revisions to the International Standard on Auditing (ISA) 700, The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements, and ISA 701, Modifications to the Independent Auditor's Report, which are effective for auditors' reports dated on or after 31 December 2006. These ISAs, although establishing standards and providing guidance on the form and the content of the independent auditor's report on a complete set of general purpose financial statements, do not necessarily address the legislative and regulatory requirements applicable to the auditor's reporting responsibilities in South Africa.

The scope of the SAAPS is to provide guidance to auditors on the effect of legislative and regulatory requirements on the form and the content of the independent auditor's report issued in South Africa on a complete set of general purpose financial statements, where the financial statements have been prepared in accordance with a financial reporting framework that is designed to meet the common

information needs of a wide range of users (ISA 700). Illustrative reports on a complete set of general purpose financial statements are included in an appendix to the SAAPS.

Illustrative reports on financial statements prepared in accordance with ISA 800, The Independent Auditor's Report on Special Purpose Audit Engagements and ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, are included in Appendix 2 and Appendix 3 of the SAAPS respectively, although no specific guidance in relation to these reports has been provided.

CORPORATE LAW

Corporate Laws Amendment Bill

The finalised Corporate Laws Amendment Bill has been passed by Parliament (i.e. both the National Assembly and the National Council of Provinces). It was signed into legislation during February 2007 with an effective date which is still to be gazetted.

Companies Bill, 2007

The Companies Bill, 2007, was issued for comment in February 2007 with a comment date of 19 March 2007.

The Bill provides for the incorporation, registration, capitalisation, organisation and management of for profit, and not for profit companies; to define the relationships between companies and their respective shareholders or members and directors; to provide for equitable and efficient mergers, amalgamations and takeovers of companies, and for efficient rescue of failing companies; to provide appropriate legal redress for investors and third parties with respect to companies; to establish a Commission and a Takeover Regulation Panel to administer the requirements of the Act with respect to companies, and a Companies Ombud to facilitate alternative dispute resolution and to review decisions of the Commission and the Takeover Regulation Panel, and a Financial Reporting Standards Council to advise on requirements for financial record keeping and reporting by companies; to repeal the Companies Act, 1973 (Act No. 61 of 1973) and provide for the possible future repeal of the Close Corporations Act, 1984 (Act No. 69 of 1984); and to provide for incidental matters.

SUBMISSION OF FINANCIAL STATEMENTS BY UNDERWRITTEN FUNDS

In July 2006 the Financial Services Board (FSB) issued information circular PF 2/2006, granting an extension to all underwritten funds for the submission of 2006 audited financial statements until 31 August 2007. Underwritten funds were still required to submit unaudited 2005 financial statements by 31 August 2006. The FSB agreed that insurers could request individual extensions and provide a schedule indicating when they expected to submit their financial statements electronically and for which funds (per category/type of policies). In order to assist insurers, the FSB agreed that the minimum requirement for the 2005 financial statements would be the information previously reported in the schedule B returns submitted to the FSB. While this is the minimum requirement, compliance with the full requirement is encouraged.

EXCHANGE CONTROL CIRCULAR ISSUED

Exchange Control Circular 13/2006- Auditors' limited assurance report on import and/or export transactions of companies granted exchange control dispensation, was issued at the end of June 2006. The form of the report issued by auditors when reporting to the Exchange Control Department of the South African Reserve Bank on the import and/or export transactions of companies granted exchange control dispensation, in terms of sections B.1(F) and B.18(F) of the Exchange Control Rulings, has been amended in line with the ISAE 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information. The circular is available on the IRBA website www.irba.co.za.

Circular 13/2006 - Medical Schemes Summarised Financial Statements

SAICA Circular 13/2006 has been issued to replace Circular 5/2006 which was issued in March 2006. The circular was developed in consultation with the Council for Medical Schemes (CMS) with the aim of providing guidance on the content of summarised financial statements distributed to members of medical schemes. The following amendments were made to the preface of the circular:

"This circular includes the minimum recommended disclosure for schemes preparing summarised financial statements in terms of their rules as well as items required to be disclosed by the Council for Medical Schemes." Replaced with:

"The model set of rules issued by the Council for Medical Schemes is worded to the effect that together with the notice of the annual general meeting, schemes should send financial statements to their members. Some schemes have amended this rule in the past to say that summarised financial statements will be distributed or that full sets of financial statements will be made available to members either electronically, at walk-in centres or through the post on request. Other schemes simply interpret the model rule to mean that financial statements should be made available by these means.

SAICA's Medical Schemes Project Group supports a practical, cost-effective solution to distributing financial statements to scheme members. Provided that a member is able to receive the full financial statements electronically or in hard-copy on request, then the circular need not be applied to documents sent to medical scheme members. However, if members do not have access to the full set of financial statements any summarised financial information should be prepared following the guidance in the circular."

The Medical Schemes Accounting and Auditing Guide for the Year End 31 December 2005 has been withdrawn from the SAICA website. The guide has been replaced by the Medical Schemes Accounting and Auditing Guide for the Year End 31 December 2006.

WITHDRAWAL OF GUIDANCE ON THE ELECTRONIC SUBMISSION OF FINANCIAL INFORMATION OF RETIREMENT FUNDS

Circular 12/2005 - Guidance on the Electronic Submission of Financial Information of Retirement Funds has been withdrawn. The information in the circular did not align with the process followed in practice by retirement funds and their auditors in submitting electronic information to the Financial Services Board (FSB).

The circular will be updated and reissued once the process has been finalised and the role of the auditor has been clarified by the FSB.

UPDATED CIRCULARS AND GUIDES

The following circulars have been replaced and are no longer effective:

- SAICA Circular 2/2000 – Guidance for Auditors: Auditor's Report to be Submitted to SASRIA Limited (SASRIA). This circular has been replaced by the Report of the Independent Auditors to SASRIA Limited, which is available on the IRBA website: *www.irba.co.za*.

- SAICA Circular 11/2004 – Guidance for Auditors: Reporting in terms of Central Securities Depository (CSD) Rules. This circular has been replaced by Circular 01P/2006 – Guidance for Auditors: Reporting in terms of Central Securities Depository (CSD) Rules and the Securities Services Act, which is available on the IRBA website.

MOTOR INDUSTRY DEVELOPMENT PROGRAMME

The ITAC, in conjunction with the IRBA, issued new audit reports which replace the following:

1. Annexure D5B of Info Doc E/2005 (Audit report in connection with an application for import rebate credit certificate (IRCC) in terms of the motor industry development programme);
2. Annexure E1.2 of Info Doc F/2006 (Audit report in connection with the calculation of foreign currency usage in terms of the motor industry development programme);
3. Annexure F3.2 of Info Doc G/2003 (Audit report in connection with an application for specific percentages in terms of the motor industry development programme); and
4. Annexure B of Info Doc H/2005 (Audit report in connection with an application for the productive asset allowance (PAA) in terms of the motor industry development programme).

These reports are available on the IRBA website. A project to update the ITAC Information Document will commence in 2007.

PRO-FORMA AUDITOR'S REPORTS TO BE SUBMITTED TO THE EXECUTIVE COMMITTEE OF THE JSE LIMITED

The IRBA, the JSE Ltd and the South African Institute of Chartered Accountants have worked together to update the Pro-Forma Auditor's Reports to be submitted to the Executive Committee of the JSE Limited. This is an ongoing process which will result in total harmonisation between the regulatory reporting requirements placed on auditors and the ISAs. The interim revised reports are available on the IRBA website.

REPORTS FOR BLACK ECONOMIC EMPOWERMENT PERFORMANCE ISSUED BY THE FINANCIAL SECTOR CHARTER COUNCIL

The External Verifier's Guidance Notes were issued by the Financial Sector Charter Council (FSCC) on 9 February 2007, to provide guidance on the format in which financial institutions should submit their annual reports to the FSCC on BEE performance for the 2006 reporting year.

Appendix D: 2006 External Verifiers' Declaration for all questions contains templates for the following reports:

Part 1: Verification of Supporting Documentation
Part 2: Verification of Access Supporting Documentation

These reports have been withdrawn with immediate effect and replaced by the following reports, which have been developed in consultation with the IRBA:

Pro-forma Independent Assurance Provider's Report to the Executive Committee of the Financial Sector Charter Council in respect of Black Economic Empowerment Performance for the year ended 31 December 2006;

and

Pro-forma Independent Report to the Executive Committee of the Financial Sector Charter Council in respect of Part 2 – Verification of Access Supporting Documentation for the year ended 31 December 2006.

These reports are available on the FSCC website at *www.fscharter.co.za* as well as the IRBA website at *www.irba.co.za*.

The reports had to be submitted to the FSCC by 31 March 2007.

AUDIT REPORTS RELATING TO REGULATED INDUSTRIES

Audit reports and audit guidance relating to regulated industries are available on the IRBA's website. From the home page follow the links to departments/auditing standards/regulated industries.

ETHICS

REVISIONS TO THE INDEPENDENCE SECTION OF THE CODE OF ETHICS

The International Ethics Standards Board for Accountants has issued an ED that proposes updates designed to strengthen the independence requirements in the Code of Ethics for Professional Accountants. The proposed revisions include expanding the applicability of partner rotation requirements; updating the requirements related to the provision of non-assurance services, including tax services to audit clients; and extending the independence requirements to the audits of a wider range of entities of significant public interest. Comments on the ED were requested by 30 April 2007. The ED may be downloaded at *http://www.ifac.org/EDs*.

INTERNATIONAL CODE OF ETHICS STRENGTHEN GUIDANCE FOR NETWORK FIRMS

An important objective of the International Ethics Standards Board for Accountants (IESBA), is to provide auditors with clear guidance on matters of independence.

Therefore, the IESBA has revised the Code of Ethics for Professional Accountants by updating the definition of a network firm. Network firms are required to be independent

of an audit client of another firm within the network. The revised definition focuses on how networks operate and how they present themselves to third parties. The public has a right to expect that when firms are part of a network the independence requirements apply to the other firms within the network. This revision provides clear guidance for firms and contains additional information on the application of the definition. The revised definition classifies firms as network firms if the firms belong to a larger structure that is aimed at cooperation and is clearly aimed at profit or cost sharing, or shares common ownership, control or management, common quality control policies and procedures, common business strategy, the use of a common brand-name or a significant part of professional resources.

The revised definition is effective for assurance reports dated on or after 31 December 2008.

COMMITTEE RELEASES NEW GUIDANCE TO SUPPORT PROFESSIONAL ACCOUNTANTS IN BUSINESS

IFAC's Professional Accountants in Business (PAIB) Committee has recently issued several new publications to assist professional accountants in business in addressing key issues, including new guidance on internal controls. In addition, the PAIB Committee has released two new information papers on sustainability reporting.

Internal Controls

The PAIB Committee has made internal control a major area of activity within its work program. In August 2006, the committee released a new information paper, Internal Controls – A Review of Current Developments, which highlights global developments in internal control, including key frameworks, recent legislative and other initiatives, and the role of internal control in enhancing corporate governance. The paper finds that current views on internal controls support a principles- and market-based approach in which organisations make a commitment to develop internal control systems that are particular to their own specific internal and external environments. It also identifies the importance of the tone at the top and the culture and ethical framework throughout the organisation to the effective implementation of an internal control system.

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SMEs

NEW IFAC PAPER EXPLORES THE SUITABILITY OF SME ACCOUNTING STANDARD FOR MICRO-ENTITIES

In December 2006, the International Federation of Accountants (IFAC) has released a new information paper that explores the needs of users and preparers of the financial reports of micro-entities. Entitled Micro-Entity Financial Reporting: Perspectives of Preparers and Users, the paper comprises a review of the existing research on the topic, a survey of the legal status of micro-entities in different countries, and the various definitions that exist in different jurisdictions.

The research was prompted by a concern that the International Accounting Standards Board's (IASB) proposed accounting standard for SMEs, International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs), may not be suited to micro-entities, which for the purpose of this study are defined as those with less than ten employees. The IASB's proposed IFRS for SMEs was released as an exposure draft in January 2007.

Key challenges and findings with respect to micro-entities include the following:

- The cost/burden implications of new regulation on the smallest entities;
- The issue of enforcing such regulations;
- The increasing demands of users of micro-entity reports; and
- Issues of literacy and training in some developing countries.

IFAC is considering undertaking further research in this area, in particular, to investigate whether the proposed IFRS for SMEs is likely to meet the needs of users of financial reports of micro-entities. IFAC is also encouraging its member bodies and regional accountancy organisations to respond to the IASB's exposure draft on IFRS for SMEs.

Micro-Entity Financial Reporting: Perspectives of Preparers and Users may be downloaded free-of-charge from the IFAC online bookstore (http://www.ifac.org/store).

MEDIA RELEASE: AUDIT REGULATOR'S FIRST FIRM REVIEW OF BIG FOUR FINDS HIGH RATE OF COMPLIANCE

The Independent Regulatory Board for Auditors' first firm reviews of South Africa's four largest audit firms - Deloitte & Touche, Ernst & Young, KPMG, and PricewaterhouseCoopers - have been completed.

The IRBA is tasked with conducting firm reviews under Section 47 of the new Auditing Profession Act of 2005 . The firm review process is applicable to audit firms whose client base includes audits of listed entities. The firm reviews are performed on a three year cycle. The objectives of the firm review process are to inspect the design and implementation of a firm's quality control system, organised under the following elements: leadership responsibilities, ethical requirements, client acceptance and continuance, human resources, engagement performance and monitoring. Extensive research was conducted by the IRBA on global best practices relating to firm reviews prior to the implementation of this process in South Africa.

The firm reviews identified no significant systemic weaknesses in the overall systems of quality control operated by the Big Four firms. When properly applied these systems should provide reasonable assurance that the firms and their personnel comply with professional standards and regulatory and legal requirements.

However, certain areas have been identified where these systems need to be improved in order to enhance audit quality. A report has been compiled that focuses primarily on areas identified as requiring improvement.

Key recommendations for improvement based on the principal findings of the firm reviews include:

- Internal reviews are performed by the firms on a sample of completed audit engagements. It was found that internal reviews should emphasise the need for audit documentation;
- Pre-issuance reviews are required on public interest entities prior to the signing of the audit opinion. It was found that the documentation of pre-issuance reviews needs to be improved;
- Monitoring of gifts and hospitality is required for independence purposes. It was found that registers to record the provision and receipt of gifts and hospitality to and from clients needs to be addressed;
- In deciding whether to accept a new client or to retain an existing client, firms are required to consider various factors. It was found that reportable irregularities were not being specifically addressed in the documentation on files;
- Firms are required to have capable and competent staff and to this end performance appraisals are an important tool. It was found that performance appraisals of partners and staff need to be prepared timeously and to indicate both development needs and corrective action to be taken;
- Firms are required to have sufficient staff with available time. It was found that training and annual leave was often cancelled by staff due to work pressure;
- In order to ensure completeness and enable monitoring thereof, it was recommended that complaint logging systems be implemented.

For every completed review, the IRBA sends out a private detailed report to the firm setting out both the review findings and comments received from the firm. These final reports are presented anonymously to the IRBA's Inspection Committee, which comprises eight Registered Auditors (RA) currently in practice.

The Committee's review decision will be either:

- satisfactory, meaning review again in the next review cycle; or
- re-review, meaning review in one year's time; or
- referral to the Investigating Committee, meaning disciplinary action by the IRBA.

At the same time that the IRBA conducted the firm reviews, it also conducted engagement reviews on 89 of the partners of these four firms. 67 of these were rated as satisfactory, which means that 22 partners are subject to full scope re-reviews in one year's time. The major reason for these results not being satisfactory relates to non-compliance with the audit standard on documentation. Auditing standards require sufficient and appropriate documentation of audit evidence obtained and for this reason the IRBA does not accept verbal explanations from practitioners on review findings. Non-documentation of audit evidence does not necessarily imply that an inappropriate audit opinion was expressed. While high quality audit work was evident throughout the reviews, it has been disappointing to continue to identify a number of instances where audit engagement files do not comply with the professional standards in relation to documentation.

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QUARTERLY REPORT FROM THE DIRECTOR: LEGAL FOR THE PERIOD 1 JULY 2006 TO 30 SEPTEMBER 2006

Investigating Committee hard at work during the year

INVESTIGATING COMMITTEE

As mentioned in my last report, with effect from 1 April 2006, the disciplinary functions of the Board have been carried out in terms of the Auditing Profession Act; the procedures in terms of this Act are somewhat different to those under the Public Accountants' and Auditors' Act. However, in terms of the transitional procedures, matters that were already before the Investigation and Disciplinary Committees under the old dispensation continue to be finalised in terms of those processes. The majority of matters pending during this period still fell to be finalised in terms of the transitional procedures.

The Investigating Committee met once during this period and disposed of 17 cases, in terms of the old dispensation, as follows:
6 matters were not proceeded with:

- 4 were withdrawn by the complainant;
- In 1 matter the committee was unable to proceed because of an absence of evidence;
- In 1 matter the committee managed to resolve the complainants' issues.

2 cases in terms of Disciplinary Rule 3.9.1 (the accused having given a reasonable explanation for the conduct).

3 cases in terms of Disciplinary Rule 3.9.3 (there being no reasonable prospect of proving the accused guilty).

6 practitioners were found guilty and punished, by consent, and fined as follows:

- 3 related to attorney's trust account audit (R20,000 of which R10,000 was suspended on conditions; R40,000 of which R20,000 was suspended on conditions; R75,000)
- 2 were tax related (R5,000 wholly suspended on conditions; R5,000)
- 1 related to a body corporate (R50,000 of which R25,000 was suspended on conditions).

DISCIPLINARY COMMITTEE

The Disciplinary Committee met four times during this period to hear the following matters

FIRST MATTER

On 15 June 2006 the committee met to hear a matter in which judgement was delivered on 27 July.

The Chairman of the committee, Mr Gihwala, delivered the judgement.

For the sake of good order it is reproduced here in full:

Opsomming

"Die beskuldigde in hierdie aangeleentheid is mnr Andre Louis Pienaar 'n praktiserende rekenmeester en ouditeur wat te alle wesenlike tye as sulks geregistreer was by die professionele orde wat die beroep se belange behartig en bestuur.

Hy is aangekla van onbehoorlike gedrag soos bedoel in reel 2.1.4 van die raad se dissiplinêre reëls deurdat hy oneerlik was met die uitvoering van sy werk of pligte wat op hom berus het in verband met werk van 'n aard wat gewoonlik deur 'n praktiserende rekenmeester en ouditeur gedoen word.

Daar is twee alternatiewe klagtes tot die bovermelde klag:

Die eerste alternatiewe klagte is dat hy skuldig is aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.6 deurdat hy met die doel om 'n belastingbetaler te help om inkomstebelasting, reg, heffing of belasting te ontduik; wetens of roekeloos 'n valse verklaring opgestel of gemaak het of 'n ander persoon gehelp het om dit op te stel of te maak; of 'n valse verklaring in verband daarmee roekeloos, of wetens dat dit vals was, onderteken het; of wetens of roekeloos valse rekeningboeke opgestel of gehou het.

Die tweede alternatiewe klagte is dat hy skuldig is aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21, deurdat hy hom op 'n wyse gedra het wat onbehoorlike of oneerbare of onprofessionele of onwaardige gedrag is vir 'n geregistreerde rekenmeester en ouditeur of wat die beroep tot oneer kon gestrek het, of wat tot die diskrediet van die beroep kon gelei het.

Die kern feite waarop die klagtes teen die beskuldigde rus, is dat hy sekere belastingopgawes van sy klient, die belastingbetaler, voltooi het sonder enige of behoorlike evaluasie van die inligting wat in die opgawe verskyn het; dat hy bewus was of moes gewees het dat die inligting foutief en/of vals was toe die opgawe voltooi is en dat hy 'n ooreenkoms met 'n amptenaar in diens van die SAID aangegaan het waarvolgens die amptenaar die belastingopgawe van die belastingbetaler (sy klient) sou belas sonder navraag. Alternatiewelik reëlings sou tref dat dit sonder navraag belas sou word in ruil waarvoor die beskuldigde die amptenaar, wie reelings getref het vir die uitreiking van 'n onjuiste belastingberekening deur die SAID, R10 000.00 (tien duisend rand) in kontant betaal het.

Die beskuldigde is deur Adv [B] verteenwoordig wie behoorlik in skrif gemagtig is om so te doen.

Die pro forma aanklaer is Adv [S]. Dit is wenslik om te noem dat, by aangeleenthede soos hierdie, die verrigtinge gewoonlik begin word deur die voorsittende beampte wie dit duidelik noem dat die verrigtinge 'n dissiplinêre verhoor is ingevolge die reëls van die raad. Daarna word lede van die kommittee voorgestel. Die verskillende verteenwoordigers word ook voorgestel en waar die beskuldigde verteenwoordig is moet sy geskrewe magtiging ingehandig word. Dit is selde dat dit onmiddellik gebeur. Nietemin, die geskrewe magtiging word gedurende die loop van verrigtinge ingehandig.

Die voorsittende beampte lees dan die klagstaat aan die beskuldige wie op die klagtes pleit soos aan hom gestel. Waar die beskuldigde verteenwoordig is word die regsverteenwoordiger gevra of daar aangedring word dat die klagtes gestel moet word en of dit aanvaar mag word dat die beskuldigde die klagtes teen hom verstaan en bereid is om daarop te pleit sonder dat dit aan hom gestel word. Die beskuldigde sou die geskrewe klagstaat teen hierdie tyd alreeds vir 'n geruime tyd gehad het en sou ook met sy regsverteenwoordiger gekonsulteer het.

In die spesifieke geval was dit wel so en mnr [B] het gemeld dat sy klient bewus was van die aard en omvang van die klagtes teen hom, dat hy dit verstaan en dat dit gevolglik nie nodig was om die klagtes aan die beskuldigde te stel nie.

Mnr [B] het toe 'n aansoek gebring om die verhoor in kamera te hou. Die reëls van die raad in hierdie verband is baie duidelik. Die verhoor vind plaas in die openbaar, behalwe waar daar goeie redes bestaan om die verhoor in kamera te hou.

Dit is dat die beskuldigde se optrede, waarvoor hy nou dissiplinêr aangekla is, deur die Nasionale Vervolgings Owerheid (NVO) onder die aandag van die raad, gebring is. Alhoewel die Kommisaris van Binnelandse Inkomste niks daarmee te doen gehad het nie, is die aansoek om die verhoor in kamera te hou gebaseer op die bepalings van artikel 105A van die Inkomste Belastingwet; wat glad nie in hierdie geval van toepassing is nie.

Nietemin, 'n eenvoudige wysiging is met die toestemming van al die partye tot die klagstaat gemaak. Die naam van die belastingbetaler is verwyder en vervang met "Mnr X" en die aansoek om die saak in kamera aan te hoor is teruggetrek.

Mnr [B] het ons daarna ingelig dat sy klient skuldig pleit aan oortreding van reel 2.1.21 en dat dit die gevolg is van samesprekings met mnr [S] oor 'n tydperk van 'n paar maande. 'n Geskrewe pleit onder die handtekening van die beskuldigde is ingehandig. Die beskuldigde maak onder andere die volgende erkennings in sy geskrewe pleit:

- Hy wens skuldig te pleit op die tweede alternatiewe klag;
- Hy was te alle wesenlike tye 'n rekenmeester en ouditeur en geregistreer as sulks;
- Hy het sy praktyk vroeg in 1994 begin;
- Sy praktyk het baie stadig gegroei en hy het dit moeilik gevind om 'n suksesvolle praktyk op die been te bring;

- Gedurende 1994 het die aangeleentheid hom voorgedoen om namens 'n prominente sakeman (die belastingbetaler) op te tree;

- Hy het van een van die belastingbetalers se raadgewers verstaan dat die belastingbetaler onsuksesvol was om sy belasting-aangeleenthede met die SAID te finaliseer;

- Gedurende 1995 het die SAID besondere druk op die belastingbetaler se adviseurs geplaas om die belastingbetaler s e belastingsake te finaliseer;

- 'n Werknemer by die SAID was aan die beskuldigde bekend wie hy (die beskuldigde) gedurende 1995 genader en versoek het om voorkeur te gee aan die afhandeling van die belastingbetaler se uitstaande belastingaangeleenthede;

- Hy het die belastingopgawes vir die termyn 1986 tot 1994, sonder behoorlike evaluasie van die inligting, voltooi, in omstandighede waar hy bewus moes gewees het dat die inligting foutief kon wees;

- Hy het die werknemer/amptenaar by SAID R10,000 uit sy eie fondse betaal sonder die kennis, medewete of ondersteuning van die belastingbetaler om laasgenoemde se belastingaangeleenthede sonder navrae te belas en af te handel;

- Hy het die betaling heimlik gedoen. Hy het besef sy optrede was verkeerd. Hy het geweet dat die amptenaar die belastingaangeleenthede van die belastingbetaler sonder navrae sou kon afhandel. Hy het besef dat dit wederregtelik was om van die amptenaar te verwag om die belastingaangeleenthede sonder navrae af te handel. Hy het die amptenaar beinvloed om sy verpligtinge as werknemer van die SAID nie behoorlik na te kom nie.

Mnr [S], die pro-forma aanklaer, het dit duidelik gemaak dat hy geen getuies het of gaan lei ter stawing van die hoof en eerste alternatiewe klagte nie. Hy het derhalwe gevra dat die beskuldigde skuldig bevind word op die tweede alternatiewe klagte en dat die verhoor daarna voortgesit moet word in terme van reël 4.12 van die dissiplinêre reëls van die raad.

Maar wat van die hoof en eerste alternatiewe klagte waarop die beskuldigde nie gepleit het nie? Die verhoor kan sekerlik nie afgehandel word sonder dat die klagtes teruggetrek word of die beskuldigde daarop pleit nie , wat dit ookal mag wees. Hierdie posisie is aan mnr [B] gestel en die voorstel is gemaak dat die beskuldigde onskuldig pleit. Aangesien mnr [S] reeds genoem het dat hy geen getuienis het op hierdie klagtes om aan te bied nie behoort die beskuldigde dan vrygespreek te word op hierdie klagtes behalwe as die erkennings wat reeds gemaak het genoegsaam is om 'n skuldig bevinding op die hoofklagte te regverdig. Mnr [S] het spesifiek nie gevra dat die klagtes teruggetrek word nie, maar die saak in ons hande gelaat. Volgens mnr [S] was mnr [B] te alle tye bewus van sy houding.

Mnr [B] se houding was eenvoudig maar nogal verrassend. Volgens hom is die pleit van skuldig wat aangebied is, die produk van samesprekings en onderhandelings en dat hy nie na die verhoor gekom het om onskuldig op die ander klagtes te pleit nie! Hy was nie bereid om op die ander klagtes te pleit nie en het toe gedreig dat hy die beskuldigde mag adviseer om sy erkennings terug te trek.

Hierdie probleem is uiteindelik opgelos toe mnr [S] gevra het dat die ander klagtes teruggetrek word en mnr [B] het aangedring dat die kommittee daarop moet besluit voordat die verhoor verder voortgesit kan word.

Die aansoek dat die klagtes teruggetrek word, is toegestaan .

Die beskuldigde is skuldig bevind van 'n oortreding van reel 2.1.21 van die raad se dissiplinêre reëls deurdat hy hom op 'n wyse gedra het wat onbehoorlike of oneerbare of onprofessionele of onwaardige gedrag is vir 'n rekenmeester of ouditeur of wat die beroep tot oneer gestrek het.

Geen getuienis is namens die beskuldigde ter versagting van vonnis gelei nie en mnr [S] het ook geen getuienis aangebied nie.

Mnr [S] het pertinent die optrede van die beskuldigde beklemtoon wat hy self in sy geskrewe pleit erken het en dit kortliks beskryf as korrupsie en omkopery. Sy optrede was onwettig en strafregtelik en hy kon krimineel aangekla word. Die feit dat hy nie strafregetelik aangekla is nie, is hoegenaamd nie deurslaggewend nie.

Mnr [S] het aan die hand gedoen dat, in die lig van die beskuldigde se optrede wat daartoe gelei het, dat hy skuldig is aan 'n oortreding van reël 2.1.21, hy nie 'n gepaste persoon is om die beroep van rekenmeester en ouditeur te beoefen nie en derhalwe gevra dat hy beboet word en gelas word dat sy naam van die rol van rekenmeesters en ouditeurs verwyder word. Hy het ook gevra dat die beskuldigde gelas word om die redelike koste wat die raad mag aangegaan het in verband met die verhoor, te betaal en dat die bevindings van hierdie kommittee, die vonnis en die naam van die beskuldigde in Maneo, die raad se publikasie, gepubliseer word.

Mnr [B] het namens die beskuldigde erken dat wat die beskuldigde gedoen het laakbaar ("reprehensible") is, maar dat die optrede van sy klient, die beskuldigde, nie die verwydering van sy naam van die register van rekenmeesters en ouditeurs regverdig nie. Hy het wel beklemtoon dat die integriteit van die beroep nie onderhandelbaar is nie.

Mnr [B] se betoog was redelik eenvoudig. Die beskuldigde is skuldig bevind van 'n oortreding van dissiplinêre reël 2.1.21 maar hierdie reël maak voorsiening vir minder ernstige oortredings. Hy het spesifiek verwys na reël 2.1.3 wat verwys na oneerlike gedrag/optrede aan die kant van 'n praktisyn en aangesien die beskuldigde nou nie onder hierdie reël skuldig bevind is nie, moet sy optrede nie as oneerlik beskou word nie of in ag geneem word wanneer 'n behoorlike vonnis bepaal word nie. Hy het verder betoog en gevra dat bevind word dat die optrede van die beskuldigde nie van 'n ernstige aard is nie.

Hierdie benadering van mnr [B] is eenvoudig verkeerd en moet derhalwe met die grootste respek en agting verwerp word.

Dit is hoegenaamd nie die posisie nie en kon ook nooit die bedoeling gewees het dat wanneer 'n praktisyn skuldig is aan oneerlikheid van een of ander aard, hy spesifiek onder die kader van reël 2.1.3 aangekla moet word nie, of andersins mag die optrede van oneerlikheid nie teen hom gehou word nie. Daar is verskillende ander spesifieke bepalings in die reels wat onbehoorlike gedrag bepaal (2.1.1 tot 2.1.20) en al hierdie bepalings word nog steeds gedek deur die bepalings van reël 2.1.21 wat eintlik seker maak dat indien enige optrede nie spesifiek onder een van die ander bepalings val nie, dat die praktisyn nietemin dissiplinêre aangespreek kan word.

Voordat 'n praktisyn onder reel 2.1.21 skuldig bevind kan word, moet sy onderliggende optrede of gedrag waarvoor hy aangekla word, eers oorweeg word, en indien die optrede of gedrag van so 'n aard is, dat dit wel die beroep van rekenmeester en ouditeur tot oneer strek, kan daar eers 'n bevinding van skuldig onder reel 2.1.21 gemaak word.

In hierdie geval is die skuldigbevinding onder reel 2.1.21 gebaseer op die gedrag en optrede van die beskuldigde wat elemente van ernstige oneerlikheid behels en wat in ag geneem moet word om 'n behoorlike vonnis te bepaal.

Dit is ook belangrik om te noem dat die beskuldigde nie onder eed getuig het ter versagting van vonnis nie en derhalwe is daar 'n verskeidenheid van onsekerhede wat nie opgeklaar is nie - wat wel kon gebeur het, indien die beskuldigde hierdie kommittee in sy vertroue geneem het.

Volgens die beskuldigde se geskrewe pleit beweer hy in paragraaf 5.6 daarvan dat

- "Gedurende 1994 het die aangeleentheid hom voorgedoen om namens 'n prominente sakeman (die belastingbetaler) op te tree;

- Hy het van een van die belastingbetalers se raadgewers verstaan dat die belastingbetaler onsuksesvol was om sy belastingaangeleenthede met die SAID te finaliseer;

- Gedurende 1995 het die SAID besondere druk op die belastingbetaler se adviseurs geplaas om die belastingbetaler se belastingsake te finaliseer;

- 'n Werknemer by die SAID was aan die beskuldigde bekend wie hy (die beskuldigde) gedurende 1995 genader en versoek het om voorkeur te gee aan die afhandeling van die belastingbetaler se uitstaande belastingaangeleenthede;

- Hy het die belastingopgawes vir die termyn 1986 tot 1994 sonder behoorlike evaluasie van die inligting voltooi, in omstandighede waar hy bewus moes gewees het dat die inligting foutief kon wees;

- Hy het die werknemer/amptenaar by SAID R10,000 uit sy eie fondse betaal sonder die kennis, medewete of ondersteuning van die belastingbetaler om die laasgenoemde se belastingaangeleenthede sonder navrae te belas en af te handel;

- Hy het ook die amptenaar beinvloed om sy verpligtinge as werknemer van die SAID nie behoorlik na te kom nie.

Indien daar druk van die kant van die SAID was vir die belastingbetaler om sy sake te finaliseer, waarom dan die behoefte om 'n amptenaar te nader om voorkeur aan die saak te gee? Watter voordeel was daar vir die jong praktisyn wie sukkel om sy praktyk op die been te kry om 'n bedrag geld aan 'n amptenaaar te betaal en hom daarmee beinvloed om die belastingsake van sy klient sonder navrae af te handel?

Ons het nietemin al die faktore wat namens die beskuldigde onder ons aandag gebring is ter versagting van vonnis, ten volle en behoorlik in ag geneem. Daar is behoorlike erkenning gegee aan die feit dat hy sy volle samewerking aan die NVO gegee het oor 'n lang tydperk en dat die SAID 'n groot bedrag geld ingevorder het. Dit is nie nodig om al hierdie faktore in detail te herhaal nie.

Daar is nietemin 'n paar faktore wat noemenswaardig is. Die eerste is dat mnr [B] self beklemtoon het dat die integriteit van die beroep nie onderhandelbaar is nie. Die tweede is dat sy klient se optrede laakbaar was. Die derde is dat mnr [B] nooit mnr [S] se submissie dat die beskuldigde nie 'n gepaste persoon is om die beroep van rekenmeester en ouditeur te beoefen, bevraagteken of aangeval het nie. Die beskuldigde het nie sy laakbare gedrag aan die SAID of NVO gerapporteer nie. Hy het eers, nadat 'n ondersoek na die belastingbetaler se belastingsake deur die SAID geloods is, sy optrede openbaar en in ruil daarvoor, en vir sy samewerking met die NVO en SAID, is hy nie strafregtelik aangekla nie wat wel andersins kon gebeur het.

Wat sou die posisie wees indien die belastingsake van die belastingbetaler nooit ondersoek was nie? Sou hy nog sy optrede openbaar het?

Dit is altyd moelik om 'n vonnis te bepaal. 'n Verskeidenheid faktore moet en word in ag geneem. Ons het dit ook in hierdie geval gedoen en trouens lank en deeglik besin oor wat 'n gepaste vonnis is gegewe al die feite van die saak en die persoonlike omstandighede van die beskuldigde.

Die slotsom van die komitee is dat ons nie tevrede is dat die beskuldigde 'n gepaste persoon is om die beroep van rekenmeester en ouditeur te beoefen nie.

Vonnis

Die vonnis is gevolglik soos volg;

Daar word gelas dat die beskuldigde se naam van die register van rekenmeesters en ouditeurs verwyder word.

Die beskuldigde word gelas om 'n bydrae tot die koste van hierdie verrigtinge in die bedrag van R135,000 te maak.

Dit word verder gelas dat die beskuldigde se naam, die feite van hierdie saak en vonnis, in die publikasie Maneo gepubliseer word sonder verwysing na die beskuldigde se firma se naam."

SECOND MATTER

Also on 27 July 2006, the Committee continued to hear a matter which was part heard from 12 May 2006. This matter was still not finalised and was again postponed until 20 October 2006.

THIRD MATTER

On 6 September 2006 the committee met to hear a matter against Mr B. The practitioner was present but unrepresented. He was found guilty of the two charges against him, which arose out of practice review.

The first charge

The practitioner was found guilty of improper conduct within the meaning of disciplinary rule 2.1.5 in that, without reasonable cause or excuse, he failed to perform his duties as auditor to [D], being work or duties commonly performed by a practitioner, with such a degree of care and skill as in the opinion of the Board may reasonably be expected, or he failed to perform the work or duties at all, in that:

Audit working papers and audit evidence

In respect of the audit of the [D] financial statements the practitioner failed to keep audit working papers and/or he failed to obtain audit evidence, alternatively he failed to keep adequate audit working papers and/or he failed to keep adequate audit evidence, and/or he failed to comply with generally accepted auditing standards, in the following respects:

- there was no documented consideration of issues relating to the retention of the client. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 220 and/or SAAS 230;
- there was no documentation to indicate that the practitioner had considered the laws and regulations applicable to the business of the client. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 250;
- there was no documented consideration of fraud and error issues. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and /or SAAS 240;
- there was no documented evidence that the auditor had made any assessment of the audit risk per assertion level for all material balances and classes of transactions. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 400;
- there was no documented evidence that the auditor had considered the issue of deferred tax in respect of the revaluation of property. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 500;
- there was no or insufficient documentation in respect of the practitioner's consideration of the recovery of debit loans. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 500;
- there was a management representation letter on file from the client but the representation letter was dated before the date of the audit opinion. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 580.

Accounting policy

The accounting policy applicable to the investment property was not clearly stated, and appeared to be a mixture of AC 135 and AC 123. The [D] financial statements were accordingly not in conformity with generally accepted accounting practice, as required by section 286 (3) of the Companies Act.

The second charge

The practitioner was found guilty of improper conduct within the meaning of disciplinary rule 2.1.5 in that, without reasonable cause or excuse, he failed to perform his duties as auditor to [C], being work or duties commonly performed by a practitioner, with such a degree of care and skill as in the opinion of the Board may reasonably be expected, or he failed to perform the work or duties at all in that:

Audit working papers and audit evidence

In respect of the audit of the [C] financial statements the practitioner failed to keep audit working papers and/or he failed to obtain audit evidence, alternatively he failed to keep adequate audit working papers and/or he failed to obtain adequate audit evidence, and/or he failed to comply with generally accepted auditing standards, in the following respects:

- there was no documented consideration of issues relating to the acceptance of the client. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 220;

- there was no documentation to indicate that the practitioner had considered the laws and regulations applicable to the business of the client. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 250;

- there was no documented consideration of fraud and error issues. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 240;

- there was no documented evidence reflecting an understanding of the accounting systems applied by [C]. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 400;

- there was no documented evidence that the auditor had made any assessment of the audit risk per assertion level for all material balances and classes of transactions. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 400;

- there was no or insufficient documentation in respect of the practitioner's audit verification of the items set out below: the practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 500:
  - completeness of income and its occurrence;
  - expenses;
  - accounts payable;
  - accounts receivable;
  - plant and equipment;
  - bank and cash balances.

- there was no documented evidence that the practitioner had performed procedures in relation to movements in the shareholders' loan. The practitioner accordingly failed to comply with generally accepted auditing standards and in particular SAAS 230 and/or SAAS 500.

Companies Act

The [C] financial statements contained no income statement. They accordingly failed to comply with the requirements of section 286(2) of the Companies Act.

The Chairman of the committee, Mr Gihwala, delivered the judgement. For the sake of good order it is reproduced here in full:

Finding

"The accused in this matter is Mr [B], a duly registered accountant and auditor with the, as it is now called Independent Regulatory Board For Auditors, previously known as the Public Accountants' & Auditors' Board, who is charged in terms of the disciplinary rules of this organisation with two charges under disciplinary rule 2.1.5 in that Mr B, the accused, without reasonable cause or excuse, failed to perform his duties as auditor, being work or duties commonly performed by a practitioner, with such a degree of care and skill as in the opinion of the Board may be reasonably expected, or he failed to perform the work or duties at all.

The alternative to these two main charges is in terms of disciplinary rule 2.1.21, in that he conducted himself in a manner which was improper or discreditable or unprofessional or dishonourable or unworthy on the part of the practitioner, or which tended to bring the profession of accounting into disrepute.

At the outset it is appropriate to record that it was made pertinently clear to the accused that the charges would be put to him, but he elected to dispense with the necessity of having to put the charges in detail to him by reading it to him, and he elected to plead on the basis that he fully understood the charges against him, and pleaded not guilty both to the two main charges, as well as to the two alternatives to the main charges.

The facts upon which the case against the accused is brought are set out on pages 32 and 34 of the bundle of documents forming part of this record.

Mr [S], who represented the pro forma complainant, offered two witnesses in support of his case, the first being Ms [B], who is the director of practice review with the IRBA, a position she has held since December 2000, and in her capacity she oversees practice review and ensures that their mandate in terms of the empowering legislation is discharged. In short, the purpose of practice review is to monitor compliance with the professional standards, and to ensure that this compulsory process is performed in respect of all practices or practitioners who perform the attest function.

There is no need for me to go into any detail as to the text of her evidence, save to state that she gave her evidence concisely, clearly, unequivocally and she was a reliable and dependable, credible witness. Nothing of her evidence can be suggested to be biased or unfair, and despite fairly rigorous cross-examination by the accused she held her view, and made the appropriate concessions when it was correct for her to do so.

The second witness was Ms [C], who was the actual person who conducted the third practice review which forms the basis of this enquiry. Once again Ms [C] was a reliable and dependable witness. She was concise and credible and once again notwithstanding rigorous cross-examination by the accused no fault can be found of her evidence. According to Ms [C] the accused was guilty of failing to comply with the various auditing standards - 220, 230, 240, 250, 400, 500 and 580 - as appears more fully in the charge-sheet, and more particularly on pages 32 and 34 of the bundle.

In addition to that, the accused fell far short of his professional obligations by not complying with the provisions of Section 286(3) and Section 286(2) of the Companies Act.

Even though I have said that the evidence of Ms [C] and Ms [B] cannot be faulted it is on the evidence of the accused himself that this committee makes its finding. Mr B elected to testify under oath, and during his testimony he made the following admissions.

He admitted that he had not complied with SAAS 230 and/or SAAS 220, as more specifically set out in paragraph 7.1.1 on page 32 of the bundle. Similarly, he also acknowledged that he did not comply with SAAS 230 and SAAS 250, which relates to the applicability of any special laws relevant to the business in question.

He also acknowledged that he did not consider the matter of deferred tax, and consequently, in the absence of having given the matter any kind of consideration, it is fair to accept that there would be no documentation on the file.

The question of practice review relates, as was quite correctly pointed out by one of the committee members, to whether a practitioner passes or fails on the fundamental matters. The accused, on his own version, has fallen far short on the standard required of a practitioner with regard to fundamental matters, and therefore on his own version he is to be found guilty of the charges as presented to him both in respect of the clients [D] and [C]. What is also quite interesting is, notwithstanding the admissions made by Mr [B] that all the allegations, or most of the allegations, if we were to give him the benefit of the doubt, he admitted not having complied with these various professional standards. He tried to persuade this committee that the standard applicable to a practitioner in his position is different to that applicable to other practitioners, and therefore in his case, because he is a part-time practitioner with no support infrastructure the standard should be somewhat lower, and therefore if we were to subscribe to that proposition he is not guilty of the charge of unprofessional conduct.

Well, in short, I must say that this is one of the most bizarre propositions I have heard in a long time. Professional standards must apply across the board to every member of a particular organisation or profession that operates in that environment, but certainly it would make a mockery of any profession and the maintenance of standards and compliance with the relevant legislation and rules of any governing body if different standards were to be applied depending on the personal circumstances and particulars of the practitioner involved. This committee can find no merit in that argument and it therefore has to be rejected.

What is also disconcerting is the argumentative approach adopted by the accused. He was quite often evasive in his response to questions, both from the pro forma complainant, as well as from committee members. On occasion he was even aggressive, and even, if I may say so, impertinent towards the complainant's witnesses who were testifying, what I would consider, objectively and fairly.

Having taken all the evidence into consideration, and particularly that of the accused himself, it is this committee's finding that the accused is guilty on the two main charges as put to him."

Sentence

"This committee has considered in detail all the submissions that both you and Mr [S] have made with regard to the question of sentence, we have taken into consideration all of your personal circumstances, your financial position, the circumstances of your practice, and all other relevant considerations which would allow us to come to a fair and reasonable sentence given the charges which you have been convicted of.

The sentence is as follows:

There will be a fine of R12,500;

In addition it is hereby ordered that your name be removed from the register of the IRBA, which removal is suspended on condition that you pass the next practice review visit which shall take place by not later than 31 March 2007.
With regard to that practice review visit of 31 March 2007, a letter by the chairman of the inspection committee that you have not passed the practice review shall be sufficient and adequate to trigger the removal of your name from the register as of the date of that letter.

You are further ordered to make a contribution of R10,000 towards the costs of these proceedings;

And finally, the facts of this matter, the findings of this committee and all other relevant information shall be published in the IRBA News without reference to your name.

FOURTH MATTER

On 8 September 2007 the Committee heard a matter which was postponed until 20 October 2006 for sentence.

VYFDE SAAK

Op 20 September het die kommittee die saak teen mnr [B] aangehoor. Hy was teenwoordig en verteenwoordig. Die klagtes was voorspritend uit sy praktykoorsig. Hy het skuldig gepleit and was skuldig bevind op die drie klagtes teen hom.

Die eerste klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as ouditeur van [D], wat werk of pligte

was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word deurdat hy versuim het in die volgende opsigte om voldoende of volledige ouditwerkspapiere of ouditbewyse op te stel of te bekom of te behou in verband met sy oudit van [D] se finansiële state. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde, en wel in die volgende opsigte:

Beplanningsaangeleenthede

- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die behoud van die kliënt. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 220;
- daar was geen of onvoldoende werkspapiere of ouditbewyse om aan te dui dat die praktisyn oorweging gegee het aan die wette en regulasies wat op die besigheid van [D] van toepassing was. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 250;
- daar was geen of onvoldoende werkspapiere of ouditbewyse om aan te dui dat die praktisyn oorweging gegee het aan die vraag van die risiko van wesenlike wanvoorstellings in [D] se finansiële state wat uit bedrog en foute mag ontstaan het. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 240;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die vraag van verwante partye. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 550;
- daar was geen of onvoldoende werkspapiere of ouditbewyse dat die praktisyn 'n begrip verkry het van die rekenkundige stelsels betreffende die besigheid van [D]. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende finale gevolgtrekking van die mees toepaslike wesenlikheidssyfer wat van toepassing was op die besigheid van [D]. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 320;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende 'n beoordeling van ouditrisiko op die verklaringsvlak. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400.

Verifikasie

- Daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die volgende:
- volledigheid van inkomste van ongeveer R2,433,000;
- koste van verkope van ongeveer R1,292,000;
- bedryfsuitgawes en betaalstaat van ongeveer R1,037,000;
- oortrokke bankrekening van ongeveer R254,000;
- verhaalbaarheidoorweging van debietlening van ongeveer R282,000; daar was ook geen verduideliking in verband met ouditmerke op die grootboek vir beleggings;
- die bestaan van aanleg en toerusting ter waarde van ongeveer R304,000;
- volledigheid van krediteure.

Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 500;

Afhandelingsaangeleenthede

- daar was geen of onvoldoende werkspapiere of ouditbewyse dat die ouditeur prosedures uitgevoer het om gebeure na die balansstaatdatum te identifiseer. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 560;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die praktisyn se oorwegings van die lopende saakbegrip. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 570;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die ondersteuning van beklemtoning van afwyking van Algemeen Aanvaarde Rekenkundige Praktyk in die ouditverslag. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 700.

Die tweede klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinê'90re reë'91l 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as ouditeur van [F], wat werk of pligte was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word, deurdat hy in die volgende opsigte versuim het om voldoende of volledige ouditwerkspapiere of ouditbewyse op te stel of te bekom of te behou in verband met sy oudit van [F] se finansië'91le state. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en wel in die volgende opsigte:

Beplanningsaangeleenthede

- daar was geen of onvoldoende werkspapiere of ouditbewyse om aan te dui dat die praktisyn oorweging gegee het aan die wette en regulasies wat op die besigheid van [F] van toepassing was. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 250;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die vraag van verwante partye. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 550;
- daar was geen of onvoldoende werkspapiere of ouditbewyse dat die praktisyn 'n begrip verkry het van die rekenkundige stelsels betreffende die besigheid van [F]. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende 'n beoordeling van ouditrisiko op die verklaringsvlak. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400;

Verifikasie

Daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die volgende:

- in verband met voorraad ter waarde van ongeveer R141,000 was daar geen verduideliking gedokumenteer op die voorraadlys ten opsigte van ouditmerke wat aangebring was. Daar was ook geen verduideliking vir die verskil van ongeveer R100,000 tussen die bedrag wat op die werkspapiere verskyn het en die bedrag op een van die voorraadlyste. Daar was ook geen bestaanstoetse gedokumenteer nie;
- die geldigheid van bewegings op aandeelhouerslenings van ongeveer R293,000;
- daar was geen verduideliking vir die verskil tussen die bedrag vir krediteure wat in die werkspapiere verskyn het (ongeveer R25,000) en die op die finansiële state (ongeveer R81,000);
- die bestaan van aanleg en toerusting ter waarde van ongeveer R386,000;
- statutêre prosedures ten opsigte van aandelekapitaal;
- volledigheid van krediteure;
- in verband met verifikasie ten opsigte van inkomstestaat was daar geen werkspapiere or ouditbewyse rakend die volgende
- die volledigheid van inkomste (ongeveer R1,542,000);
- die geldigheid van koste van verkope (ongeveer R1,121,000);
- bedryfskoste en betaalstaat (ongeveer R254,000).

Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 500;

Afhandelingsaangeleenthede

- daar was geen of onvoldoende werkspapiere of ouditbewyse dat die ouditeur prosedures uitgevoer het om gebeure na die balansstaatdatum te identifiseer. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 560;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die praktisyn se oorwegings van die lopende saakbegrip. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 570;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die ondersteuning van beklemtoning van afwyking van Algemeen Aanvaarde Rekenkundige Praktyk in die ouditverslag. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 700.

Die derde klag:

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as ouditeur van [T], wat werk of pligte was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word, deurdat hy in die volgende opsigte versuim het om voldoende of volledige ouditwerkspapiere of ouditbewyse op op te stel of te bekom of te behou in verband met sy oudit van [T] se finansiële state.

Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde, en wel in die volgende opsigte:

Beplanningsaangeleenthede

- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die behoud van die kliënt. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 220;
- daar was geen aanstellingsbrief op lêer nie. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 210;
- daar was geen of onvoldoende werkspapiere of ouditbewyse om aan te dui dat die praktisyn oorweging gegee het aan die wette en regulasies wat op die besigheid van [T] van toepassing was. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 250;
- daar was geen of onvoldoende werkspapiere of ouditbewyse om aan te dui dat die praktisyn oorweging gegee het aan die vraag van die risiko van wesenlike wanvoorstellings in die finansiële state wat uit bedrog en foute mag ontstaan het. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 240;
- daar was geen of onvoldoende werkspapiere of ouditbewyse dat die praktisyn 'n begrip verkry het van die rekenkundige stelsels betreffende die besigheid van [T]. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende 'n beoordeling van ouditrisiko op die verklaringsvlak. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 400;

Verifikasie

Daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die volgende:

- daar was geen gedokumenteerde bevestiging van toevoegings ter waarde van ongeveer R1 614 000 tot die vaste eiendom (ter waarde van ongeveer R2,194,000);
- bestaan van aanleg en toerusting ter waarde van ongeveer R1,164,000;
- daar was geen dokumentering van verifikasie ten opsigte van die volgende krediteurebalanse:

  - BTW betaalbaar (ongeveer R309,000);

  - belastingvoorsiening (ongeveer R65,000);

  - en ten opsigte van volledigheid van krediteure;
- daar was geen gedokumenteerde drawaardeoorweging vir ontasbare bates nie (ter waarde van ongeveer R960,000);
- daar was geen verduideliking van ouditmerke op ouderdomsanalise ten opsigte van debiteure van ongeveer R118,000;
- rekonsiliasie tussen finansiële state van debietlenings aan en kredietlenings vanaf verwante partye;
- ouditmerke in die grootboek was nie verduidelik nie en dit is nie
- duidelik of die volgende balanse geverifieer is nie:

  - volledigheid van inkomste van ongeveer R6,035,000;

  - geldigheid van bedryfsuitgawes en betaalstaat van ongeveer R5,050,000.

Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 500.

Afhandelingsaangeleenthede

Daar was geen of onvoldoende werkspapiere of ouditbewyse dat die ouditeur prosedures uitgevoer het om gebeure na die balansstaatdatum te identifiseer. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 560;

- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die praktisyn se oorwegings van die lopende saakbegrip. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 570;
- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die ondersteuning van beklemtoning van afwyking van Algemeen Aanvaarde Rekenkundige Praktyk in die ouditverslag. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 700.

Afhandelingsaangeleenthede

Daar was geen of onvoldoende werkspapiere of ouditbewyse dat die ouditeur prosedures uitgevoer het om gebeure na die balansstaatdatum te identifiseer. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 560;

- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die praktisyn se oorwegings van die lopende saakbegrip. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 570;

- daar was geen of onvoldoende werkspapiere of ouditbewyse rakende die ondersteuning van beklemtoning van afwyking van Algemeen Aanvaarde Rekenkundige Praktyk in die ouditverslag. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 230 en/of SAOS 700.

- Die bestuursverklaring was 4 maande voor die ouditverslagdatum gedateer. Die praktisyn het derhalwe versuim om te voldoen aan algemeen aanvaarde ouditstandaarde en meer in besonder SAOS 580.

Die voorsitter van die komitee, Mnr Gihwala, het die vonnis van die komitee bekend gemaak. Ter wille van goeie orde word dit volledig weergegee.

Vonnis

"Die beskuldigde in hierdie saak is mnr [B] wat aangekla is van drie klagtes van onbehoorlike gedrag soos bedoel in reël 2.1.5 van die raad se dissiplinêre reëls, deurdat hy sonder redelike oorsaak en verskoning versuim het om sy werk of pligte as ouditeur wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewendheid uit te voer as wat volgens die raad se oordeel redelikerwys verwag kan word. Ek gaan nie die alternatiewe klagtes stel nie, of noem nie, want die beskuldigde het op al drie hoofklagtes skuldig gepleit en die feite waarop hierdie beskuldigde skuldig gepleit het verskyn in die bundel van dokumente wat deel vorm van die rekord, verskyn op bladsy 52, 55 en 57 en elders in die stukke en is behoorlik daarin uiteengesit.

Die beskuldigde staan aangekla omdat hy 'n vierde praktykoorsig in die eerste siklus nie geslaag het nie. En wat noemenswaardig is, is dat die aspekte wat aangehaal is in vorige oorsigte, weereens verskyn op die lys van sake wat nie behoorlik deur die beskuldigde aandag gegee is nie. Die beskuldigde is 'n senior praktisyn met 25 jaar ondervinding, in 'n klein dorp, en volgens hom klein kliënte, en daar is geen risiko vir die breë publiek daar buite nie. Dit is 'n stelling wat namens die beskuldigde gemaak is ter versagting van die vonnis wat opgelê moet word.

Die probleem wat hierdie komitee mee geworstel het, is die feit dat hierdie praktisyn nog steeds sukkel om sy eerste siklus in die praktykoorsig te slaag, en wat kommerwekkend is tot 'n sekere mate is die feit dat daar 'n gevoel is, ten minste in die gemoed van hierdie komitee, dat die beskuldigde voel dat daar verskillende standaarde gehandhaaf moet word in die praktyk wanneer dit groot en klein firmas, en groot of klein kliënte betref. Nou dit is 'n gevaarlike persepsie indien die persepsie in ons gemoed korrek is, want professionele standaarde moet deur die hand behoorlik erken word en moet behoorlik nagekom word, of dit 'n klein of groot kliënt is, en of dit in 'n groot of klein dorp is. Wat belangrik is by hierdie verrigtinge en wat ten volle in ag geneem is deur hierdie komitee, is die feit dat die beskuldigde ten volle sy samewerking gegee het aan die komitee en vanoggend bereid was om skuldig te pleit en nie die tyd van hierdie komitee te mors nie, of op enige van sy optrede te probeer regverdig het nie.

Ons gee die beskuldigde die voordeel van die twyfel, alhoewel hy op 'n vorige geleentheid gesê het dat hy sy tekortkominge reg sou stel, hy klaarblyklik dit nie gedoen het nie.

Maar wat hy nou eintlik vir ons doen, het hy vir ons gesê dat indien hy nou onmiddellik, of in die onmiddellike toekoms weer 'n oorsig sou hê, hy dit sou slaag, en hierdie komitee het dan besluit om vir hom die voordeel van daardie voorstel te gee.

Sy persoonlike omstandighede is behoorlik in ag geneem. Hy is 'n enkelpraktisyn, hy is in die middel van klaarblyklik 'n moeilike skeisaak, hy het twee kinders wat afhanklik is van hom, hy verdien nie noodwendig groot geld nie, en aangesien sy ouditpraktyk min of meer 'n kwart van sy inkomste behels, wil hierdie komitee die geleentheid vir die beskuldigde gun om alles moontlik te maak dat hy 'n bekwame ouditeur kan wees en nie die reputasie van hierdie beroep in gedrang bring nie.

Gevolglik is die besluit soos volg

In die eerste instansie, dit word gelas dat die beskuldigde se naam verwyder word van die register van ouditeurs, welke verwydering opgeskort word op voorwaarde dat die beskuldigde die volgende praktykhersiening in die eerste siklus wat so gou as moontlik sal plaasvind, sal slaag. Indien hy nie slaag nie, word sy naam summier en onmiddellik van die register verwyder.

Hy word verder gelas om 'n bydrae van R12,000 tot die koste van hierdie verrigtinge te maak.

Derdens, die feite en die besonderhede van hierdie saak, sonder die naam van die beskuldigde sal in IRBA News gepubliseer word.

En dan laastens sover dit die opgeskorte vonnis aangaan, sal die in werking gestel word in die volgende opsigte. Daar is 'n opgeskorte boete van R15,000 wat twee jaar terug op 18 Junie verder opgeskort was. En dan op 18 Junie 2004 was daar ook 'n verdere gedeelte van 'n vonnis, naamlik R7,500 wat opgeskort was op voorwaarde dat hy nie weer op 'n praktykhersiening na hierdie komitee verwys word nie.

Baie duidelik het hy nie die voorwaardes van die opskorting nagekom nie en derhalwe word hierdie opgeskorte vonnisse in werking gestel, naamlik R15,000 opdie eerste een en R7,500 in die tweede een, so in totaal R22,500,00 sal dan betaal word met betrekking tot die opgeskorte vonnisse."

NEW DISCIPLINARY COMMITTEE

The new Disciplinary Committee together with members of the DAC and Investigating Committee, as well as several of the Board's professional advisors and staff, underwent an intensive but instructive induction session on 16 September 2006. Only a few part-heard matters remain to be finalised by the 'old' Disciplinary Committee, and a farewell function was held for these members at the Rand Club on 18 August 2006.

Apart from these matters, all future disciplinary hearings will be heard by the new committee which comprises RAs, CAs, attorneys and advocates. The committee is chaired by Adv Willem van der Linde SC.

Jane O'Connor presents a certificate of recognition to outgoing Chairman and long-standing committee member, Sander van Maaren.

DISCIPLINARY ADVISORY COMMITTEE ('DAC')

In the current and future editions I will also be reporting on the deliberations of a new committee the Disciplinary Advisory Committee ('DAC'). As indicated previously, under the new Act the Investigating Committee has no authority to finalise matters, as previously. It must investigate and then make representations to the Board (which will be represented by the DAC a subcommittee comprising three members of the Board) as to whether matters should be prosecuted or not. If the recommendation is that a matter be prosecuted, the DAC must abide by this (but will be able to suggest changes to the proposed charges). If the recommendation is that the matter is not prosecuted, the DAC will take the final decision in that regard.

The members of the DAC are:

Rory Voller - Advocate (CIPRO)

Wynand Du Plessis - RA (Strydom DuPlessis)

Cathryn Emslie - RA (Deloitte)

QUARTERLY REPORT FROM THE DIRECTOR: LEGAL FOR THE PERIOD 1 OCTOBER 2006 TO 31 DECEMBER 2006

For the first time this quarter, matters falling to be dealt with in terms of the new Act were finalised. For the elucidation of readers, we set out the procedure followed in terms of the new Act as follows:

1. Complaint is received/initiated in IRBA office.
   Complaints fall into four categories:

External:
- complaints lodged by a member of the public;
- matters referred by a court or other regulator

Internal:
- complaints lodged by the IRBA itself, such as those arising out of the practice review process;

- matters where investigations are initiated by the IRBA itself as a result of information which comes to its attention, for example matters which appear in the press.

  Complaints lodged with the IRBA are required to be on affidavit (as required by the Disciplinary Rules). To obtain the information on oath is an indication of seriousness of lodging a complaint, where the information is solely within the knowledge of the complainant. Where the information which forms the subject of the investigation is a matter of public record, it is not necessary for this to be on affidavit. The Disciplinary Rules also stipulate that the affidavit should make it perfectly clear exactly what it is that is being complained of.

  Once we receive a complaint we check that the respondent is an RA and then forward the complaint to our forensic investigator to ascertain if further information is needed from the complainant, or specific information is needed from he respondent.

  We will generally then address a letter to the respondent.

  Once we receive a response we will usually forward it to the complainant for comment, unless there is adequate reason not to.

  At this stage (whether we receive a response or not) we must decide in terms of §'a448(1) whether or not to refer the matter to Invesco. Most cases will be referred.

2. The matter is referred to Invesco
   In terms of §'a448(3) the Investigating Committee must then investigate the matter.

3. The decision of Invesco and report to the Board

   This is the part where the biggest changes to the old procedures are found.

   Under the old dispensation, the respondent was charged up front and Invesco could decide to discharge for various reasons.

   In terms of the APA, Invesco investigates and then recommends to the Board (this function has been delegated by the Board to the Disciplinary Advisor Committee 'DAC') whether or not to charge the practitioner.

4. The consideration by DAC

   The DAC considers all matters where Invesco has made a recommendation, upon finalisation of its investigations. If its recommendation is that the respondent not be charged, the DAC has the discretion whether to endorse this decision or not. If its recommendation is that the respondent be charged DAC cannot interfere with that decision.

Thereafter either the practitioner will not be charged, or if the practitioner is charged, the matter follows the disciplinary process.

INVESTIGATING COMMITTEE

As mentioned above, the disciplinary procedures of the Board in terms of the Auditing Profession Act are somewhat different to those under the Public Accountants' and Auditors' Act. However, in terms of the transitional procedures, matters which were already before the Investigation and Disciplinary Committees under the old dispensation continue to be finalised in terms of those processes. The majority of matters during this period still fell to be finalised in terms of the transitional procedures.

The Investigating Committee met twice during this period and disposed of 25 cases, in terms of the old dispensation, as follows:

4 matters were not proceeded with:
- 2 were withdrawn by the complainant;
- 2 were suspended until the outcome of current litigation

2 cases in terms of Disciplinary Rule 3.9.1 (the respondent having given a reasonable explanation for the conduct).

2 cases in terms of Disciplinary Rule 3.9.3 (there being no reasonable prospect of proving the respondent guilty).

17 practitioners were found guilty and punished, by consent, as follows:

Reprimanded

One practitioner was reprimanded. The matter related to tax

Fined

16 practitioners were fined. The matters were as follows:
- 1 related to the exercise of an invalid lien, incorrect invoicing and complicity in 'holding out' (R20,000 of which R10,000 was suspended on conditions)
- 1 related to an irregular appointment and unauthorised signature of a document on behalf of a client (R5,000)
- 1 related to negligence in the preparation of management accounts which were relied upon by a purchaser (R30,000 of which R15,000 was suspended on conditions)
- 1 related to negligence in the audit of a financial advisory/brokerage business (R50,000 of which R25,000 was suspended on conditions)

- 1 arose out of a shareholders' dispute and related to independence (R5,000)
- 11 arose out of practice review (All were 2nd cycle matters. In the one 1st review matter the practitioner was fined R30,000 of which R15,000 was suspended on conditions. In the seven 2nd review matters the fines were as follows – 5 practitioners were fined R30,000 of which R15,000 was suspended on conditions; 1 practitioner was fined R40,000 of which R20,000 was suspended on conditions; and 1 practitioner was fined R20,000 of which R10,000 was suspended on conditions. In one 3rd review matter the practitioner was fined R30,000 of which R15,000 was suspended on conditions and in the other the practitioner was fined R25,000 of which R15,000 was suspended on conditions. In the one 4th review matter the practitioner was fined R30,000 of which R15,000 was suspended on conditions and a previously suspended sentence of R15,000 was brought into effect.

DISCIPLINARY ADVISORY COMMITTEE

The Disciplinary Advisory Committee met twice during this period and disposed of six matters as follows:

Decision not to charge

Not prosecuted in terms of Rule 3.9.2 (the conduct complained of does not constitute improper conduct):

In four matters the DAC concurred with the recommendation of the Invesco in this regard.

Decision to charge and matter finalised by consent:

Cautioned
In one matter the DAC disagreed with the recommendation of Invesco that the practitioner not be charged in terms of rule 3.9.3 (no reasonable prospect of success) and finalised the matter by consent with a caution. The matter related to the financial statements of a co-op.

Fined

One practitioner was fined. The matter arose out of practice review (2nd cycle 3rd review). The practitioner was fined R30,000 of which R15,000 was suspended on conditions, as recommended by Invesco.

DISCIPLINARY COMMITTEE

The Disciplinary Committee met on 20 October 2006 to finalise two part-heard matters.

FIRST MATTER

The practitioner was found not guilty of all charges. It is accordingly not necessary to reproduce the charges as the facts appear from the judgement. The judgement was delivered by the chairman of the Committee, Mr Gihwala and is reproduced in full, for the sake of good order.

Finding

"The accused in this matter is Mr [Z] a practising account and auditor who at all material times was registered as such with the Independent Regulatory Board for Auditors and its predecessor, the Public Accountants' & Auditors' Board, the body which is responsible for organising and managing the affairs of the accountants' and auditors' profession.

It is alleged that the accused is guilty of improper conduct as contemplated in terms of rule 2.1.5 of the disciplinary rules in that without reasonable cause and excuse he failed to perform his work or duties commonly performed by a practitioner with such a degree of care and skill as in the opinion of the Board may reasonably be expected and furthermore it was also alleged that the accused is guilty of improper conduct as contemplated in rule 2.1.21 of the said rules in that he conducted himself in a manner which is improper or discreditable or dishonourable or unworthy on the part of a practitioner or which tends to bring the profession of accountant and auditor into disrepute.

The gravamen of the charges against the accused is that the accused knew, alternatively must have known and further alternatively ought to have known, that a declaration in accordance with the provisions of Section 73(5) of the Companies Act 73 as amended, signed by one [W] to achieve the deregistration of a company named [S] was wrong and/or misleading and/or false in the respects set out in the charge-sheet but that the accused nevertheless lodged the covering letter with the Registrar of Companies, alternatively caused the letter to be lodged with the Registrar

of Companies, alternatively caused the letter to be lodged with the Registrar and/or took no steps or did not take adequate steps to avoid the incorrect and the misleading and/or false information contained in the declaration from being lodged with the Registrar of Companies.

The accused was represented by Adv [S], instructed by attorneys [BB] and a proper written authority permitting such representation was duly filed. Mr [S] was the pro forma complainant.

The accused pleaded not guilty to the charges levelled against him. This matter was brought to the attention of the Board by Mr [K], the former husband of Ms [W]. It would not be unfair to mention had it not been for the very acrimonious and drawn out divorce proceedings between Mr [K] and Ms [W], this complaint against the accused would in all probability not have been brought to the attention of the IRBA.

Proceedings before a disciplinary tribunal such as this are neither civil nor criminal in nature. It is sui generis. Procedurally it is many ways akin to a criminal trial but the standard of proof is that of a civil matter, i.e. on a balance of probabilities. From the evidence it is quite clear that the declaration that was filed with the Registrar of Companies in order to achieve the deregistration of [S] was factually incorrect. It is also clear that the accused did not write the covering letter enclosing the offending statement to the Registrar of Companies. It would appear that this hearing would not have been necessary had it not been for the accused having acknowledged that he wrote the covering letter enclosing the offending statement, which acknowledgement was subsequently withdrawn and for which the accused gave a reasonable explanation.

Counsel for the accused has made certain observations in limine, the thrust of which in order to achieve the deregistration of the company it is not necessary to allege that the company has no assets or liabilities. This submission is quite correct. However without having to dwell too much on these submissions made in limine it is sufficient to state that the fact that the false allegation is made, even though such allegation is not necessary to achieve the desired purpose, does not detract from the untruthfulness or the seriousness of the matter. At best it can only be a factor to be taken into consideration where it is necessary to consider a suitable punishment.

In order for the pro forma complainant to succeed against the accused he has to prove on a balance of probabilities that the accused knew, alternatively must have known, further alternatively ought to have known that the declaration was wrong and/or misleading and/or false in the respects set out in the charge-sheet but that then nevertheless lodged the covering letter with the Registrar of Companies, alternatively caused the letter to be lodged with the Registrar and/or did not take adequate steps to avoid the incorrect and/or misleading and/or false information contained in the declaration from being lodged with the Registrar of Companies.

It is not necessary to analyse all the evidence in detail, save to make the following observations. The complainant in this matter felt he was getting a raw deal in acrimonious divorce proceedings between his former wife and himself and unfairly and without any justification seemed to be of the view that the accused was siding with his wife during the course of this protracted divorce case.

The accused seemed to be an honest and reliable witness who gave a plausible explanation of why he accepted the responsibility for the vexed letter where in truth and in fact it was written by his wife. The offending declaration was prepared by someone other than the accused. If all the evidence tendered at this hearing is considered as a whole, it is clear that the accused may have made himself guilty of several indiscretions which are liable to sanction, similar to the one that he is currently facing.

However, the accused is not charged for any of those indiscretions and accordingly it is not necessary to dwell any further thereon. The question that needs to be resolved is whether the complainant has discharged the onus it bears in this matter, namely did he prove on a balance of probabilities the facts relied upon in order to sustain a guilty finding. From what has gone before it is obvious that the pro forma complainant has not done so.

Vicarious liability - according to the rules of IRBA a practitioner maybe held responsible for a breach of or failure to comply with its Code of Professional Conduct on the part of all persons who are

1) his employees,

2) under his supervision

3) his partners,

4) fellow–shareholders in or directors of or employees of a company controlled by the practitioner or the practitioner and his partners and offering a professional services to the public or fellow-practitioners in or employees of a closed corporation controlled by the practitioner or the practitioner and his partners and offering to do professional work for members of the public.

If regard is had to the evidence in this matter it is clear that Mrs [Z], the accused's wife, wrote the vexed letter and took the liberty of using her husband's firm's letterhead. According to her this was the first time that she has done so. She did so because according to the resolution requiring the deregistration of [S] the name of the auditor was mentioned and not [C] which is the entity that usually handles all secretarial and administrative services to the companies and other entities of her husband's practice.

According to the evidence [C] has its own staff, its own client base and its own letterheads and it invoices clients independently of [ZK]. According to her she was the sole trustee and beneficiary of the business trust. This evidence was never seriously challenged or contradicted in any way. Although the accused acknowledged during the course of his evidence that he may be a beneficiary of the trust and even if it is found on that evidence that that is indeed the case, it is certainly not sufficient to bring the accused within the ambit of the rule which provides for joint and vicarious liability.

That rule is very clear and explicit as to the persons who may render a practitioner vicariously liable. There is no room for any doubt as to who such persons are.

It is furthermore important that in matters such as this, such rules receive a narrow and strict interpretation, otherwise you would make the responsibility of any practitioner far too onerous and greater than what was contemplated when these codes were first brought into being.

From the evidence it is clear that [C] as a business trust and does not fall in the scope of the joint and vicarious liability rule as it currently stands as part of the Code of Professional Conduct governing accountants and auditors. There is therefore no basis on the evidence of convicting the accused for the conduct of his wife who used his letterhead without his permission and knowledge.

Estoppel - the next question that needs consideration is whether the accused may be estopped from denying the truth that he indeed wrote the vexed letter. The question that needs to be answered is whether the doctrine of estoppel would be applicable to proceedings such as these. I am of the view that the explanation given by the accused to accepting responsibility for having written the letter is a very plausible one indeed.

As was mentioned earlier, these proceedings are neither civil nor criminal in nature and it may well be that certain legal doctrines may or may not be applicable to disciplinary proceedings. In terms of the doctrine of estoppel by representation in civil litigation, if person by his or her words or conduct has made a representation to another person and the latter, believing the representation to be true, acted thereon and would suffer prejudice if the former were permitted now to deny the truth of the representation made by him or her, the former may be precluded, estopped, from denying the truth of the representation as made by him or her.

The doctrine of estoppel by representation is intended to prevent prejudice and injustice as between litigants in civil litigation. There is no criminal law equivalent of the doctrine of estoppel by representation. In my view it will not be apposite to extend the application of the doctrine of estoppel by representation to disciplinary proceedings. It will be wrong to find a person guilty of misconduct whilst one is aware that such person is not guilty of such conduct. The correct approach will be in the appropriate instance rather to charge the person with misconduct with respect to the untruthful misrepresentation.

However, it must be recognised that nothing is to be feared so much as a damaged reputation. That being so, the fear becomes so much greater when the risk of a damaged reputation attaches to a professional person whose entire livelihood and future well-being can be influenced by the outcome of the disciplinary hearing.

It is in this context that I believe that due weight ought to be given to the explanation given by an accused person why he would have wrongly accepted the responsibility before a decision is finally made whether he should be estopped from denying the truth of his earlier representation. Having said that, the accused has provided a plausible explanation for his behaviour. It is therefore found that it would be unreasonable for him to be estopped from denying the truth of his earlier statement. I am fortified in this view by the very fact that the accused volunteered the truth and it was not extracted from him during the course of the hearing and the cross-examination.

Accordingly in the light of the aforesaid the accused is found not guilty and discharged.

However, the Auditing Profession Act allows for a disciplinary committee to order any person whose conduct was the subject of a hearing to pay such reasonable costs as have been incurred by an investigating committee and a disciplinary committee in connection with the investigation and hearing in question or such part thereof as a disciplinary committee considers just. The sanction of costs is not linked to a conviction only.

As mentioned before, had the accused at the very inception informed the IRBA whilst the complaint was still being investigated, that he did not write the vexed letter but that it was written by his wife, the probabilities are such that the proceedings would not have taken place. It will therefore not be unfair to state that it was the accused by his initial untruthfulness who caused the Investigating Committee to investigate this matter and for this hearing ultimately to take place. Considerable costs have been incurred which could have been avoided had the accused not embarked upon a course of conduct intended to protect his wife.

It seems to me that this is a classic case where the accused should be ordered to make a contribution towards the costs of these proceedings even though he is being acquitted and found not guilty of the charges brought against him.

However, the accused did correct his initial untruthful statement. He also invited the Investigating Committee to contact certain persons who eventually testified in his defence to verify the correct position. The Investigating Committee elected not to accept the invitation which was extended before the matter was referred to the Disciplinary Committee.

The Committee has the discretion in making a costs order. It is clear that the accused has gone to great lengths and expense to protect his professional reputation. There is no evidence to guide this Committee on what may have happened had the Investigating Committee considered and acted upon the corrected version by the accused and his invitation to verify that position.

In the exercise of our discretion we believe it would be wholly inappropriate in a matter such as this, bearing in mind there was no prejudice of any kind to anyone, - the false declaration is inconsequential in achieving the deregistration of [S] - to order the accused to pay or make a contribution towards costs. This would certainly not be just. There shall accordingly be no order as to wasted costs."

SECOND MATTER

The practitioner was found guilty of the seven charges against him which arose out of his administration of a deceased estate. He was present and represented.

Die eerste (alternatiewe) klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21, deurdat hy hom op 'n wyse gedra het wat onbehoorlike of oneerbare of onprofessionele of onwaardige gedrag is vir 'n geregistreerde rekenmeester en ouditeur of wat die beroep tot oneer kon gestrek het, of wat tot die diskrediet van die beroep kon gelei het.

Feite waarop die eerste klag gebaseer was:

- Een van die bates van die boedel was 'n vaste eiendom.
- Dit was die plig van die praktisyn in sy hoedanigheid as eksekuteur van die boedel om toe te sien tot die oordrag van die eenheid op die naam van die begunstigde daarvan.
- Tot op hede is die eenheid nog nie op die naam van die begunstigde oorgedra nie.
- Gedurende of omtrent 2002 het die praktisyn aan die klaer 'n akte van transport gestuur wat aantoon dat die eenheid op haar naam oorgedra is.
- Die akte van transport is vals en die praktisyn het geweet of moes geweet het dat dit vals was. Die eenheid is nog steeds op die naam van die oorledene geregistreer en oordrag het nie, soos deur die praktisyn aan die klaer voorgegee is, plaasgevind nie.
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21.

Die tweede klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as eksekuteur van die boedel, wat werk of pligte was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word.

Feite waarop die tweede klag gebaseer was:

- Een van die bates van die boedel was 'n vaste eiendom.
- Dit was die plig van die praktisyn in sy hoedanigheid as eksekuteur van die boedel om toe te sien tot die oordrag van die eenheid op die naam van die begunstigde daarvan.
- Tot op hede is die eenheid nog nie op die naam van die begunstigde oorgedra nie.
- Die praktisyn het versuim en/of nagelaat en/of geweier om die eenheid binne 'n redelike tyd op die naam van die klaer oor te dra of te laat oordra.
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in reël 2.1.5 van die dissiplinêre reëls.

Die derde (alternatiewe) klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21, deurdat hy hom op 'n wyse gedra het wat onbehoorlike of oneerbare of onprofessionele of onwaardige gedrag is vir 'n geregistreerde rekenmeester en ouditeur of wat die beroep tot oneer kon gestrek het, of wat tot die diskrediet van die beroep kon gelei het.

Feite waarop die derde klag gebaseer was:

- Onder die bates van die boedel was sekere aandele.
- Dit was die plig van die praktisyn in sy hoedanigheid as eksekuteur van die boedel om toe te sien tot die oordrag van die aandele op die naam van die begunstigde daarvan, synde die klaer.
- Tot op hede is die aandele nog nie op die naam van die klaer oorgedra nie.
- Gedurende of omtrent 2002 het die praktisyn aan die klaer 'n staat gestuur wat geblyk het 'n staat van [BPB] te wees wat aantoon dat die klaer die eienaar was van sekere van die aandele.
- Die staat van [BPB] is vals en die praktisyn het geweet of moes geweet het dat dit vals was. Die aandele is nog steeds op die naam van die oorledene geregistreer en oordrag het nie, soos deur die praktisyn aan die klaer voorgehou is, plaasgevind nie.
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21.

Die vierde klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as eksekuteur van die boedel, wat werk of pligte was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word.

Feite waarop die vierde klag gebaseer word:

- Onder die bates van die boedel was sekere aandele.

- Dit was die plig van die praktisyn in sy hoedanigheid as eksekuteur van die boedel om toe te sien tot die oordrag van die aandele op die naam van die begunstigde daarvan, synde die klaer.
- Tot op hede is die aandele nog nie op die naam van die klaer oorgedra nie.
- Die praktisyn het versuim en/of nagelaat en/of geweier om die aandele binne 'n redelike tyd op die naam van die klaer oor te dra of te laat oordra.
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5.

Die vyfde klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.4 deurdat hy oneerlik was met die uitvoering van werk of pligte wat op hom gerus het in verband met werk van 'n aard wat gewoonlik deur 'n praktisyn gedoen word.

Feite waarop die vyfde klag gebaseer was:

- Op 28 Oktober 1996 is die praktisyn aangestel as eksekuteur om die boedel te beredder en te verdeel.
- Op of omtrent 7 Mei 1999 is die praktisyn deur die Meester van die Hooggeregshof uit sy amp as eksekuteur onthef kragtens artikel 54 van die Boedelwet, 1965.
- Nieteenstaande die feit dat die praktisyn gedurende 1999 uit sy amp as eksekuteur van die boedel onthef was het die praktisyn nogtans voortgegaan om die boedel te beredder en te verdeel en het hy 'n likwidasie- en distribusierekening by die Meester van die Hooggeregshof geliasseer.
- Nieteenstaande die feit dat die praktisyn uit sy amp as eksekuteur onthef was en dat hy kragtens artikel 51 van die Boedelwet, 1965 nie geregtig was op enige vergoeding nie, het die praktisyn nogtans voortgegaan om 'n bedrag van R42 883.99 as ek sekuteursvergoeding te hef.
- Die praktisyn was nie geregtig om eksekuteursvergoeding in 'n bedrag van R42 883.99 of om enige ander bedrag te hef nie. Nieteenstaande aanmaning het die praktisyn versuim en/of nagelaat en/of geweier om die bedrag van R42 883.99 aan die eksekuteur van die boedel oor te betaal.
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.4.

Die sesde klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5 deurdat hy, sonder redelike oorsaak of verskoning, versuim het om sy werk of pligte as eksekuteur van die boedel, wat werk of pligte was wat gewoonlik deur 'n geregistreerde rekenmeester en ouditeur uitgevoer word, met sodanige mate van omsigtigheid en bedrewenheid uit te voer as wat volgens die Raad se oordeel redelikerwys verwag kan word.

Feite waarop die sesde klag gebaseer was:

- Op 28 Oktober 1996 is die praktisyn aangestel as eksekuteur om die boedel te beredder en te verdeel.
- Op of omtrent 7 Mei 1999 is die praktisyn deur die Meester van die Hooggeregshof uit sy amp as eksekuteur onthef kragtens artikel 54 van die Boedelwet, 1965.
- Nieteenstaande die feit dat die praktisyn gedurende 1999 uit sy amp as eksekuteur van die boedel onthef was het die praktisyn nogtans voortgegaan om die boedel te beredder en te verdeel en het hy 'n likwidasie- en distribusierekening by die Meester van die Hooggeregshof geliasseer.
- Die likwidasie- en distribusierekening wat deur die praktisyn by die Meester van die Hooggeregshof geliasseer is bevat [sekere] gebreke [wat nie in hierdie verslag uiteegesit is nie].
- Die praktisyn is derhalwe skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.5.

Die sewende klag

Die praktisyn was skuldig bevind aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21, deurdat hy hom op 'n wyse gedra het wat onbehoorlike of oneerbare of onprofessionele of onwaardige gedrag is vir 'n geregistreerde rekenmeester en ouditeur of wat die beroep tot oneer kon gestrek het, of wat tot die diskrediet van die beroep kon gelei het.

Feite waarop die sewende klag gebaseer was:

Op 28 Oktober 1996 is die praktisyn aangestel as eksekuteur om die boedel te beredder en te verdeel.

- Op of omtrent 7 Mei 1999 is die praktisyn deur die Meester van die Hooggeregshof uit sy amp as eksekuteur onthef kragtens artikel 54 van die Boedelwet, 1965.
- Nieteenstaande die feit dat die praktisyn gedurende 1999 uit sy amp as eksekuteur van die boedel onthef was het die praktisyn nogtans voortgegaan om die boedel te beredder en te verdeel en het hy 'n likwidasie- en distribusierekening by die Meester van die Hooggeregshof geliasseer.

- Volgens artikel 11 van die Boedelwet, 1965 is die praktisyn verplig om inligting betreffende die boedel aan die eksekuteur van die boedel te oorhandig.

- Nieteenstaande aanmaning, het die praktisyn versuim en/of nagelaat en/of geweier om sy leêr betreffende die boedel aan mnr [U], verteenwoordiger van die eksekuteur van die boedel (insluitende verskillende bewysstukke in verband met die boedel) te oorhandig om die eksekuteur in staat te stel om die nodige bewysstukke aan die Meester van die Hoogeregshof voor te lê.

- Nieteenstaande aanmaning, het die praktisyn versuim en/of nagelaat en/of geweier om inligting aan die eksekuteur van die boedel voor te lê in verband met die boedel bankrekening wat geopen is in verband met die boedel.

- Deur sy optrede soos voormeld is die praktisyn skuldig aan onbehoorlike gedrag soos bedoel in dissiplinêre reël 2.1.21.

Die voorsitter van die komitee, Mnr Gihwala, het die vonnis van die komitee bekend gemaak. Ter wille van goeie orde word dit volledig weergegee.

Uitspraak

"Die praktisyn staan aangekla van sewe klagtes van onbehoorlike gedrag soos bedoel in die dissiplinêre reëls van die raad.

Daar is drie klagtes elk ingevolge die bepalings van reel 2.1.4. en reel 2.1.5. Bowendien is daar ook 'n klagte ingevolge reel 2.1.21. Die eerste 6 aanklagtes het as 'n alternatief 'n oortreding van dissiplinêre reël 2.1.21 en klagte 5 wat ingevolge dissiplinêre reël 2.1.4 gebring is, het as 'n alternatief 'n klagte ingevolge dissiplinêre reël 2.1.5 en as a verdere alternatief ingevolge dissiplinêre reël 2.1.21.

Die praktisyn het oorspronklik sy eie verdediging waargeneem terwyl Mnr [S] as pro forma aanklaer opgetree het. Die praktisyn het skuldig gepleit op klagtes 2, 4, 5 en 7 en onskuldig op klagtes 1, 3 en 6. Die pro forma aanklaer het die praktisyn se skuldig pleit aanvaar en getuienis aangebied om die praktisyn se skuld te bewys op die klagtes waarop hy onskuldig gepleit het.

Al die klagtes teen die beskuldigde spruit uit die beredding van die boedel van die wyle [C] wie volgens die getuienis 'n goeie vriend van die praktisyn was en wie die praktisyn benoem het as die eksekuteur van sy boedel.

Dit is nie nodig om al die feite waarop die verskeie klagtes gebaseer is in detail te herhaal nie behalwe om kortliks te meld dat die klagtes ingevolge reel 2.1.4 wat beweer dat daar oneerlikheid betrokke was by die uitvoering van die praktisyn se werk of pligte gebaseer is op die volgende feite:-

Daar was 'n vaste eiendom in die boedel van die oorledene wat aan sy moeder Mev [C] oorgedra moes word. Die praktisyn het aan haar Akte van Transport verskaf. Die Akte van Transport was vals en die praktisyn het geweet of moes geweet het dat dit vals was.

Die tweede klagte van oneerlikheid raak sekere aandele wat die oorledene in sy naam gehad het en wat aan sy moeder Mev [C] oorgedra moes word. Dit was beweer dat die praktisyn 'n staat aan Mev [C] oorhandig het waarvolgens die aandele aan haar oorgedra was maar hierdie staat was vals en die praktisyn het geweet of moes geweet het dat dit vals was.

Die laaste klagte van oneerlikheid is gebaseer op die feit dat die praktisyn uit sy amp as eksekuteur onthef was en dat hy kragtens Artikel 51 van die Boedelwet nie geregtig was op enige vergoeding nie maar nogtans voortgegaan het om 'n bedrag van R42,883.99 as eksekuteur's vergoeding te hef.

By die aanvang van hierdie verrigtinge was dit baie duidelik aan die praktisyn gestel dat die klagtes teen hom van 'n baie ernstige aard is en of hy nie dalk dit nodig ag om behoorlik te verteenwoordig te word nie aangesien daar vêrreikende gevolge vir hom kon wees.

Hy het nietemin aangedring om sy eie verdediging waar te neem maar nadat die verrigtinge vir 'n wyle aangegaan het en dit baie duidelik geword het dat die beskuldigde nie presies geweet het wat sy verantwoordelikhede was nie of as eksekuteur of as praktisyn is die saak uitgestel met die versoek dat die praktisyn 'n regsverteenwoordiger kry om hom by te staan. Advokaat [S] het later namens die beskuldigde verskyn op opdrag van [L] Prokereurs van Pretoria.

Volgens die getuienis wat aangebied is, is dit baie duidelik in dat die Titel Akte wat die praktisyn aan Mev [C] oorgehandig het sowel as die staat wat toon dat die aandele nou in haar naam was, vals was. Die beskuldige se weergawe was dat dit die eerste boedel was wat hy moes beredder en geen ondervinding of idee gehad het van die proses wat gevolg moes word nie en het gevolglik die hulp van ander partye in geroep wie kwansuis deskundiges was nl 'n prokureur en 'n makelaar, om hom te help om die eiendom in Mev [C] se naam oorgedra te kry en ook om die aandele in haar naam geregistreer te kry.

Volgens die praktisyn se getuienis, was hy onder die indruk dat die persoon wie die eiendom moes oordra 'n prokureur was maar wie hy later uitgevind het was nie 'n prokureur nie en ten tye van die verhoor in die tronk was vir bedrog.

Die praktisyn het 'n goeie indruk as getuie geskep in die getuiebank en het eerlik voorgekom. Hierdie komitee het na deeglike oorweging besluit dat sy weergawe nie weerlê was nie en dat dit moontlik waar kon wees en het derhalwe vir hom die voordeel van die twyfel in die opsig gegee. Die beskuldigde is derhalwe onskuldig bevind op hoof klagtes 1 en 3 maar wel skuldig bevind dat hy versuim het om die eiendom en die aandele binne 'n billike/redelike tyd oor te dra.

Die beskuldigde het nie betwis dat hy die eksekuteur's vergoeding geeis het nadat hy van sy amp onthef was nie.

Hy het wel die bedrag intussen terug betaal. Alhoewel hy volgens hom onbewus van die wetsbepaling was, moet hy nietemin skuldig bevind word op hierdie klagte.

Die getuienis op die 6de klagte nl dat die likwidasie en distribusie rekening van die boedel gebrekkig was was baie duidelik volgens die getuienis wat voorgelê is. Die praktisyn op sy eie weergawe het erken dat hy nooit vantevore in sy professionele loopbaan betrokke was by die bereddering van 'n boedel of die opstel van 'n likwidasie en distribusierekening nie.

Volgens sy stukke en die getuienis is dit duidelik dat die rekening gebrekkig was in verskeie opsigte en dat die beskuldigde derhalwe skuldig is ook op hierdie klagte.

Gevolglik is die bevinding soos volg:

Onskuldig op die eerste hoofklagte 1 maar skuldig op die eerste alternatief nl van onbehoorlike gedrag soos bedoel in reel 2.1.21 van die dissiplinêre reels;

Skuldig op klagte 2;

Onskuldig op hoofklagte 3 maar skuldig op die eerste alternatief van onbehoorlike gedrag soos bedoel in reël 2.1.21 van die dissiplinêre reëls;

Skuldig op hoofklagtes 4, 5, 6 en 7.

Vonnis

Die persoonlike omstandighede van die praktisyn is voorgehou. Hy is 'n eenman praktyk met 5 klerke, hy is getroud met 2 seuns albei op hoërskool. Sy inkomste is nie van buitensporige aard nie en dit is duidelik dat die beskuldigde berou getoon het gedurende hierdie verhoor oor wat gebeur het en veral omdat die oorledene sy vriend was. Hy het ook verspilde koste van R25,000 betaal as gevolg van 'n uitstel van die verrigtinge op sy versoek.

Alhoewel daar aantygings van oneerlikheid teen die praktisyn gemaak is, is hierdie komitee nie oortuig dat die praktisyn oneerlik was nie. Dit is baie duidelik hy was 'n leek wat boedelbereddings betref en die grootste fout wat hy kon gemaak het, was om hierdie verantwoordelikheid te aanvaar.

Hy het sy samewerking aan hierdie komitee verleen en ook alle inligting wat van hom verwag was om die boedel behoorlik af te handel, verskaf. Hierdie komitee het lank besin oor wat gepaste vonnis sou wees.

Aangesien al die klagtes uit die beredding van een enkele boedel spruit, is daar besluit om al die klagtes saam te vat vir die doeleindes van vonnis.

Die volgende vonnis word opgelê.

Die praktisyn word beboet met R25,000;

Die praktisyn se naam word van die register verwyder welke verwydering opgeskort is vir a periode van 3 jaar van vandag se datum op voorwaarde dat hy nie skuldig bevind word van onbehoorlike gedrag voortspruitend uit sy optrede gedurende die periode van opskorting nie;

Die praktisyn sal 'n bydrae van R30,000 tot die koste van hierdie verrigting maak;

Die feite van hierdie saak sonder die beskuldigde se naam, sal gepubliseer word in IRBA News."

Queries: *Jane O'Connor*
Director: *Legal*
Telephone: *(011) 622-8533*
Facsimile: *(011) 622-4029*
E-mail: *joconnor@irba.co.za*

EDUCATION, TRAINING AND PROFESSIONAL DEVELOPMENT

FEES PAYABLE IN RESPECT OF TRAINING CONTRACTS

The fees payable in respect of training contracts which are registered with the IRBA have been revised. With effect from 1 January 2007, the registration levy and the annual levies will be consolidated into a single registration fee, which will be payable on registration of a contract. The annual IRBA levy will be discontinued. The new registration fee will be billed and collected by SAICA on behalf of the IRBA. The registration fee will be payable when the contract is registered with SAICA and the IRBA, irrespective of the starting date of the contract.

For training contracts that were registered prior to 1 January 2007 and will terminate after 1 January 2007, a once-off consolidated fee has been billed, to bring them in line with the new system. This consolidated fee represents the balance of the annual levies on contracts that were registered prior to 1 January 2007. This fee will also be billed and collected by SAICA on behalf of the IRBA.

The fees prior to 1 January 2007 were as follows:

Registration levy (once off)
R222.00 (R253.08 incl.)

Annual levy (payable over the term of the contract)
R247.00 (R281.58 incl.)

The new fee payable on registration of a training contract effective 1 January 2007 is as follows:

3 year contract
R1000.00 (R1140.00 incl.)

4 year contract
R1250.00 (R1425.00 incl.)

5 year contract
R1500.00 (R1710.00 incl.)

The new system is expected to be more efficient and effective. Kindly contact Ugandra Naidoo at the IRBA for any further information.

PUBLIC PRACTICE EXAMINATION (PPE) 2006 - RESULTS

The press release for the 2006 PPE results is reproduced below.

IRBA ANNOUNCES RECORD PASS RATE IN ITS PROFESSIONAL PRACTICE EXAM (PPE)

With the announcement of the 2006 PPE results, the IRBA today congratulated the 1744 candidates who passed the exam achieving a record pass rate of 71% (2005 - 63%).

The PPE is the final test of professional competence for qualification as a Registered Auditor (RA) and Chartered Accountant (CA) and is administered by the IRBA.

The aim of the PPE is for candidates to demonstrate an ability to solve multi-disciplinary practical problems in an integrated manner and to do so must analyse and interpret information and provide viable solutions to address specific client needs. The ability to demonstrate logical thought and exercise professional judgment is an integral part of the exam.

"This exam was all about firsts," says Kariem Hoosain, CEO of the IRBA. "It was the first time it was written under the auspices of the IRBA, which replaced the old Public Accountants' and Auditors' Board. But more importantly, it was the first time candidates were allowed reading time in order to better simulate real practice situations. The exam was restructured to span an entire day comprising two sessions (9h00 until 12h00 and 14h00 until 17h00) which included the half an hour reading time. Previously the exam lasted five hours with no break and no reading time."

"We are very pleased with the performance of candidates in the PPE. With pass rates for the five years remaining within what we consider to be an acceptable band the PPE has once again proved itself to be a very good test of professional competence at entry point into the profession," said Hoosain.

Hoosain also highlighted that the pass rate for Black (African, Coloured and Indian) candidates was a record 64% (2005 57%), out of a total of 806 (2005 747) candidates.

"What I find extremely encouraging is to look at the growth in the number of Black candidates who have passed the exam and are choosing to enter into the profession. Our numbers have more than doubled since 2000," Hoosain said.

However, we recognize that even this record achievement is not enough. As part of the drive to increase these numbers the IRBA introduced a support programme for Black repeat candidates and will also be looking to introducing other focused initiatives to attract more Black members to this profession.

"This year 65 candidates completed the support programme and achieved a record pass rate of 68% From examining our data it is clear that the support programme is achieving its objective of assisting repeat Black candidates pass the PPE because the pass rate for Black repeat candidates who did not participate in the support programme was 49%," Hoosain said. "It is very important that we continue to seek ways to achieve a more demographically balanced profession."

As part of our effort to help increase the overall numbers in the profession, the support programme will be open to all repeat candidates in 2007.

"I would also like to take this opportunity to remind the successful candidates and others who passed before them of the immense support and funding the profession, its various institutions and the government provide to them in the long path to their achievement of this qualification. This is because our country needs these special skills to continue to grow and support the economy, so that the ultimate result of a better life for all can be achieved" Hoosain said.

"I congratulate all who made it through what is an intense learning path and remind our successful candidates that competence is not an event like graduating or reaching a designation. Competence is a life long process that develops and changes over time. It is dynamic.

CONTINUED

I would encourage those that have passed to keep up with their CPD requirements" For those that did not pass this year,I would encourage you to persevere with your studies as the goal to be achieved will open up a world with plentiful rewards'

Six candidates were awarded honours for achieving a pass mark of 75% and over.

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"I congratulate all who made it through what is an intense learning path and remind our successful candidates that competence is not an event like graduating or reaching a designation. Competence is a life long process that develops and changes over time. It is dynamic. I would encourage those that have passed to keep up with their CPD requirements" For those that did not pass this year, I would encourage you to persevere with your studies as the goal to be achieved will open up a world with plentiful rewards'

Six candidates were awarded honours for achieving a pass mark of 75% and over.

The names of the top 10 candidates are:

1. Peta-Lesa Kobrin (Honours)
2. Krithika Krishan Mahabeer (Honours)
3. Arne Stier (Honours)
   Marguerite Gie (Honours)
5. Taryn Jade Schlosberg (Honours)
6. Mandy Dale Scott (Honours)
7. Shaun Marco Blankfield
8. Margot Buitendag
9. Megan Ann Bovey
10. Giovanna Maria Altini

**See separate insert for a complete list of successful candidates.*


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EDUCATION BOARD SEEKS COMMENTS ON PRACTICAL EXPERIENCE PROPOSALS AND STRATEGIC PLAN

The International Accounting Education Standards Board (IAESB) is seeking comments on its proposed Strategic and Operational Plan, which outlines its projects and activities for the next three years. Also, the IAESB has issued a proposed new International Education Practice Statement, Practical Experience Requirements – Initial Professional Development for Professional Accountants, which is designed to help IFAC member bodies develop practical experience programs for their accounting students. Comments on the EDs were requested by 28 February and 31 March 2007 respectively. They may be downloaded at http://www.ifac.org/EDs.

Queries: Ugandra Naidoo
Director: Education, Training and Professional Development
Telephone: (011) 622-8533
Facsimile: (011) 622-1536
E-mail: unaidoo@irba.co.za

PUBLIC SECTOR

NEW PUBLIC SECTOR ACCOUNTING STANDARDS

The International Public Sector Accounting Standards Board (IPSASB) has issued the following two new International Public Sector Accounting Standards (IPSASs):

- IPSAS 22, Disclosure of Financial Information about the General Government Sector, which establishes requirements for governments that disclose information about the general government sector; and
- IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers), which deals with a range of matters on financial reporting of tax revenue and transfers.

The new IPSASs are available electronically from the IFAC online bookstore (http://www.ifac.org/store) and will be included in the 2007 Handbook of International Public Sector Accounting Pronouncements.

PERFORMANCE AUDIT IN THE PUBLIC SECTOR

SAICA has issued a revised guide – Performance Audit in the Public Sector. The purpose of this guide is to provide guidance, when conducting performance audits in the public sector, on the principles unique to performance auditing and the audit process that should be complied with to ensure that these principles are upheld. It is anticipated that, by following this guidance, members will adopt a uniform approach and audit process to conduct performance audits. The guide is available on the SAICA website.

EXPOSURE DRAFT 32 – FINANCIAL REPORTING UNDER THE CASH BASIS OF ACCOUNTING DISCLOSURE REQUIREMENTS FOR RECIPIENTS OF EXTERNAL ASSISTANCE

The International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC) has issued an exposure draft (ED), ED 32 Financial Reporting under the Cash Basis of Accounting – Disclosure Requirements for Recipients of External Assistance. The ED is designed to strengthen the disclosure of financial information about external assistance, such as emergency assistance and development aid received by governments and government agencies in developing and other countries. It proposes that the financial statements of recipients of external assistance disclose the total amount of external assistance received, used, and available during the reporting period. These disclosures would increase the transparency of the financial statements of recipients and contribute to greater accountability by the recipients of such assistance.

ED 32 also encourages a range of additional disclosures which will further enhance the usefulness of the financial statements in the assessment of the financial position of recipients and of their use of external assistance.
ED 32 was developed following consideration of responses that the IPSASB received to a previous exposure draft, ED 24, a document with the same title which was issued in February 2005. ED 32 proposes amendments to address constituents' concerns regarding the previous exposure draft. Respondents to the previous exposure draft, ED 24, expressed concern that many recipients of external assistance would find compliance with the proposed requirements onerous. ED 32 responds to those concerns by establishing an appropriate balance between required components and those which are encouraged.
Comments on the ED were requested by 31 March 2007. The ED may be downloaded from IFAC website www.ifac.org.

REGISTRY

ANNUAL REGISTRATION FEES

The IRBA would like to take this opportunity to draw the attention of its RAs to some facts and procedures surrounding the payment of annual fees.

From 2007 onwards, the period of registration for RAs will run from 1 April to 31 March of the following year. Invoices will be posted to practitioners on 1 March 2007. Fees are due by 31 March 2007 and payable by 31 May 2007. This means that practitioners are given a two-month period of grace within which to pay their annual fees.

Together with the invoice for annual fees, practitioners will receive in the same envelope an annual return to complete and return to the IRBA. This annual return includes a practice review pro-forma affidavit and a FICA questionnaire.

PLEASE NOTE THAT IT IS A REQUIREMENT OF RENEWAL OF REGISTRATION THAT THE COMPLETED PRACTICE REVIEW AFFIDAVIT AND FICA QUESTIONNAIRE MUST BE SUBMITTED TOGETHER WITH THE PRACTITIONERS REMITTANCE ADVICE AND PAYMENT OR CONFIRMATION OF PAYMENT.

The implications of non-payment or late payment are severe for the practitioner and the procedures attendant upon this have unfortunate ramifications, not the least of which are immense increased work load for the staff of the IRBA and irritation and unhappiness for the practitioner.

In addition to late or non-payment of fees the IRBA experiences two other problems:

1. Submission of the incorrect amount. In 2007 the IRBA will continue to return the cheque with a note that it is for the wrong amount and requesting the practitioner to remit the correct amount.

2. Confusion of the Board (IRBA) and the Institute (SAICA). If the IRBA receives a cheque for SAICA, it will forward this cheque to SAICA on the practitioner's behalf. However, should a practitioner submit a composite cheque to the IRBA in respect of fees for the IRBA and SAICA, this will be returned to the practitioner with a request for separate cheques. Occasionally, a cheque made payable to IRBA, is attached to the Institute's remittance advice. In the past IRBA has endorsed such cheques to the Institute and forwarded them to SAICA together with the remittance advice. This however has annoyed some practitioners and such cheques will also be returned to the practitioner.

Practitioners are reminded that fees are due on 31 March 2007. An extension is given for a two-month period of grace so that, in effect, fees can be paid up until 31 May 2007. The IRBA sends out fee statements at the beginning of March in order to give practitioners plenty of time to pay their fees timeously. In addition, statements will be posted to practitioners at the beginning of April and May 2007, and a reminder will be e-mailed mid-April to practitioners from whom fees have not yet been received. The reminder procedure should not be necessary and causes irritation to some practitioners. However, experience has shown that if reminders are not sent out there is an even greater incidence of non-payment. A survey last year among practitioners indicated that on balance the reminder procedure is helpful and so it will be retained.

Payment must be received by IRBA by the close of business on 31 May 2007. It is not acceptable to post the cheque on that date when there is obviously no possibility of it reaching its destination on the same day. Many practitioners complain about hold-ups in the post. Experience does not bear this out. Were cheques posted when accounts were first issued, there would be little likelihood of payment not being received by the end of May.

IRBA would accordingly respectfully remind practitioners to pay their fees timeously. In the unlikely event of a practitioner receiving neither a statement nor a reminder (and the usual reason for this is that the practitioner has omitted to notify the Board of a change of address) it is still no excuse not to pay the fees.

Practitioners are also reminded that the obligation to pay their fees rests squarely upon their own shoulders and that the all too common excuse of attempting to blame their secretaries or administrative staff for late payment is distasteful.

Finally, IRBA receives numerous enquiries about direct deposits into its bank account, particularly as the deadline looms.

Payment directly into the IRBA account is acceptable but practitioners are urged to take note of the following if they exercise this option.

- Payment should not be left until the last minute, or practitioners run the risk of the payment not being allocated to them by the time practitioners who have not paid their fees are removed from the register.
- Should practitioners make a direct deposit into IRBA's bank account, the deposit slip must be faxed through to (011) 622 4029 after payment.
- If an Internet transfer is made, please also ensure that the RA's name and registration number are indicated, and fax a confirmation print-out to (011) 622-4029.

PLEASE REMEMBER THAT IF ANNUAL FEES ARE PAID BY DIRECT DEPOSIT, OR BY ELECTRONIC TRANSFER, REGISTRATION WILL STILL NOT BE RENEWED UNTIL IRBA HAS RECEIVED THE COMPLETED ANNUAL RETURN, INCLUDING A COMPLETED PRACTICE REVIEW AFFIDAVIT AND COMPLETED FICA QUESTIONNAIRE.

Queries: ***Caroline Garbutt***
Registrar
Telephone: ***(011) 622-8533***
Facsimile: ***(011) 622-4029***
E-mail: ***cgarbutt@irba.co.za***

INDIVIDUALS ADMITTED TO THE REGISTER OF THE BOARD

From 01 September 2006 to 31 January 2007

Adam Hoosain
Adam Rayhaan
Aboo Fazana
Badsha Ebrahim
Bampa Steven
Bester Rupert
Bhana Kashmira
Boland James John
Botha Nicolaas Johannes Gerhardus
Bouwer Justin
Brouwer Natalie Louise
Burger Abraham Gerhardus
Chvostek Martin
Cilliers Therese Marion
Colyn Daniel Petrus Christiaan
Davel Jan Frederik
De Beer Matthys Nicolaas
Dennis Hanlie
Dente Bruno
Diemont Morne
Donninger David
Du Plessis Cornelius Johannes Louis
Du Toit Jacobus Abraham
Eleftheriou Tereza
Engels Ivan Minnaar
Erasmus Clasina Sophia
Ferreira Yolandie
Fourie Marius
Galloway Andrew Craig
Gangat Shireen
Gazzilli Gianpaolo
Gololo Mampe Norah
Graham Sean
Grevelink Cindy
Habig Jacques
Hlophe Sandile Emmanuel
Hodson Karin Lynn
Hoogenboezem Elizabeth Magdalene
Hoosain Zakariya
Isaacs Joelene Nicolette
Jeewa Imraan
Joffe Leilani
Joubert Hermanus Francois
Khumalo Glory Motlanalo
Klute Rodney Duane
Kolia Zaheera
Kritzinger Lindie
Labuschagne Johanna Regina
Labuschagne Maria Elizabeth
Luther Ninette
Maharaj Keeran Kumar
Mapaya Mathumo Mathews
Mokoena Tladi Jacob
Momsen James De Wet
Moosa Ahmed Sayed
Naidu Krishni
Newman Duane
Ngobeni David
Ningo Ngum Ma-ntso
Odendaal Jaco Pieter
Oosthuizen Louis Johann Marthinus
Petersen Kaashifa
Phiri Chembe
Rabichand Sanjay
Ranmuedzisi Vhonani Denga
Ranchhoojee Sanjay
Rookledge Tina Lesley
Rutherford Timothy Courtis
Schultz Wilhelm Louis
Singh Amith Sanjith
Singh Yesholata
Smith Llewellyn Peter
Smith Tara-lynn
Songelwa Victor Mzokhanyo
Strauss Johann Egbertus
Strydom Annelien
Strydom Wentzel Ellington
Ungerer Maria
Vakis Costas
Van Der Merwe Adriaan Jacobus
Van Der Merwe Tian
Van Esch Sandra Dawn
Van Wyk Johan
Venter Dawid Petrus
Visser Stephanus Harmanus
Walters-du Plooy Etienne Dundee
Wentworth Oswald Theodore
Wessels Anel
Wessels Gerhardus Theodorus
Wolstenholme Vanessa Elizabeth
Wormald Leigh Jean
Zandstra Marianne Johanna
Zulu Maqhinga Johannes

INDIVIDUALS RE-ADMITTED TO THE REGISTER OF THE BOARD
From 01 SEPTEMBER 2006 to 31 JANUARY 2007

Badrick Paul Richard
Barends Laurence Jeftha
Du Preez Hayden
Du Toit Frederick Daniel
Earle Graham Vincent
Hassen Yousuf Mohamed
Knight Quintin Walter
Leask Grant David
Lloyd Morthimer James
Majova Lindelwa Yvonne
Marsden Robin Ian
Moyo Ronald
Niebuhr Wilhelm
Oosthuizen Tobias Johannes
Petzer Jacobus Hendrik
Pietersen Johan Anton
Ravjee Pooja
Resnekov Timothy David
Sibiya Precious Nompumelelo
Sklar Darryl
Strydom Frederik Johannes
Van Der Grijp Lorraine
Vilakazi Khothamani
Brian Lincoln

INDIVIDUALS REMOVED FROM THE REGISTER OF THE BOARD
From 01 SEPTEMBER 2006 to 31 JANUARY 2007

Batteson Peter Courtney (Resigned)
Basson Rodney Clifford (Resigned)
Bell Noleen (Resigned)
Belton Nigel Walter Smith (Resigned)
Benham Paul Richard (Resigned)
Betts Michael John (Resigned)
Brink Nicolas Alec (Removed)
Brink Stuart Stanley (Resigned)
Bush Christopher (Resigned)
Coetzee Wilna (Resigned)
Crisp Mark Read (Resigned)
Derbyshire Michael Ian (Resigned)
Diederiks Johannes Stephanus (Resigned)
De Vos Arno De Villiers (Resigned)
De Wet Nicolaas Jacobus Abraham (Resigned)
Downey Brian William Edward (Resigned)
Dreyer Paul Roux (Resigned)
Du Preez Douw Jakobus (Resigned)
Du Randt Stephen Louwrens (Resigned)
Du Toit Etienne (Resigned)
Ebrahim Fatima Abdul Samid (Resigned)
Eckstein Paul Alexander (Resigned)
Every Martin George (Resigned)
Fisher Michael Isadore (Resigned)
Fletcher John Lewis (Resigned)
Fonarov Arieh (Resigned)
Forsyth Adele Monyeen (Resigned)
Fourie Louis De Jager (Resigned)
Godfrey Charles Whittet (Resigned)
Greyling Abraham Carel (Resigned)
Hall Andrew Gideon (Resigned)
Herbst Johan (Resigned)
Hough Daniel (Resigned)
Hucq Brandon Jay (Resigned)
Isserow Paul (Deceased)
Jonker Franz Antony (Resigned)
Kahn Stanley Bernard (Resigned)
Katzenellenbogen Peter Joel (Resigned)
Kelly John (Resigned)
Kilfoil Steven Kirk (Resigned)
Klopper Leon Jacobus (Resigned)
Kluever Frederik Hendrik (Resigned)
Koen Gert Jacobus (Resigned)
Kuehhirt Jens Christian (Resigned)
Lancaster Mark Compton (Resigned)
Levenstein Abraham (Resigned)
Liversidge William George Alan (Resigned)
Lorgat Mohammed Ebrahim (Resigned)
Malherbe Francois Jacques (Resigned)
Martin Alcid-john (Resigned)
Mcconnachie Mellany (Resigned)
Mcleary Frederick (Resigned)
Metcalf Peter Duke (Resigned)
Mosam Muhammad Faiyaz (Resigned)
Myburgh Adriaan Jordaan (Resigned)
Nell Abel Hermanus Gerhardus (Resigned)
O'hanlon Robert Henry (Resigned)
Parker Anthony Craig (Resigned)
Patel Anesh (Resigned)
Prangley Malcolm Henry (Resigned)
Pugh Donald Stanley (Resigned)
Rabson Frank Julian (Resigned)
Rademeyer Johan Gerhard (Resigned)
Rhodes Cecil Lambert (Resigned)
Salzmann Nadine (Resigned)
Seedat Farouk Ebrahim (Resigned)
Serman Dennis (Deceased)
Shone Lynne Christine (Resigned)
Singer Edward Max (Deceased)
Smit Andre Louis (Resigned)
Smit Annette (Resigned)
Snelgar Geoffrey Hugh Ernst (Resigned)
Snyman Willem Smith (Resigned)
Stanford Alan Grant (Resigned)
Strauss Petrus Jacobus (Resigned)
Theron Albertus Marthinus (Resigned)
Uys Gerhard (Resigned)
Van Kets Werner Omer (Resigned)
Van Maaren Sander Jan (Resigned)
Van Rooyen Jeffrey (Resigned)
Van Wyk George David Cornelius (Resigned)
Van Zyl Luther (Resigned)
Van Der Merwe Maria Elizabeth (Resigned)
Van Der Westhuizen Jacobus Marthinus (Resigned)
Viljoen Henning Jacobus (Resigned)
Waldeck Wayne Vincent (Resigned)
Webb Brigitte (Resigned)
Wessels Herman (Resigned)
Wilmot Anthony Graeme Linford (Resigned)
Zabow Julius (Resigned)
Zeelie Gerhard Josephus (Resigned)

NATIONAL ROAD SHOW 2007

Following the success of the 2006 information sessions, a follow-up has been planned for the year. You are invited to attend one of the free information sessions that will be hosted throughout the country by myself and the IRBA directors, where you can learn more about developments in the last year and their impact on the profession, and what they mean to you as a Registered Auditor.

Topics to be discussed at the information sessions will include:

- Overview of the implementation of Auditing Profession Act
- Department reports:
  - Standards
    - Ethics
    - Auditing
    - Reportable Irregularities
  - Practice review
    - Firm reviews
    - Engagement reviews
  - Legal and Registry
    - New processes
  - Education, Training and Professional Development
    - CPD
    - Accreditation
  - Operations
    - Finance
    - Resources
- Companies Bill – overview
- Questions and Answers

I look forward to meeting with you.

Kariem Hoosain
Chief Executive Officer

If you wish to attend one of the sessions (there is no cost to you), please complete the form below, scan and e-mail it to **tnzuke@irba.co.za** or fax it to **011 622 4029, for the attention of Thabisile Nzuke.**

For further information telephone Thabisile or Joanne Johnston on (011) 622 8533

I wish to attend the following information session:

Venue: _____ Date: _____

My details:

Title: _____ Initials: _____

Preferred name: _____ Surname: _____

IRBA Registration Number (if applicable): _____

Cell number: _____

E-mail: _____

Postal address: _____

Firm/Company name: _____

Special dietary requirements: _____

DATE	CITY	VENUE	TIME*	LIGHT LUNCH
Tuesday 31 July	Klerksdorp	Protea Hotel, Klerksdorp Between Barend & Margaretha Prinsloo Street	09h30-13h00	13h00
Wed 1 August	Bloemfontein	Southern Sun Bloemfontein Cnr Nelson Mandela Boulevard & Melville Avenue, Brandwag	08h30-12h00	12h00
Thur 2 August	Kimberley	Garden Court Kimberley 120 Du Toitspan Road	08h30-12h00	12h00
Mon 6 August	Johannesburg 1	Intercontinental Sandton Sun & Towers, Fifth Street Sandhurst	09h30-13h00	13h00
Mon 13 August	Witbank	Protea Hotel Witbank 167 Jellicoe Street, Witbank	09h30-13h00	13h00
Tues 14 August	Nelspruit	Emnotweni Sun 15 Government Boulevard Riverside Park	08h30-12h00	12h00
Wed 15 August	Polokwane	Protea Hotel Polokwane N1 Northbound (Next to Ultra City)	09h00-12h30	12h30
Tues 21 August	Johannesburg 2	Protea Hotel Midrand 14th Street, Noordwyk Ext. 20 Halfway House	09h30-13h00	13h00
Wed 22 August	Pretoria	Holiday Inn Pretoria Cnr Church and Beatrix Street Pretoria	09h30-13h00	13h00
Mon 27 August	Cape Town	Southern Sun The Cullinan 1 Cullinan Street Waterfront	08h30-12h00	Breakfast at 07h30
Mon 27 August	Stellenbosch	Protea Hotel Devon Valley Devon Valley Road Devon Valley	14h00-17h00	13h00
Tues 28 August	Port Elizabeth	Protea Hotel Marine Marine Drive Summerstrand	09h30-13h00	13h00
Wed 29 August	East London	Garden Court East London Cnr John Baillie Rd & Moore St Quigney	09h00-12h30	12h30
Mon 3 September	Durban	Garden Court Marine Parade 167 Marine Parade	09h30-13h00	13h00
Tues 4 September	KZN Midlands	Fordoun Hotel & Spa Nottingham Road	09h00-12h30	12h30
Wed 5 September	Rustenburg	Orion Safari Lodge Donkerhoek Road	09h30-13h00	13h00
Tues 11 September	George	Protea Hotel King George King George Drive King George Park	10h00-13h30	13h30

*Light refreshments will be available from half an hour prior to start time indicated, and there will be a short tea break during the session.

CONTACT INFORMATION

All correspondence to be addressed to:

The Editor
P O Box 751595, Garden View, 2047, Johannesburg

Docex 158, Johannesburg

E-mails to be addressed to: Bernard Peter Agulhas at bagulhas@irba.co.za
or Joanne Johnston at jjohnston@irba.co.za

Website: http//www.irba.co.za

irba
INDEPENDENT REGULATORY BOARD FOR AUDITORS