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- Recording and Presentations: We are recording the event. The recording will be published on the IRBA website, and a link will be made available to all attendees via an e-mail. This includes the slides, because there are useful resources you may want to refer to again.
- Disclaimer: Views expressed by external presenters are solely those of the individuals and do not necessarily reflect the views of the IRBA.

Artificial Intelligence in Finance: Shaping the Future

Webinar: 14 April 2025



Imre Nagy is the Chief Executive Officer at the Independent Regulatory Board for Auditors (IRBA) in South Africa. Previously, he served as the Director of Inspections, where he spearheaded regulatory monitoring and remediation efforts for registered auditors. With over 20 years of experience in audits, audit regulation, quality monitoring, and control, Nagy has held leadership positions in both small and large auditing firms, including serving as a director and regional head at South Africa's fifth-largest audit network firm.

Internationally, Nagy is a prominent figure in the global audit community. As a board member and audit and finance committee chairperson of the International Forum of Independent Audit Regulators (IFIAR), he represents 56 countries and has played a pivotal role in shaping international audit standards and regulatory practices.



Rudolf Maleka

Professional Manager – Standards

IRBA

Rudolf is a professional manager in the Standards Department at the Independent Regulatory Board for Auditors. He is currently involved in technology related projects and other standard-setting initiatives. Rudolf serves as a secretariat to the CFAS Regulated Industries and Reports Standing Committee.

Agenda – Session 1

#	Item	Time	Presenter
1.	Welcome	13:00 - 13:05	Saadiya Adam
2	Opening Remarks	13:05 - 13:10	Imre Nagy
3	Shifting Perspectives of AI	13:10 – 13:35	Sean Berrington and Kavi Pather
4	Ethics & Technology – The IESBA Code & Practical Considerations	13:35 – 14:00	Jason Bradley
6	AI Legislative Update	14:00 – 14:25	Lucien Pierce

Comfort Break (15min)

Agenda – Session 2

#	Item	Time	Presenter
1.	What does audit look like in 5 years?	14:40 – 15:05	Nevellan Moodley
2	What AI can do for You Today - Exploring AI Solutions	15:05 – 15:30	Eric Cohen
3	What Should we be Considering – When our AI blinkers come off ?	15:30 – 15:55	Howard Snoyman
4	Use of Technology – In the audit	15:55 – 16:20	Jeremy Justin

Webinar Conclusion (5min)



Sean Berrington

Partner

EY

Sean Berrington is the Head of Technology for EY Africa. Sean is a passionate leader at the heart of the digital revolution, with years of experience in defining, influencing, implementing, and driving this change. He has practical, hands-on experience at big audit firms and large commercial banks.



Kavi Pather

Partner

EY

Kavi Pather is the Artificial Intelligence and Advanced Analytics Leader for the Africa region of EY. He previously worked at Quindiem Consulting for over four years as a Consulting Actuary and Manager, and also lectured Actuarial Science at the University of Witwatersrand.

Shifting Perspectives of AI

IRBA Innovation conference
2025

Sean Berrington

Head Technology EY Africa



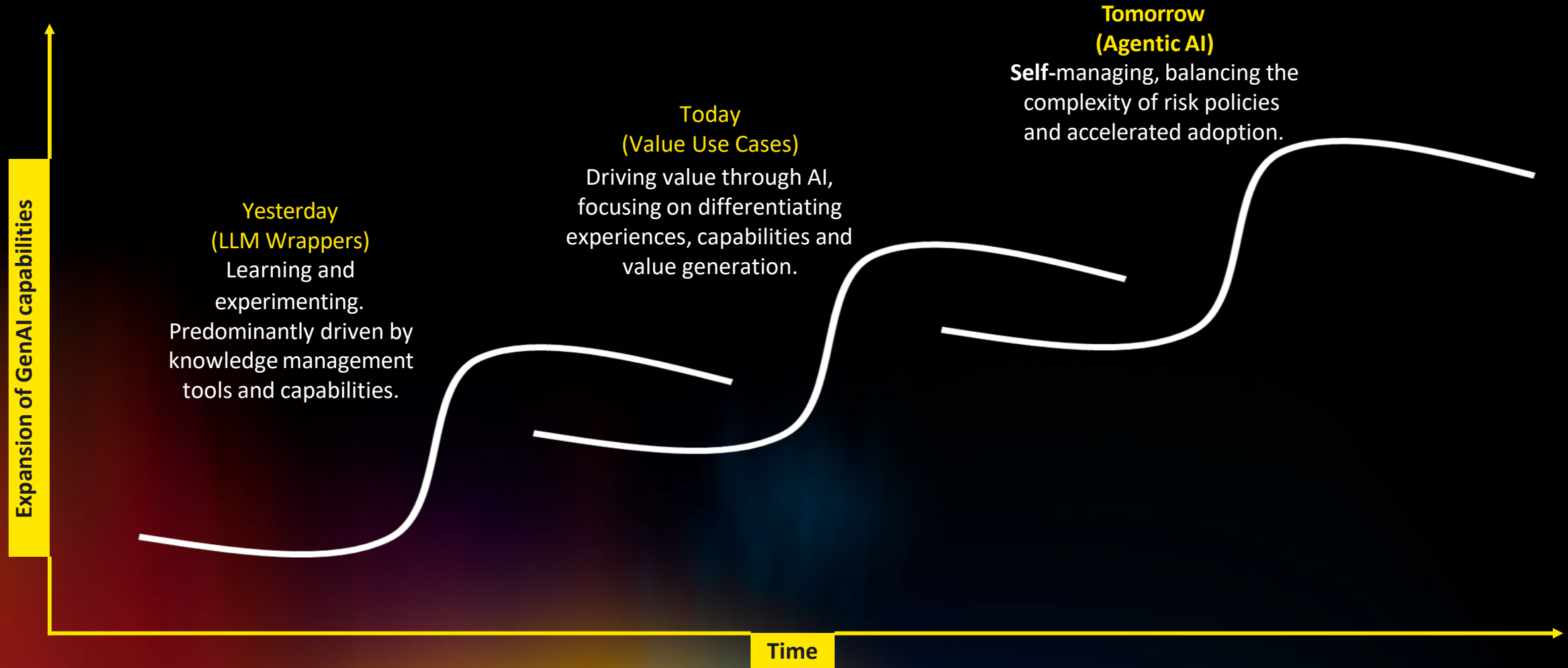
Kavi Pather

Head AI EY Africa



The art of the possible – Walking the journey of Ai through the now, into the next and preparing for the beyond

GenAI is experiencing key shifts with the introduction of agentic AI capabilities.



Questions



Jason Bradley

Member of the IESBA Technology Working Group
IESBA

Jason Bradley is a founding member of the IESBA Technology Experts Group and advises on the ethical use of technology in audit, focusing on AI governance and controls. With leadership roles at the Financial Reporting Council in London and the ICAEW, he has shaped global audit policies and is a frequent speaker on innovation and sustainability in the profession.

Ethics & Technology – The IESBA Code & Practical Considerations

Jason Bradley – IESBA Technology Experts Groups

Overview of the IESBA Code

The IESBA Code sets globally recognized ethical standards for professional accountants. It provides a conceptual framework for identifying, evaluating, and addressing threats to compliance with fundamental principles.

- **IESBA Code Part 1, Sections 100–120:** Core ethical principles.
- **IESBA Code Part 2 & 3:** Specific guidance for accountants in business and public practice.
- Recent revisions include explicit guidance on technology-related work, including AI. (IESBA Technology Working Group Publication)

Identify

Evaluate

Address

Fundamental Principles

The IESBA Code outlines five key principles (**IESBA Code Sections 110–115**):

- **Integrity**
- **Objectivity**
- **Professional Competence and Due Care**
- **Confidentiality**
- **Professional Behaviour**

These apply universally, including engagements involving emerging technologies and AI (**see also IESBA Code Section 120**)

Technology-Focused Revisions

In April 2023, the IESBA issued new technology-focused revisions to the Code, further clarifying the responsibilities of professional accountants in an increasingly digital environment:

- **Heightened Risk Awareness:** The new pronouncements explicitly address emerging challenges and emphasize evaluating both intended and unintended consequences of technology use. (IESBA Code: April 2023 Revisions, Paras. 400.1- 400.7)
- **Professional Skepticism & Judgment:** Reinforced requirements for exercising robust professional judgement, especially when relying on complex AI outputs. (IESBA Code Section 120.6 A1 - A2, April 2023 Update)
- **Tech Competence & Training:** Accountants must demonstrate ongoing competency, including awareness of data governance, model validation, and emerging AI regulations. (IESBA Code Section 113.1 & 113.2, April 2023 Addendum)



Case Study: Overreliance on AI Tools

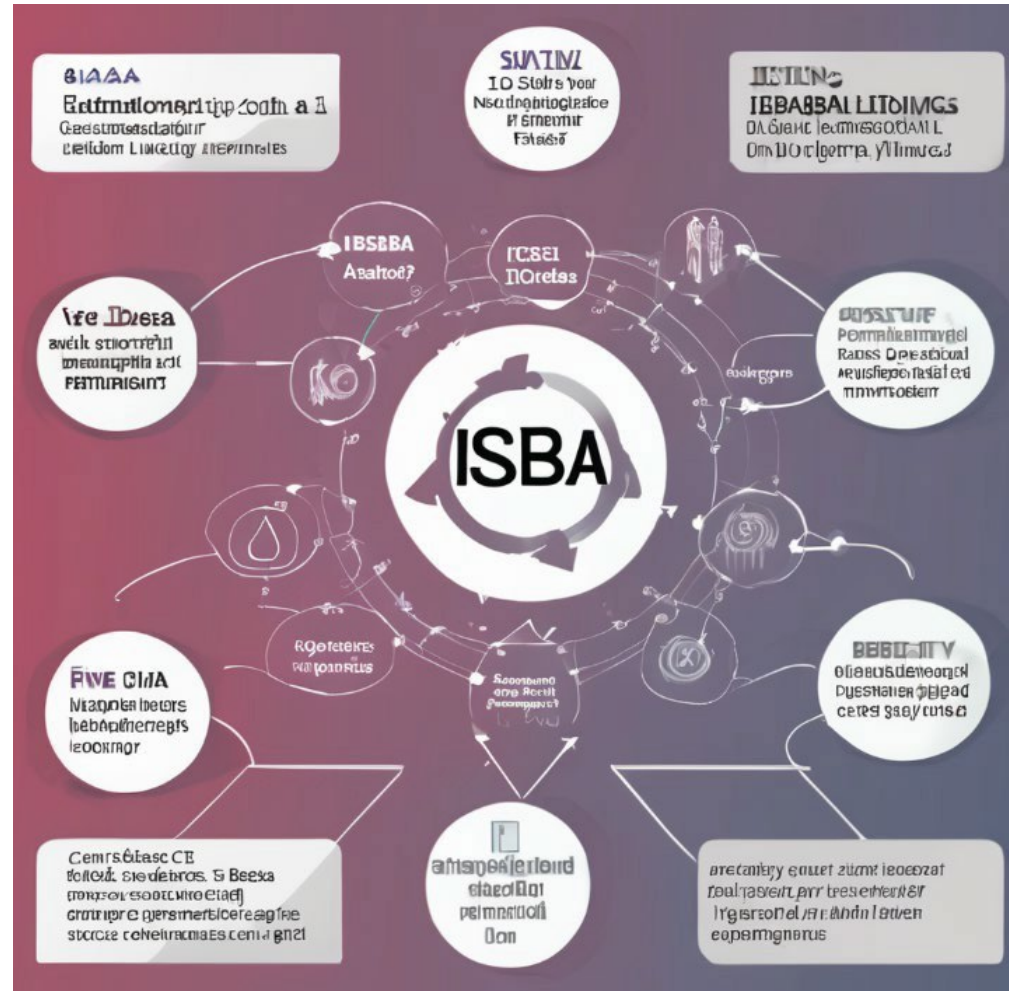
Scenario: An accounting firm automates audit testing with an AI tool but relies on the outputs without thorough review. A material misstatement goes undetected.

Issue: Overreliance compromising quality and resulting in poor outcomes which are not in the public interest.

Relevant Principles: Professional Competence & Due Care (IESBA Code 113, 113.2), Professional Scepticism (IESBA Code 120; see also April 2023 update).

Ethical Dilemma: How should the firm have mitigated overreliance and AI limitations?

Case Study: Overreliance on AI Tools



Case Study: Confidentiality in AI-Generated Reports

Scenario: An accountant uses a chatbot-like AI to draft client reports involving confidential data. The external provider's security measures are not validated.

Issue: Potential breach of confidentiality if data is accessible to external parties.

Relevant Principles: Confidentiality (IESBA Code 114, 114.2), Integrity (IESBA Code 111).
Extended guidance in April 2023 revisions underscores data stewardship and third-party vendor risk assessments.

Ethical Dilemma: Balancing efficiency gains with confidentiality obligations.

Applying Professional Competence

Under "Professional Competence and Due Care," accountants should (**IESBA Code 113, 113.3 A1**):

- Maintain sufficient knowledge of technology, including AI algorithms.
- Pursue continuous learning to keep up with rapid tech advancements.
- Assess threats to AI-driven outputs and apply safeguards when necessary.

The April 2023 revisions further highlight the need for specialized training in data integrity, AI bias factors, and broader governance considerations

Confidentiality & Data Privacy

Using AI in large datasets raises privacy concerns (**IESBA Code 114, 114.1 A1 & 114.1 A2**):

- Maintain confidentiality even in cloud-based environments.
- Prevent inadvertent data leaks by implementing robust controls.
- Evaluate privacy considerations in model training and usage (See April 2023 revised commentary on data governance, **IESBA Code 114**)

Ethical Decision-Making





Questions?



Lucien Pierce

Director
PPM Attorneys

Lucien is a director at PPM Attorneys. He thoroughly enjoys advising clients on transactional, commercial, regulatory and compliance aspects of information and communications technology (ICT), data protection and information security law.

PPM

ATTORNEYS

AI Legislative Update

Artificial Intelligence in Finance: Shaping the Future

Lucien Pierce, 14April 2025

Discussion

What Is AI?

What Are SA's AI Laws / Guidelines?

Are There Other Applicable Laws?

Are There Any AI-related Audit Rules?

What Not To Do: Case Study

How to Reduce AI-related Risks

Questions and Answers



What is AI?



What Are SA's AI Laws / Guidelines?

- No SA “AI Laws”
- SA Draft National AI Framework
- Draft King V Code – Principle 9 – Information Governance
- EU AI Act (Not an SA law but important)



Are There Other Applicable Laws?

- Privacy Laws – Protection of Personal Information Act
- IP – Copyright Act
- Ethics – King IV Code



Are There Any AI-related Audit Rules?

- IRBA Code of Professional Conduct for Registered Auditors
 - Integrity
 - Objectivity
 - Professional Competence and Due Care
 - Confidentiality; and
 - Professional Behaviour



What Not To Do: Case Study

Mavundla v MEC COGTA KZN [2025] ZAKZPHC 2



How to Reduce AI-related Risks

What are the legal considerations?

- Privacy;
- Cybersecurity;
- Intellectual property; and
- Ethics.

What should Audit Professionals do?

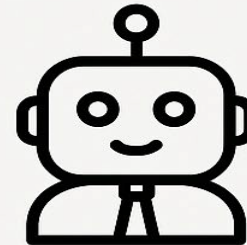
- Procurement considerations;
- Indemnities;
- Liability; and
- Contracting.

Consequences of not taking required steps?

- Regulatory risk
- Reputational risk
- Revenue risks

Any Questions

**This presentation
was created with
reasonable skill,
care... and
artificial intelligence**



**We will recommence at 14:40pm SAST
Tea / Comfort Break**

