



# irba

INDEPENDENT REGULATORY BOARD FOR AUDITORS

ISSUE

9

July 2009

# NEWS



From left to Right:

**Paul Boyle**, IFIAR Chairman

*(Chief Executive of the Financial*

*Reporting Council in the United Kingdom),*

**Reto Sanwald** *(Head of Legal and International*

*Affairs, Federal Audit Oversight Authority) FAOA,*

**Bernard Agulhas, Frank Schneider** *(Executive Director) FAOA,*

**Hans Peter Walter** *(Chairman of the Board of Directors) FAOA*

## IN THIS ISSUE

• <b>Message from the CEO</b>	1
• <b>Audit Technical</b>	2
• <b>Regulated Industries</b>	5
• <b>Public Sector</b>	6
• <b>Ethics</b>	6
• <b>Practice Review</b>	7
• <b>Legal</b>	7
• <b>Registry</b>	11
• <b>General News</b>	12

## MESSAGE FROM THE

# CEO

The fifth meeting of the International Forum of Independent Audit Regulators (IFIAR) was held in Basel, Switzerland from 27-29 April, in which independent audit regulators from 30 jurisdictions participated. Since IFIAR's last meeting in Cape Town in September 2008, audit regulators from Abu Dhabi, Dubai International Financial Centre, Egypt, Hungary, Lithuania, Slovak Republic and Chinese Taipei have joined IFIAR. The host for the meeting was the Federal Audit Oversight Authority of Switzerland. Topics for discussion included:

- Audit inspection workshops
- Current market conditions

- Other issues relevant to auditor oversight
- Dialogue with other international organisations
- Funding of IFIAR's administrative and organisational tasks

The IRBA information sessions for 2009 kicked off in late June of this year. I look forward to introducing you to members of the new IRBA management team during our presentations, which will include an update on recent developments and plans going forward for the IRBA and the profession. The road shows will include brief discussions on:

- The IRBA strategy
- The impact of the new corporate legislation
- Amendments to the Auditing Profession Act
- Limitation of auditor liability
- Proposed project on the future of the auditor qualification
- Raising awareness of the auditing profession
- BEE verification
- JSE listing requirements
- Accreditation of professional institutes
- Representation on international committees and international recognition as a regulator and standard setter
- Stakeholder relations
- Transformation of the profession
- Practice review philosophy
- Continuing professional development
- IRBA Code of Ethics

- Supervision of anti-money laundering compliance

In my last message, I referred to the upcoming national and provincial elections, which would herald a change in the leadership of our country, and no doubt bring about new political and professional challenges. We are pleased that the election process in April went off smoothly, and look forward to continued growth and stability under a new national government.

Since April of this year there have been several new developments at the IRBA as well. The new Board, appointed with effect from 1 April 2009 to 31 March 2011 is as follows:

**Dines Gihwala** (Chairperson)  
**Linda de Vries** (Deputy Chairperson)  
**Amanda Dempsey**  
**Wynand du Plessis**  
**Suresh Kana**  
**Tantaswa Fubu**  
**Patrick Mnisi**  
**Deepak Nagar**  
**Nomzamo Radebe**  
**Temba Zakuza**  
**Freeman Nomvalo** (ministerial representative)

In addition to a new Board, the IRBA Secretariat was pleased to welcome several new directors to its internal management structure. The complement of directors is once again full and provides an opportunity to explore fresh ideas

and approaches, which can only be of benefit to the profession in the long run. The newly appointed directors are:

**Paul van Helden**, previously a senior manager in the practice review department, appointed as Director: Practice Review.

**Laine Katzin**, who has been involved with the profession, particularly with regards to the accreditation and CPD models, was appointed as Director: Education, Training & Professional Development.

**Willemina de Jager** as the Director: Operations. Willemina brings a wealth of experience from her previous position at the Financial Services Board.

**Sandy van Esch** to the position of Director: Standards, after filling this position in a contract capacity for several months.

**Bernard Peter Agulhas**  
CEO

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## AUDIT TECHNICAL

### IAASB COMPLETES THE CLARITY PROJECT WITH THE ISSUANCE OF THE FINAL SEVEN CLARIFIED INTERNATIONAL STANDARDS ON AUDITING

The International Auditing and Assurance Standards Board (IAASB) has completed its Clarity Project with the release, in March 2009, of the final seven clarified International Standards on Auditing (ISAs) following the consideration and approval of due process by the Public Interest Oversight Board on

3 March 2009, namely:

ISA 210 (Redrafted), Agreeing the Terms of Audit Engagements;

ISA 265, Communicating Deficiencies in Internal Control to Those Charged with Governance and Management;

ISA 402 (Revised and Redrafted), Audit Considerations Relating to an Entity Using a Service Organisation;

ISA 700 (Redrafted), Forming an Opinion and Reporting on Financial Statements;

ISA 800 (Revised and Redrafted), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks;

ISA 805 (Revised and Redrafted), Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement; and

ISA 810 (Revised and Redrafted), Engagements to Report on Summary Financial Statements.

## IFAC RELEASES 2009 HANDBOOK OF INTERNATIONAL STANDARDS ON AUDITING AND QUALITY CONTROL

With the Clarity Project's completion, all 36 ISAs and International Standard on Quality Control (ISQC) 1 have been revised in accordance with the IAASB's clarity conventions. These revisions will make the standards clearer and easier to understand, implement and translate.

The International Federation of Accountants (IFAC) released the **2009 Handbook of International Standards on Auditing and Quality Control** on 30 April 2009. The handbook brings together all the International Standards on Auditing and the International Standard on Quality Control that have been redrafted by the International Auditing and Assurance Standards Board (IAASB) to improve their clarity. It also includes a *Glossary of Terms and the Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services*. The clarified standards come into effect for audits of financial statements for periods beginning on or after

**15 December 2009**. This handbook replaces Part II of the 2008 *Handbook of International Standards on Auditing, Assurance, and Ethics Pronouncements*.

**Part I** of the **2008 Handbook of International Auditing, Assurance, and Ethics Pronouncements** will remain in effect during 2009. It contains pronouncements on auditing, review, other assurance, and related services issued by the IAASB as of **1 January 2008**. It also includes the IFAC *Code of Ethics for Professional Accountants*, issued by the International Ethics Standards Board for Accountants. The pronouncements on auditing in Part I of the 2008 *Handbook of International Auditing, Assurance, and Ethics Pronouncements* will remain in effect up to **14 December 2009**; thereafter, they will be replaced by those contained in the 2009 handbook.

To help in the implementation of the new standards, the IAASB has

developed an online Clarity Centre (<http://web.ifac.org/clarity-center/index>). The Centre provides a full set of the final standards, marked text showing changes from the original standards, a project history, and commonly asked questions and answers. In addition, the IAASB is developing a set of support modules, which will also be accessible from the Clarity Centre, that will feature video and slide presentations highlighting key changes in the standards.

The 2009 *Handbook of International Standards on Auditing and Quality Control* can be downloaded free of charge in PDF format or ordered for US\$85.00, plus shipping, from the IFAC online bookstore ([www.ifac.org/store](http://www.ifac.org/store)). Discounts are available for students, academics, and individuals living in developing countries, as well as for orders of 10 or more copies. Orders can also be placed by calling IFAC at +1 (212) 471-8722.

## CLARIFIED ISAS TO BE APPLIED BY REGISTERED AUDITORS IN SOUTH AFRICA

The final seven clarified ISAs indicated above were recommended by the Committee for Auditing Standards (CFAS) for approval, and were approved by, the Independent Regulatory Board for Auditors (IRBA) on 19 March 2009. Having followed due process in South Africa throughout the period of the Clarity Project, this also completes the full set of clarified ISAs approved and to be applied by registered auditors in South Africa for audits of financial statements for periods beginning on or after **15 December 2009**.

In terms of the copyright agreement with IFAC, the 2009 *Handbook of International Standards on Auditing and Quality Control* can be downloaded free of charge in PDF format from the IRBA website: [www.irba.co.za](http://www.irba.co.za), or a CD containing the 2009 *Handbook of International Standards on Auditing and Quality Control* may be ordered from the IRBA free of charge from the Communications Department. Phone Kokeleco Gaeleje at

087 940 8832 or e-mail

communications@irba.co.za.  
Remember to include your postal address.

Registered auditors and their audit staff are advised to gain a working knowledge with the clarified ISAs as

soon as possible, as many contain new "Requirements". A number of "grey type" paragraphs in the existing ISAs have been elevated to "Requirements" in the clarified ISAs and those ISAs "Revised and Redrafted" contain new Requirements

which will necessitate changes to firms' audit methodologies affecting work performed on audit engagements and additional audit documentation in audit files.

## NEW IAASB PROJECT PROPOSALS

### Assurance Engagements to Report on Pro Forma Financial Information in Prospectuses

The IAASB discussed issues relating to the development of an International Standard on Assurance Engagements (ISAE) on reporting on pro forma financial information in prospectuses. Topics addressed included: definitions of relevant terms; nature and level of assurance to be provided; engagement acceptance consideration; and reporting considerations. The IAASB will consider an initial draft of the proposed ISAE at its September 2009 meeting. The IRBA is participating as a co-respondent

member of the IAASB Task Group in the development of this new ISAE Standard.

Developments will be considered in a planned revision of the present SAICA *Guide on Pro Forma Financial Information* Issued September 2005, to be undertaken by a CFAS Task Group jointly with the relevant SAICA Project Task Group and the JSE Limited.

### Other projects approved

The IAASB approved proposals at its meeting in March 2009 to commence the following four new projects:

- Revision of ISA 610, *Using the Work of Internal Auditors*.
- Revision of ISRE 2400, *Engagements to Review Financial Statements*, and ISRS 4410, *Engagements to Compile Financial Statements*.
- Revision of ISAE 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.
- Consideration of the auditor's responsibilities regarding XBRL financial information filed with audited financial statements.

## NATIONAL STANDARD SETTERS MEETING 23 – 24 APRIL 2009

The CEO and Acting Director: Standards attended the annual meeting of the National Standard Setters (NSS) in Vancouver, Canada on 23 – 24 April 2009, along with representatives from the IAASB and NSS participants from Australia (AUASB and APESB), Brazil, Canada, China, France, Germany, India, Japan (BAC and JICPA), the Netherlands, New Zealand, South Africa, United Kingdom, and United States (ASB and PCAOB). Highlights of the meeting included:

- An update on recent IAASB developments, matters of international relevance and significant national developments of international relevance - most participants noted steady progress on national ISA convergence or adoption initiatives;
- The Clarity Implementation Project for the new Clarified ISAs, including best practices regarding convergence, adoption and implementation, and plans by the European Commission (EC) for public consultation in mid-2009 regarding the timing and the process for adoption of ISAs in the European Union (EU);
- Ongoing efforts to try to better address the needs of small and medium practices (SMPs) and small- and medium-sized entities (SMEs); and audit practice alerts issued by the IAASB and several NSS in response to the global economic crisis;
- The new projects approved by the IAASB: XBRL Reporting; Reviews, Compilations and other alternatives to the audit - Project to revise ISRE 2400 and ISRS 4410; Project to revise ISA 610 and ISAE 3000; and the development of a new assurance standard *Reporting on Proforma Financial Information in Prospectuses*.

## ACCESS TO AUDIT WORKING PAPERS: A GUIDE FOR REGISTERED AUDITORS

Comments on the *Proposed Guide: Access to Audit Working Papers: A Guide for Registered Auditors* (the

Guide) were received from two firms of auditors, the Auditor-General and the South African Revenue Services.

The comments and changes to the Proposed Guide were considered and approved by the CFAS at its

meeting on 4 June 2009.

The Task Group was also asked to consider the impact on the Guide of the clarified *ISA 600 Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*, that will become effective for audits of group financial statements for financial periods beginning on or after **15 December 2009**. ISA 600 indicates circumstances

when the "group auditor" responsible for reporting on the group financial statements, may consider it necessary to review the audit working papers of significant components, where the audit is performed by another auditor or a network firm. The requirements in ISA 600 affect, inter alia, the wording used in a hold harmless letter sought by the component auditor from a group auditor, as the intention of the review would be to evaluate whether the component

auditor's working papers provide sufficient appropriate audit evidence for the group auditor to conclude on material component matters that affect the group financial statements. Subject to final changes being circulated to the CFAS members, the Guide is approved for issue and will be communicated to auditors shortly and made available as a .pdf download from the IRBA website: [www.irba.co.za](http://www.irba.co.za)

## SAAPS 3 (REVISED) JUNE 2009 ILLUSTRATIVE INDEPENDENT AUDITOR'S REPORTS

At its June 2009 meeting, CFAS approved a new *Appendix 6*, providing examples of Afrikaans translations of selected illustrative reports which has been added to *SAAPS 3 (Revised) June 2009: Illustrative Independent Auditors Reports*. SAAPS 3 may be downloaded from the IRBA website: [www.irba.co.za](http://www.irba.co.za).

At its June 2009 meeting, CFAS also approved the withdrawal of the present "*Omsendbrief 02/2006 Vertaling van verslae and woordelys*" and the issue of the revised and updated translation into Afrikaans of the *Omsendbrief 01/2009: Vertaling*

van "*IAASB Glossary of Terms (December 2006)*" comprising:

- *Bylae A: Translation of English terms in the Glossary and the "Ekwivalente Afrikaanse Terme", and*
- *Bylae B: "Woordelys" translation of the meanings contained in the Glossary into Afrikaans.*

*The Omsendbrief 01/2009 Vertaling van "IAASB Glossary of Terms (December 2006)"* may be downloaded from the IRBA website: [www.irba.co.za](http://www.irba.co.za).

The Reports Standing Committee of CFAS continues to work on updating both SAAPS 2 and SAAPS 3 to take account of changes arising from the clarified reporting ISAs. It is anticipated that this project will be completed by the second half of 2009 and illustrative reports will be available to auditors by September 2009 in order to prepare for the application of the clarified ISAs to audit reports on financial statements of entities with financial periods commencing on or after **15 December 2009**.

## REGULATED INDUSTRIES

The Regulated Industries Standing Committee (RISC) continues to engage with many regulators in addressing requirements in Statute and Regulation for auditors to report on regulated industries. Projects currently in progress include:

- **Attorneys Trust Accounts Compliance Assurance engagement** - the Proposed Guide: Assurance Engagement

on **Attorneys' Trust Accounts** for registered auditors' assurance engagement performed on attorneys trust accounts is making good progress and should be completed for exposure by the latter half of 2009. Input has been received from auditors with experience in performing these engagements, and meetings held with auditors and representatives

from the legal profession.

The Provincial Law Societies are presently working on a consolidated set of Rules for South Africa which will affect the content of the Guide

- **Medical Schemes 2008 Annual Return to the Medical Council**  
– revised reports - the Reports Standing Committee of CFAS finalised the Revised ISA 800 and ISAE 3000 Reports on the Annual Return of Medical Schemes for the financial year ended 31 December 2008 in consultation with the Medical Council. The revised reports will be available as a download from [www.irba.co.za](http://www.irba.co.za).

- **Home Loans and Mortgage Disclosure Act:** - the Office of Disclosure issued a letter of exemption on 26 March 2009 to financial institutions granting home loans exempting them from disclosing the information required in terms of the Home Loans and Mortgage Disclosure Act (HLMDA). The HLMDA task group met on 19 May 2009 with the new Director of the Office of Disclosure of the Department of Human Settlements, and the Bank Association of South Africa (BASA) representative to discuss the letter of exemption as it exempted only the financial institutions from disclosure in their

annual financial statements, but still required the banks to submit the information available to the Office of Disclosure. The letter did not exempt auditors from reporting on information required by the HLMDA to be disclosed by the banks to the Office of Disclosure. Agreement has not yet been reached as to the report to be provided by auditors to the Office of Disclosure and efforts to resolve this continue. As soon as a revised exemption letter is received from the Office of Disclosure, this will be circulated by the IRBA and BASA to the auditors and financial institutions respectively.

## PUBLIC SECTOR

### CFAS ESTABLISHES A NEW PUBLIC SECTOR STANDING COMMITTEE

The Auditor-General (AG) has identified a need for audit and reporting guidance to be developed by CFAS to assist private sector auditors engaged in performing audits for the AG or directly appointed as auditors of public and state-owned entities. At the March 2009 meeting

CFAS approved a proposal for the establishment of a CFAS / Public Sector Standing Committee whose task it will be to identify the need for audit guidance and to develop such guidance designed to assist registered auditors and improve the quality of audits performed for the

AG. The first meeting of the new Standing Committee was held on 14 May 2009 and potential terms of reference discussed. The task group will consider a draft work programme at its next meeting to present to the CFAS meeting in September 2009.

## ETHICS

### COMMITTEE FOR AUDITOR ETHICS (CFAE)

The International Ethics Standards Board for Accountants' (IESBA) approved the *Revised IFAC Code of Ethics for Professional Accountants* at its meeting on 28 April 2009 which was published during July 2009 with an effective date of January 2011.

The CEO and Acting Director: Standards attended the IESBA Meeting with National Standards Setters held in Vancouver on 22 April 2009 at which the *Proposed Revised IFAC Code of Ethics for Professional Accountants* and IFAC efforts to encourage convergence in light of the G20 Financial Crisis

Initiatives and other ethical issues facing auditors and professional accountants were discussed.

The CFAE Task Group has almost completed its work on the *Proposed IRBA Code of Professional Conduct* which is anticipated will be approved by the CFAE and Board for issue as an exposure draft during August 2009, with a comment period of three months. Comments received will be considered by the CFAE and it is expected that the new *IRBA Code of Professional Conduct* will then be recommended to the Board for approval and issue early in 2010.

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## PRACTICE REVIEW

### CHANGED PHILOSOPHY OF PRACTICE REVIEW

The Auditing Profession Act of 2005 in Section 47 addresses the duty of the Independent Regulatory Board for Auditors (IRBA) with regard to inspections. Subsection 47 (1) (b) states: *“Despite the generality of paragraph (a), the Regulatory Board, or any person authorised by it, must at least every three years inspect or review the practice of a registered auditor that audits a public interest company as defined in the Companies Act, 1973”.*

The Companies Act, however, does not define public interest for the purpose of inspections by IRBA.

For the past 3 cycles the Public Accountants and Auditors Board and now the IRBA have been performing inspections of all registered auditors, irrespective of the public interest implication. This places a significant demand on resources and it has become more difficult to attract and retain experienced reviewers.

The Board of the IRBA has therefore agreed to a change in the inspection program of the Practice Review Department:

- From the start of the 4th review cycle, engagement and firm reviews will be performed only on those firms that perform audits of financial statements that are classified as public interest. The audits for public entities are those that fall into Categories A and B, as defined for the first and second cycle affidavits (also called Categories 1 and 2 in the 3rd cycle).
- The process for inspections of firms involved in non-public interest audits will be revised to be less onerous and aimed solely at the risk of inappropriate audit opinions being expressed. The intention is to obtain additional resources or to negotiate with appropriate institutes to perform

such inspection on a peer review basis.

Further detail will be presented during the July and August 2009 road shows.

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**Director: Practice Review**  
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## LEGAL

### QUARTERLY REPORT FROM THE DIRECTOR: LEGAL FOR THE PERIOD 1 JANUARY 2009 TO 31 MARCH 2009

#### INVESTIGATING COMMITTEE

The Investigating Committee met once during this period and disposed of two matters as follows:

- One in terms of the old dispensation Disciplinary Rule 3.9.3 (there being no reasonable prospect of proving the respondent guilty of the conduct in question)
- One in which the complaint was withdrawn.

The remainder of the matters which the Committee considered were forwarded to the Disciplinary Advisory Committee with recommendations.

In addition, two complaints were withdrawn even before reaching the Committee

**DISCIPLINARY ADVISORY COMMITTEE**

The Disciplinary Advisory Committee met twice during this period and disposed of 27 matters, as follows.

**Decision not to charge**

- six matters in terms of Disciplinary Rule 3.5.1.1 (the respondent is not guilty of unprofessional conduct; this includes the situation where the conduct in question might be proved but even if so, it does not constitute unprofessional conduct)
- two matters in terms of Disciplinary Rule 3.5.1.2 (the respondent having given a reasonable explanation for the conduct).
- one case in terms of Disciplinary Rule 3.5.1.4 (there being no reasonable prospect of proving the respondent guilty of the conduct in question).
- Two matters in terms of Disciplinary Rule 3.5.1.5 (in

all the circumstances it is not appropriate to charge the practitioner with unprofessional conduct).

**Decision to charge and matter finalised by consent:**

15 practitioners and one firm were fined. The matters were as follows:

- One related to preparation of financial statements and failure to reply to correspondence (R1,000)
- two related to the failure to contact outgoing auditors (R10,000 in each case)
- one was attorneys trust account related (R20,000, of which R10,000 was suspended on conditions)
- Eleven arose out of practice review. \*\*

**2nd cycle 2nd review:**

- two practitioners were fined R30,000 of which R15,000 was suspended on conditions;

- five practitioners were fined R40,000 of which R20,000 was suspended on conditions;

**2nd cycle 3rd review:**

- three practitioners were fined R30,000 of which R15,000 was suspended on conditions;
- one practitioner was fined R40,000 of which R20,000 was suspended on conditions, as well as a previously suspended fine of R15,000;

\*\* In certain of these cases the imposition of sentence was postponed indefinitely on condition that the practitioner in question either withdrew from the Board's register, or became non-attest.

In addition one matter was closed until the outcome of current civil litigation.

**DISCIPLINARY COMMITTEE**

The Disciplinary Committee met three times during this period; one matter was postponed to 20 July 2009, in one matter the respondent has indicated that he intends to appeal the finding, and thus it is not reported yet, and one matter was finalized.

**First matter**

On 4 February 2009 the committee heard the case against Mr [P]. The matter is pending appeal.

**Second matter**

On 9 and 10 February 2009 the committee finalised the hearing of the part heard case against Mr [M]. He was present and represented. The practitioner was found not guilty of the charges brought against him.

**Third matter**

On 16 March 2009 the committee met to hear the case against Mr [AG]. The matter was postponed until 20 July 2009 due to his non attendance as a result of ill health.



## COMMISSIONERS OF OATHS

On 24 April 2002 Chartered Accountants (SA) were designated as ex officio Commissioners of Oaths. This is a privilege which all too many do not understand.

I covered the question of independence of Commissioners of Oaths in Maneo [issue 17 August 1999] (when it was still necessary to apply to be appointed a Commissioner of Oaths) and what I wrote then bears repeating.

"I published an article recently (Issue 17 - August 1998) on how RAAs can apply to become Commissioners of Oaths. The attesting of an affidavit is something which might be considered purely a routine administrative matter in many circles and practitioners would be well advised to take note of the findings in the case of *Radue Weir Holdings Ltd v Galleus Investments CC* 1998 (3) SA 677 (EC). In this matter, which was an Application to Court, the Defendants' Opposing Affidavit had been attested by an attorney practising in association with the Defendants' attorneys. The Court found that a Commissioner of Oaths who attests an affidavit, is required to be impartial, unbiased and entirely independent of the office where the affidavit was drawn. The Court held further that the "interest" referred to in regulation 7(1) of the regulations framed in terms of Section 10 of the Justice of Peace and Commissioner of Oaths Act 16 of 1963, need not be a pecuniary or proprietary one. An attorney practising in association with another attorney has an interest which precludes him from functioning as a Commissioner of Oaths for affidavits drafted by the other attorney.

The rigor with which the Court enforced the necessity for independence of a Commissioner of Oaths should serve as a warning to Commissioners who administer the oath lightly, or do

not necessarily seriously consider the implications of attesting an affidavit. Copies of the judgement are available from my office, if requested."

However, it is not only in relation to independence that Chartered Accountants seem not to understand their responsibilities, but in more fundamental ways as well. The following three instances illustrate this:

**First instance**

I publish hereunder an extract from a letter received recently from a conveyancer in Cape Town.

*"13 February 2009*

**ATTENTION: MS JANE O'CONNOR**

*The Director (Legal)  
Independent Regulatory Board  
Auditors  
P O Box 751595  
GARDENVIEW  
2047*

*Dear Madam*

**RE: CHARTERED ACCOUNTANTS  
ACTING AS A COMMISSISONER OF  
OATHS**

*This letter is not intended, in any way, to be construed as a complaint calling for any disciplinary steps to be taken against any person whatsoever.*

*It is simply an illustration of a perturbing misconception of what the office of a Commissioner of Oaths is all about that could be addressed in a short article in one of your future issues of IRBA News for the guidance of your newly admitted members.*

*I enclose, by way of illustration a photocopy of an Affidavit (the original being in my possession) which reflects that an individual admitted to the*

*Register of the Board (between 1st February 2007 to 31st July 2007) needs a bit of guidance about the attestation of an Affidavit.*

*The Affidavit reflects that [3rd deponent] appeared before [CA Commissioner of Oaths] (on 10th February 2009) to attest, on oath, his Affidavit.*

*Instead of taking his Oath, Ms [CA Commissioner of Oaths] simply certifies that she has scrutinized the "original" and that the actual signed copy is a complete and accurate copy of that signed original.*

*Why, on earth, Ms [CA Commissioner of Oaths], signed and stamped the first page as well is anybody's guess as [1st deponent], resident in Cape Town, has still to sign the document.*

*I am a bit annoyed as the document is useless for the purposes of the Cape Town Deeds Registry and I will now have to ensure that the Affidavit is signed afresh by the various Deponents - leading to a further delay in the registration / transfer process.*

*It is no less of a mystery to find that my letter of 14th January 2009, was also initialled."*

The Affidavit in question was a tripartite one, which required that each signatory had to sign before a Commissioner of Oaths and, by definition, take an oath. In this instance the second deponent had signed the affidavit and the

Chartered Accountant was attesting the signature of the third deponent. Indeed she signed in the right place, but also in the place where the Commissioner of Oaths attesting the signature of the first deponent was to sign. This is addition to stamping the document as a true copy of the original!

### Second instance

Shortly after receiving the above correspondence I received a letter of complaint from an RA complaining about the conduct of another RA. Each page of the letter as well as all the attachments (which were duplicate originals of invoices generated by the complaining RA's firm) were meticulously stamped as being true copies of the originals and 'attested' by another RA Commissioner of Oaths, being the complainant's partner. The Commissioner of Oaths had also appended the attestation paragraph in terms of government notice R1258 at the foot of each page of the letter. He had however, neglected to append his details under his signature (which is only necessary on the last page). While this can be extrapolated from his 'certified a true copy' stamp, it does not create an impression of professionalism. Furthermore, none of the pages, including the attachments, were initialled by the parties.

### Third instance

In the course of a disciplinary investigation recently, one of the charges preferred against the practitioners concerned was that: "The respondents are guilty of improper conduct within the meaning of Rule 2.1.2 of the Disciplinary rules in that they failed to comply

with the Justice of the Peace and Commissioner of Oaths Act as amended and the regulations promulgated thereunder in terms of Section 10 thereof, in that the respondents acted as Commissioners of Oaths and purported to administer the oath in terms of the requirements as detailed in Government Notice R.1258 in Government Gazette 3619 of the 21 July 1972 to the deponents being alleged owners of endowment policies, whereby the deponents duly allege duly under oath that he or she had ceded the endowment policy in question to the new owner.

At the time that the respondents signed as Commissioners of Oaths they knew that they were acting unlawfully and in contravention of the Justice of the Peace and Commissions of Oaths Act and the Regulations in terms of Section 10 thereof in that:-

- The document they were commissioning had not been signed by the deponent/cedent;
- The deponent/cedent was not present at the time that they signed as Commissioner of Oaths;
- They did not administer the oath to the deponent/cedent;
- They should not have commissioned the documents to start with as they had an interest in the matter to which the affidavit had reference;
- In certain instances, the owner of the alleged policy was not a natural person but a legal entity such as a company. In such instances, the deponent would have had to have a resolution to sign on behalf of the legal entity. No resolution is attached or referred to and indeed, the notice of transfer of ownership is not signed at all by the duly authorised representative of the legal entity."

RAs (most of whom are Chartered Accountants) are reminded that taking a person's oath (or indeed certifying a document to be a true copy of the original) is not simply a matter of affixing rubber stamp impressions all over the place. It is a matter of seriousness and responsibility, and should be treated as such. The Regulations governing the administration of an oath (or affirmation) can be found on the SAICA website, or are available from my office, on request.

Queries: **Jane O'Connor**  
 Director: **Legal**  
 Telephone: **087 940 8800**  
 Facsimile: **087 940 8873**  
 E-mail: **joconnor@irba.co.za**



# REGISTRY

## INDIVIDUALS ADMITTED TO THE REGISTER OF THE BOARD From 01 JANUARY 2009 To 31 MARCH 2009

Bhaga-Muljee Heemal  
Botha Christo  
Bull Norman Winston  
Buys Annemie  
Cairns Gavin Claud  
Cary Anita  
Christmas Leigh Elizabeth  
Cianfanelli Antonio  
Cloete Riaan  
Cumming Tracy  
Dayaram Sangeeta Ishwarlal  
Dharamlall Lalchand  
Du Plessis Charl Prieur  
Fakir Dharmini  
Fourie Maria Magdalena  
Gordon Nicholas Paul  
Griesel Abraham Jacobus  
Hardien Abdul Aziz  
Hassen Muhammed  
Henning Mariaan  
Immelman Pieter Cornelis  
Janse Van Vuuren Aletta Cecilia  
Jordaan Hugo  
Kemp Phillip Gerhardus  
Kinnear Natasha Lucille  
Kuhn Kerrin TheresE  
Mao-Cheia Simone  
Marais Jan Gabriel  
Maseng Modise Ishmael  
Matodzi Tshifhiwa  
McClean Gary Brian  
Mills Robyne Melinda  
Mungofa Brian  
Naidoo Shane  
Naidoo Deon  
Ndlovu Moshabe William  
Ndlovu Nomthandazo Tshepo  
Odendaal Melanie Georgina  
Pather Lushendren  
Peddie Kim  
Pedlar Wright Tarryn Lyn  
Pillay Shanel  
Pillay Urweshi  
Pretorius Helette  
Pretorius Christel  
Ramabulana Masala Kanakana  
Ruppelt Sven  
Schneider Paul Jurgen  
Schwartz Doret  
Schlapelo Calvin Paul Mogau Roy  
Seymore Morne  
Steenkamp Hendrik Stephanus  
Steyn CorNelius Christopher

Swanepoel Stephanus Petrus  
Trollip Mauritz  
Tyranes Spiros  
Van Dyk Cornelius Jansen  
Van Huyssteen Claire Patricia  
Van Staden Jan Cornelis  
Van Zyl Jacob Petrus Cilliers  
Van Zyl Hermine  
Venter Suzette  
Venter Althea  
Verwey Jason Allister  
Walkerley Garen Clint

## INDIVIDUALS REMOVED FROM THE REGISTER OF THE BOARD From 01 JANUARY 2009 To 31 MARCH 2009

Bakers Nizaam Rashed (Resigned)  
Basson Marelize (Resigned)  
Beneke Ilse (Resigned)  
Bredekamp Christian Stephanus  
(Resigned)  
Browne Vernon Cedric Balfour  
(Retired)  
Dente Bruce (Emmigrated)  
Etchells Jennifer Ann (Retired)  
Fair Arnold (Retired)  
Glass Hyman Mannie (Retired)  
Helm Kevin Keith (Resigned)  
Holwill Timothy John (Resigned)  
Kaidos-Martins Martins Helena  
Sevasti (Resigned)  
Kilian Johannes Willem (Resigned)  
Kruger Louis Johannes (Resigned)  
Miller Derek John (Retired)  
Minkley Alvine Clive (Resigned)  
Morrls Clive Reid (Retired)  
Myburgh Trevor Leon (Resigned)  
Nell Sandra (Resigned)  
Nell Sandra (Retired)  
Page Walter Rodney (Emmigrated)  
Pardoe Emma Susan (Resigned)  
Pretorius Francisca (Resigned)  
Ragsdale John Goodwin (Resigned)  
Roberts Hilde (Resigned)  
Sadie Johann (Resigned)  
Schoeman Lucinda (Resigned)  
Taylor Colin Bruce (Resigned)  
Van Der Linde Leendert Scholtz  
(Resigned)  
Walker Andrew Dudley (Retired)  
Watson Neil Dunn (Resigned)  
Whitley Rodney James Horner  
(Retired)  
Wilkins Wilco (Resigned)  
Wolsteholme VaneSsa Elizabeth  
(Resigned)

## INDIVIDUALS RE-ADMITTED TO THE REGISTER OF THE BOARD From 01 JANUARY 2009 To 31 MARCH 2009

Abrahams Zuhdi  
Campbell David Tennant  
Drysdale Grant John Eric  
Du Plessis Eugene Eduard  
Fuls Kurt Jan  
Kaidos George Panagiotis  
Le Roux Mario Benjamin  
Mashanda Thulisile Njapa  
Ngobeni David  
Rabishand Sanjay  
Singh Yesholata  
Sondlo Nolubabalo  
Zietsman Beverley Susan

## GENERAL NEWS

### SAICA NORTHERN CAPE REGIONAL DINNER

The CEO recently attended an annual dinner hosted in Kimberley by SAICA's Central Region.



#### Guests included, from left:

**Bernard Agulhas** (IRBA CEO), **Hentie van Wyk** (Central Region council member)  
**Antonie Jagga** (outgoing SAICA Central Region president),  
**Donovan van Straaten** (SAICA Free State president and Central Region council member) and  
**Reuben Brussow** (incoming SAICA Central Region president)

### IRBA ROAD SHOW 2009

At the time of publication the IRBA information sessions are taking place countrywide. The CEO and directors will be visiting 15 locations to update RAs on the latest developments in the profession. The response and bookings have been very positive and it is encouraging to see the large number of auditors who take an active interest in their profession. If you were not able to attend a session, a copy of the slide presentation is available from the IRBA website: [www.irba.co.za/Road Shows/2009 Presentation](http://www.irba.co.za/RoadShows/2009Presentation)

### CONTACT INFORMATION

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