

STRATEGIC FOCUS AREAS-2020/2021: Q3

PROGRAMME 1

STRATEGIC FOCUS AREA 1: AUDITING AND ETHICS STANDARDS

STRATEGIC OBJECTIVE	To develop and maintain auditing and ethical standards which are internationally comparable				
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 31 December 2020
Standards and Guidance issued.	Issued auditing pronouncements, auditor reports and comment letters.	High-quality audits.	Target dates met for issuing audit pronouncements, audit reports and comment letters.	85% of target dates met	100% of target dates achieved. Target: 7 Actual: 7 Achieved: Yes
To adopt and/or develop and issue additional guidance on ethical issues, based on the IRBA Code.	Issued additional guidance on ethical issues, comment letters and Code amendments.	To provide auditors with a Code that is consistent with International Codes and one that enables the IRBA to take disciplinary action, where necessary.	Target dates met for issuing additional guidance on ethical issues, comment letters and Code amendments.	85% of target dates met	100% of target dates achieved. Target: 5 Actual: 5 Achieved: Yes

STRATEGIC FOCUS AREA 2: EDUCATION

STRATEGIC OBJECTIVE	To provide an appropriate framework for the education and training of properly qualified auditors and to establish processes so that only competent candidates enter the audit profession				
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 31 December 2020
To monitor the environment in which the Audit Development Programme is offered.	Monitoring reports.	To ensure that the environment is conducive to the development of audit competence.	The number of monitoring visits completed.	10 visits	<p>Target: 10 Actual: 14 Achieved: Yes</p> <p><i>Explanation for deviation:</i></p> <p><i>The actual is above target due to the uncertainty caused by Covid-19 and working remotely, a prudent approach was taken to plan additional monitoring visits in the event of cancellations from firms. Furthermore, the remote monitoring process proved to be effective and efficient, thus resulting in more firms being inspected than initially targeted.</i></p>
To monitor the programmes and institutional requirements of accredited professional bodies.	Monitoring reports.	To ensure compliance with the Accreditation Model.	The number of final monitoring reports to be submitted to the accredited professional body within 10 working days after EDCOM's third quarterly meeting.	1 report submitted within the target date	<p>Target: Final Monitoring Reports (FMRs) submitted within 10 working days from EDCOM Q3 meeting, which was 19 November 2020, i.e. target date 3 December 2020.</p> <p>Actual: FMRs submitted to SAICA on 3 December 2020.</p> <p>Achieved: Yes.</p> <p><i>Explanation for deviation: N/A</i></p>

To contribute to the transformation of the profession.	IRBA transformation initiatives.	Increased awareness of the RA profession among Black trainees.	The number of IRBA transformation initiatives held	2	Target: 4 Actual: 5 Achieved: Yes <i>Explanation for deviation: An additional transformation activity took place during the quarter.</i>
To monitor the CPD compliance of RAs.	Monitoring reports.	To ensure that RAs are complying with the CPD Policy.	Analysis of the CPD monitoring results.	N/A	Target: 1 Actual: 1 Achieved: 1 <i>Explanation for deviation: N/A</i>

STRATEGIC FOCUS AREA 3: INSPECTIONS

To monitor registered auditors' compliance with professional standards					
STRATEGIC OBJECTIVE					
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 31 December 2020
Risk-based Inspections performed.	Inspection reports.	Compliance of firms (including their individually registered auditors) with the auditing and ethics standards.	The number of planned inspections completed.	17 inspections	Target: 17 Inspections Actual: 33 Inspections performed Achieved: Yes <i>Explanation for deviation:</i> A number of Inspections due in the previous quarter were finalised in the current quarter due to extensions and unexpected delays, mainly as a result of the impact of Covid-19. There were also additional files selected on a risk-basis at the large firms, e.g. Subsidiaries and Holding companies where two or more partners were involved. The inspectors with the cooperation of the selected firms managed to perform remote inspections in an effective and productive

					manner during the quarter with a number of new inspectors joining the team.
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STRATEGIC FOCUS AREA 4: INVESTIGATIONS

To investigate and take appropriate action against registered auditors in respect of improper conduct					
STRATEGIC OBJECTIVE					
Measurable objective	Output	Outcomes	Measurable Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 31 December 2020
Completed investigations.	Closed matters.	Relevant findings and appropriate charges for improper conduct.	The number of investigations completed.	26 completed investigations [14 high-profile public interest matters and 12 other matters]	Target: 26 Actual: 6 (3 high-profile/ public interest matters and 3 other matters) Achieved: No <i>Explanation for deviation:</i> <i>The Disciplinary Advisory Committee (DAC) did not meet in quarter 1 or 2 because it had no members during this period. The DAC held three meetings in quarter 3 to address the backlog. The impositions related to the matters tabled at these DAC meetings will only take place in Q4 based on due process.</i>

STRATEGIC FOCUS AREA 6: DISCIPLINARY

STRATEGIC OBJECTIVE	To take appropriate action against registered auditors in respect of improper conduct				
Measurable objective	Output	Outcomes	Measurable Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 31 December 2020
Disciplinary strategy and implementation plan	A disciplinary strategy and an implementation plan developed and adopted.	Disciplinary processes designed to be more effective and efficient.	Approved disciplinary strategy and implementation plan.	A disciplinary strategy and an implementation plan developed and adopted.	<p>Target: Development and adoption of a disciplinary strategy and implementation plan.</p> <p>Actual: Disciplinary strategy and implementation plan developed.</p> <p>Achieved: No</p> <p>Explanation for deviation:</p> <p><i>The Disciplinary Strategy and implementation plan are pending adoption by the board. Due to the December break, there was no board scheduled for December, which meant that the strategy and the plan could not be tabled for adoption ahead of the end of the quarter. The strategy and the plan will be tabled before the board at its meeting of the 27th of January 2020.</i></p>

STRATEGIC FOCUS AREA 6: OPERATIONAL EFFECTIVENESS

STRATEGIC OBJECTIVE	Strengthening the IRBA's organisational capability, capacity and performance to deliver on its mandate in an economically, efficient and effective manner, in accordance with the relevant regulatory frameworks				
Measurable Objective	Output	Outcomes	Output Indicator	Performance Targets	
				Q3 2020/2021	Status for the quarter ended 30 September 2020
Reports from internal and external audits.	Systems, policies and processes that ensure compliance, accountability and sound management of the revenue, expenditure, assets and liabilities.	Financial sustainability to deliver on the mandate.	A clean audit report regarding financials, compliance and performance information.	N/A	N/A
Promote transformation through targeted procurement policies.	Implementation of the preferential procurement policy framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of SMME payments effected within 30 days.	97%	Target: 97% Actual: 95.68% Achieved: No <i>Explanation for deviation:</i> <i>The impact of the working remotely was that a small number of invoices were not processed within the 30 days. This has been improved by additional controls being implemented.</i>
Promote transformation through targeted procurement policies.	Implementation of the preferential procurement policy framework.	Increased procurement and effective payments to promote empowered businesses.	Percentage of contracts awarded to SMMEs and small businesses.	12%	Target: 12% Actual: 25.60% Achieved: Yes <i>Explanation for deviation:</i> <i>During the first quarter SCM implemented additional internal efficiencies to source</i>

					<i>goods and services from SMME service providers.</i>
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				Q3 2020/2021	Status for the quarter ended 31 December 2020
Promote transformation through targeted employment policies.	Transformed workforce.	Transformation of management control achieved according to the relevant B-BBEE codes.	Achievement of the management control score calculated according to the B-BBEE scorecard. The maximum score attainable is 20.	16	Target: 16 Actual: 17.83 Achieved: Yes
Promote transformation through targeted employment policies.	Transformed workforce.	Transformation of staff achieved according to the approved Employment Equity Plan.	Achievement of the employment equity target according to the approved Employment Equity Plan.	73% Black 26% White 1% Other	Target: 73% Black 26% White 1% Other Actual: 76% Black 22% White 2% Other Achieved: Yes Yes No