SAAPS EXPOSURE DRAFT
March 2024
Comments requested by 15 June 2024

Proposed South African Auditing Practice Statement (SAAPS) 7

Transparency Reports of Firms that Audit Financial Statements of Publicly Traded Entities

WARNING TO READERS

The content of this proposed SAAPS should under no circumstances be used or relied upon, until the Independent Regulatory Board for Auditors issues the final pronouncement.

REQUEST FOR COMMENTS

The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS) approved this proposed South African Auditing Practice Statement (SAAPS) 7, *Transparency Reports of Firms that Audit Financial Statements of Publicly Traded Entities* (proposed SAAPS 7), in March 2024 for exposure and comment, for a period of 90 days. Before the pronouncement is finalised, this proposed SAAPS may be modified in light of the comments received.

This proposed SAAPS 7 has been prepared by a CFAS Task Group that comprised representatives of large, medium and small audit practices, the South African Institute of Chartered Accountants and the Auditor-General South Africa. It may be downloaded free-of-charge from the IRBA website's Exposure Drafts and Comment Letters webpage.

Respondents are requested to submit their comments electronically in Word and PDF formats to standards@irba.co.za. All comments will be considered as a matter of public record and will be posted on the IRBA website.

Comments should be submitted by 15 June 2024.

Should you have any queries, or experience technical difficulties in downloading the document, please email the Standards Department at standards@irba.co.za.

The IRBA's mission is to endeavour to protect the financial interests of the investing community by creating and enhancing regulatory tools and principles, to empower registered auditors to carry out their duties competently, independently and in good faith.

One of its functions is to help create an ethical, value-driven financial sector that encourages investment, creates confidence in the financial markets and promotes sound practices. To achieve this, it develops and maintains auditing and ethics standards that are internationally comparable, among other obligations.

The statutory responsibility of the CFAS is to assist the IRBA to:

1. Develop, maintain, adopt, issue or prescribe auditing pronouncements;
2. Consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information, when requested; and
3. Promote and ensure the relevance of auditing pronouncements by:
   - 3.1. Considering the needs of users of audit reports;
   - 3.2. Liaising with the other committees of the Regulatory Board on standards to be maintained by registered auditors, and by receiving feedback from such committees on areas where auditing pronouncements are needed;
   - 3.3. Ensuring the greatest possible consistency between auditing pronouncements and accepted international pronouncements; and
   - 3.4. Consulting with professional bodies on the direction and appropriateness of auditing pronouncements.

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EXPLANATORY MEMORANDUM

SECTION 1: INTRODUCTION

1. This memorandum provides the background to, and an explanation of, this proposed South African Auditing Practice Statement (SAAPS) 7, *Transparency Reports of Firms that Audit Financial Statements of Publicly Traded Entities* (proposed SAAPS 7).

2. The Independent Regulatory Board for Auditors' (IRBA) Committee for Auditing Standards (CFAS) approved this proposed SAAPS 7 for exposure in March 2024, for a period of 90 days.

Background

3. This proposed SAAPS 7 was drafted to assist firms that audit financial statements of publicly traded entities in complying with paragraphs 33(d)(ii) and A114 of the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (ISQM 1), and the IRBA Rule 2 (Transparency Reports) in the IRBA Rules Arising from the International Standards on Quality Management. The IRBA Rule 2 was published in Government Gazette No. 49757 of 24 November 2023 (pursuant to Sections 9 and 10, read with Sections 1, 2 and 3, of the Auditing Profession Act 26 of 2005, as amended (APA)).

4. Paragraphs 33(d)(ii) and A114 of ISQM 1 states the following: "The firm shall establish the following quality objectives that address obtaining, generating or using information regarding the system of quality management, and communicating information within the firm and to external parties on a timely basis to enable the design, implementation and operation of the system of quality management: …

   (d) Relevant and reliable information is communicated to external parties, including: …

      (ii) Information is communicated externally when required by law, regulation or professional standards, or to support external parties' understanding of the system of quality management….

   Communication with Others External to the Firm (Ref: Para. 33(d)(ii))

   A114. Examples of when law, regulation or professional standards may require the firm to communicate information to external parties.

   …

   - Law or regulation requires the firm to publish a transparency report and specifies the nature of the information that is required to be included in the transparency report…".

5. Further, the applicable IRBA Rule states that:

Firms, as defined in the Auditing Profession Act, as amended, that have registered as an auditor with the IRBA, that audit financial statements of publicly traded entities, shall prepare and publish transparency reports on an annual basis.

   This Rule is effective for firms that audit financial statements of a publicly traded entity for periods beginning on or after 15 December 2025. Early adoption is permitted.

6. Per the most recent IRBA Audit Quality Indicator Report (2023), the above Rule is expected to apply to approximately 16 firms.

Project Timetable

7. Subject to the comments received, the CFAS intends to finalise the SAAPS at its August 2024 meeting.

Effective Date

8. The proposed effective date for the SAAPS is for transparency reports prepared and published on or after 15 December 2025, with early adoption permitted.

SECTION 2: GUIDE FOR RESPONDENTS

9. The CFAS welcomes remarks on all matters that are addressed in this Exposure Draft, especially those identified in section 5 (Request for Specific Comments) below. Respondents are asked to comment on the clarity, understandability and practicality of the application of the guidance in the Exposure Draft. In this regard, comments are most helpful when they refer to particular paragraphs, include the reason for the observation and, where appropriate, make specific suggestions for any proposed changes to the wording. When a respondent agrees with the proposals in the Exposure Draft, it will be helpful for the CFAS to be made aware of this view.

SECTION 3: SIGNIFICANT MATTERS

Approach to this Proposed SAAPS 7

10. Proposed SAAPS 7 was drafted with a view of a firm that is considering the eight components of a system of quality management (SoQM), as outlined in ISQM 1, in its preparation of a transparency report. This approach was followed because this is a principles-based approach.

11. Paragraph 6 of ISQM 1 lists the eight SoQM components as:

    11.1. The firm's risk assessment process;

    11.2. Governance and leadership;

    11.3. Relevant ethical requirements;

    11.4. Acceptance and continuance of client relationships and specific engagements;

    11.5. Engagement performance;

    11.6. Resources;

    11.7. Information and communication; and

    11.8. The monitoring and remediation process.

Publicly Traded Entity

12. The IRBA Code of Professional Conduct for Registered Auditors (Revised April 2023) (IRBA Code) defines publicly traded entity as an entity that issues financial instruments that are transferrable and traded through a publicly accessible market mechanism, including through a listing on a stock exchange. A listed entity, as defined by the relevant securities law or regulation, is an example of a publicly traded entity.

13. The definition of a publicly traded entity in the IRBA Code is effective for audits of financial statements for periods beginning on or after 15 December 2024. Early adoption is permitted.

SECTION 4: REQUEST FOR SPECIFIC COMMENTS

The CFAS seeks comments on the specific matters that are highlighted in the table below.

Question 1	Do you agree the proposed SAAPS includes sufficient information to support external parties' understanding of the firm's system of quality management? If no, please provide the additional aspects that the SAAPS should cover.
Question 2	Do you agree with having this proposed SAAPS focus on the eight components of a system of quality management, as per ISQM 1 (and ISQM 2)? If no, please provide an alternative approach, or additional areas.
Question 3	Do you agree with the proposed effective date of this proposed SAAPS?
Question 4	Are there any other aspects that should be considered by CFAS in finalising this SAAPS?

EXPOSURE DRAFT:
PROPOSED SOUTH AFRICAN AUDITING PRACTICE STATEMENT 7, TRANSPARENCY REPORTS OF FIRMS THAT AUDIT FINANCIAL STATEMENTS OF PUBLICLY TRADED ENTITIES

(Effective for transparency reports prepared and published on or after 15 December 2025)

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STATUS OF AUTHORITY

This South African Auditing Practice Statement (SAAPS) is aimed at assisting firms that audit financial statements of publicly traded entities to achieve compliance with paragraphs 33(d)(ii) and A114 of the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (ISQM 1), and the regulatory requirement applicable to firms in South Africa, relating to the content and format of a firm's transparency report.

For the purpose of this SAAPS, the regulatory requirement being addressed is the Independent Regulatory Board for Auditors (IRBA) Rule 2 (Transparency Reports) of the IRBA Rules Arising from the International Standards on Quality Management, published in Government Gazette No. 49757 of 24 November 2023 (pursuant to Sections 9 and 10, read with Sections 1, 2 and 3 of the Auditing Profession Act 26 of 2005, as amended (APA)). Reading this SAAPS 7 is not a substitute for reading and applying the APA, the IRBA Rules and ISQM 1.

The IRBA develops and issues South African Practice Statements (SAPS) to provide practical assistance to auditors in the implementation of relevant International or South African *Standards on Quality Management, Auditing, Review, Other Assurance and Related Services Pronouncements*. SAPS do not impose requirements on auditors beyond those included in the International or South African Standards or South African regulatory requirements. Also, they do not change the auditor's responsibility to comply, in all material respects, with the requirements of the International or South African Standards or the South African regulatory requirements relevant to the audit, review, other assurance or related services engagements.

A firm or auditor is required to have an understanding of the entire text of every SAPS, to enable the firm and/or auditor assess whether or not any particular SAPS is relevant; and if so, to enable the firm and/or auditor to properly apply the requirements of the particular International or South African Standard(s) to which the SAPS relates.

In terms of Section 1 of the APA, a SAPS is included in the definition of "auditing pronouncements". Also, with regard to the Act, the auditor must, in the performance of an audit, comply with those standards, practice statements, guidelines and circulars developed, adopted, issued or prescribed by the Regulatory Board.

INTRODUCTION

Scope

1. Paragraph 13 of the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (ISQM 1), stipulates the effective date of ISQM 1 as follows:

> Systems of quality management in compliance with this ISQM are required to be designed and implemented by December 15, 2022, and the evaluation of the system of quality management required by paragraphs 53-54 of this ISQM is required to be performed within one year following December 15, 2022.

2. ISQM 1, paragraph 1, states its scope as the following:

> This International Standard on Quality Management (ISQM) deals with a firm's responsibilities to design, implement and operate a system of quality management for audits or reviews of financial statements, or other assurance or related services engagements.

3. With regard to the requirement for a firm to communicate externally in respect of its system of quality management, paragraph 33(d)(ii) of ISQM 1 indicates that:

> The firm shall establish the following quality objectives that address obtaining, generating or using information regarding the system of quality management, and communicating information within the firm and to external parties on a timely basis to enable the design, implementation and operation of the system of quality management: …
>
> (d) Relevant and reliable information is communicated to external parties, including: …
>
> (ii) Information is communicated externally when required by law, regulation or professional standards, or to support external parties' understanding of the system of quality management.

4. Paragraph A114 of ISQM 1 provides further guidance in respect of publishing a transparency report, as specified below.

> *Examples of when law, regulation or professional standards may require the firm to communicate information to external parties*
>
> - The firm becomes aware of non-compliance with laws and regulations by a client, and relevant ethical requirements require the firm to report the non-compliance with laws and regulations to an appropriate authority outside the client entity, or to consider whether such reporting is an appropriate action in the circumstances.
> - Law or regulation requires the firm to publish a transparency report and specifies the nature of the information that is required to be included in the transparency report.
> - Securities law or regulation requires the firm to communicate certain matters to those charged with governance.

5. This South African Auditing Practice Statement (SAAPS) 7, *Transparency Reports of Firms that Audit Financial Statements of Publicly Traded Entities* (SAAPS 7), is aimed at assisting firms that prepare and publish transparency reports, both for compliance with the regulatory requirement applicable to firms in South Africa and ISQM 1, as related to the content and format of a firm's transparency report. For the purpose of this SAAPS 7, the regulatory requirement being addressed is the Independent Regulatory Board for Auditors (IRBA) Rule 2 (Transparency Reports) in the IRBA Rules Arising from the International Standards on Quality Management, published in Government Gazette No. 49757 of 24 November 2023 (pursuant to Sections 9 and 10, read with Sections 1, 2 and 3, of the Auditing Profession Act 26 of 2005, as amended (APA)). Reading SAAPS 7 is not a substitute for reading and applying the APA, the IRBA Rules and ISQM 1.

6. This IRBA Rule 2 states that:

Firms, as defined in the Auditing Profession Act, as amended, that have registered as an auditor with the IRBA, that audit financial statements of publicly traded entities, shall prepare and publish transparency reports on an annual basis.

   The Rule is effective for firms that audit financial statements of a publicly traded entity for periods beginning on or after 15 December 2025. Early adoption is permitted.

7. Therefore, it follows that this SAAPS is effective for transparency reports prepared and published on or after 15 December 2025.

8. Where a firm audits a publicly traded entity as part of a joint audit engagement, the IRBA Rule applies to each firm in that joint audit arrangement.

Definitions

9. For the purpose of this SAAPS, unless otherwise specified or the context clearly indicates the contrary, all the terms defined in the ISAs and reflected in the *Glossary of Terms* have the same meanings here as well.

10. A firm is as defined in the APA.

11. The IRBA Code of Professional Conduct for Registered Auditors (Revised April 2023), as amended, is the IRBA Code.

12. A publicly traded entity is as an entity that issues financial instruments that are transferrable and traded through a publicly accessible market mechanism, including through listing on a stock exchange. A listed entity, as defined by relevant securities law or regulation, is an example of a publicly traded entity.[1]

13. A transparency report, as prescribed through the IRBA Rule and for the purpose of this SAAPS, is a report prepared and published, annually, by a firm that audits publicly traded entities, and that provides insight to external parties about a firm's system of quality management.

[1] As defined in the IRBA Code.

A TRANSPARENCY REPORT

14. A transparency report allows external parties – such as existing and prospective clients (including their boards, audit committees and shareholders), regulators and other stakeholders – to appropriately understand a firm's system of quality management (SoQM). In respect of audit committees and those charged with governance, a transparency report is a tool that may be used to assess firms when effecting their appointments or reappointments.

15. ISQM 1, paragraph 6, states that a SoQM addresses the following eight components:
    - The firm's risk assessment process;
    - Governance and leadership;
    - Relevant ethical requirements;
    - Acceptance and continuance of client relationships and specific engagements;
    - Engagement performance;
    - Resources;
    - Information and communication; and
    - The monitoring and remediation process.

16. At a minimum, a transparency report addresses the abovementioned eight components of a SoQM and serves the purpose of providing insight into a firm's:
    - System of quality management and its operating effectiveness;
    - The process for determining its quality risks[2] and responses to those risks; and
    - Other relevant information that will assist external parties to understand a firm's SoQM.

TIMING OF THE TRANSPARENCY REPORT

17. ISQM 1, paragraph 53, requires that:

    > The individual(s) assigned the ultimate responsibility and accountability for the system of quality management shall evaluate, on behalf of the firm, the system of quality management. The evaluation shall be undertaken as of a point in time, and performed at least annually.

18. A firm issues its transparency report as soon as possible after the date of concluding the abovementioned ISQM 1 evaluation, but no later than four months after the date covered by the evaluation, to ensure that the firm communicates relevant information to external parties.

19. When the date of concluding the ISQM 1 evaluation, coincides with the firm's financial year-end, the aforementioned four months' recommendation applies to the financial year-end.

20. Where a firm subsequently becomes aware of events or conditions after completing the evaluation required by ISQM 1 but before the transparency report is issued, a firm discloses this

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[2] ISQM 1, paragraph 16(r), defines a quality risk as a risk that has a reasonable possibility of:

(i) Occurring; and

(ii) Individually, or in combination with other risks, adversely affecting the achievement of one or more quality objectives.

event(s) or condition(s) in the transparency report, that had they been known at the time the evaluation of the SoQM was concluded, would have changed the conclusions reached.

NAME OF THE TRANSPARENCY REPORT

21. A firm clearly names or titles the report referred to in this SAAPS as a transparency report, so that external parties can easily identify and refer to it.

RELEVANCE AND RELIABILITY OF THE DISCLOSURES IN A TRANSPARENCY REPORT

22. A firm may explain in its transparency report the controls and system(s) used to develop the report, to demonstrate to the intended users that the report is relevant and reliable in its communication to external parties, as required by paragraph 33(d)(ii) of ISQM 1. Further, the firm may apply its own provisions on quality control and assurance over all its external and statutory reporting.

23. A transparency report is not primarily a marketing[3] tool; therefore, its information is presented in a neutral, relevant and factual manner, without exaggeration. Thus, a transparency report should not contain false or misleading information.

24. Information in a transparency report may contain forward-looking statements, as in the case of remedial action plans. Ordinarily, such forward-looking statements should be separately identifiable.

ACCOUNTABILITY FOR THE TRANSPARENCY REPORT

25. The individual(s) assigned the ultimate responsibility and accountability for the SoQM, in compliance with ISQM 1, may also take the ultimate responsibility and accountability for the transparency report.

26. Such responsibility and accountability for the transparency report may be evidenced through a statement to that effect in the report.

27. The IRBA is not mandating independent external assurance on the transparency report. IRBA may however review the firm's transparency report as part of its regulatory work.

NATURE OF THE INFORMATION TO BE DISCLOSED IN A TRANSPARENCY REPORT

The Firm's Risk Assessment Process

28. A firm discloses in its transparency report, its approach to designing and implementing its risk assessment methodology, taking into consideration the following:
    - How the firm establishes quality objectives;
    - What factors the firm considers in determining and identifying its quality risks and the significance thereof;
    - How it designs and implements responses to its quality risks; and
    - The frequency of review of the appropriateness of the identified quality risks.

[3] Also refer to Section R115.2 of the IRBA Code.

Governance and Leadership

29. In respect of a firm's governance and leadership, the firm considers disclosing the following in its transparency report:

- Its legal arrangements/structure (including licensing arrangements with regulatory bodies);
- Governance structures, their authorities and relationships within the firm;
- The process and/or requirements to appoint the firm leadership;
- A description of the financial resources in relation to the firm's investment in maintaining and/or improving its system of quality management;
- Individuals responsible for quality and the SoQM;
- The firm's reporting on performance against key performance indicators, for assessing the effectiveness of the system of quality management;
- Where a firm is a member of a network[4] and/or associations, a description of the network as well as the legal and structural arrangements of the network; and
- How the firm ensures a consistent approach to audit quality from all members within the structure.

Relevant Ethical Requirements

30. Where applicable, a firm considers disclosing the following information in respect of the relevant ethical component of its SoQM:

- The firm's criteria to identify engagements with entities other than publicly traded entities, where it applies the elevated independence requirements as applicable to these entities;
- The firm's policy concerning the rotation of key audit partners[5], engagement quality reviewers[6] and, where relevant, other partners or staff;
- The firm's independence practices, including the independence assessment process with respect to providing non-assurance services[7] to publicly traded entities and/or audit clients;
- The firm's audit fees (including as a percentage of the total audit fee) earned from publicly traded and/or audit clients, where such audit fees exceed 15% of the total audit fees[8];
- Its internal whistleblowing mechanisms and statistics;
- How the firm and its personnel understand and fulfill their responsibilities in relation to the relevant ethical requirements to which the firm and the firm's engagements are subject[9];

[4] As defined in ISQM 1 and the IRBA Code.

[5] As defined in the IRBA Code.

[6] Also refer to Section 325.8 A3 of the IRBA Code.

[7] Also refer to Section R600.16 of the IRBA Code.

[8] Also refer to Section R410.18 and R410.28 of the IRBA Code.

[9] ISQM 1, paragraph 29(a).

- How others, including the network, network firms, individuals in the network or network firms, or service providers, who are subject to the relevant ethical requirements to which the firm and the firm's engagements are subject, understand and fulfil their responsibilities in relation to the relevant ethical requirements that apply to them[10]; and
- The firm's sponsorship and gifts policy.

Acceptance and Continuance of Client Relationships and Specific Engagements

31. Where applicable, a firm considers disclosing its approach to client acceptance and continuance and engagement acceptance, as well as how the related risks are addressed.

Engagement Performance

32. Where applicable, a firm considers disclosing the following engagement performance-related information:
    - The firm's formation of audit engagement teams, including specialists, i.e. what factors are considered when assigning staff to an audit team;
    - How the firm directs, supervises and reviews the work performed by the engagement teams;
    - How the engagement teams exercise appropriate professional judgement and, when applicable to the type of engagement, professional scepticism;
    - How the firm allocates engagement quality reviewers to engagements;
    - The firm's consultation process, including technical support; and
    - The firm's consultative or resolutions structures for internal differences of opinion.

Resources

33. In its transparency report, the firm discloses its resources, which include human, intellectual and technological resources, among others, as highlighted below.

    Human resources

    - The firm's selection, recruitment and retention and/or promotion criteria for staff, including the number of candidates on the IRBA's Audit Development Programme;
    - The firm's approach to training and goals for Continuing Professional Development;
    - The firm's basis for the incentives and the remuneration of partners and/or directors, including in relation to key performance indicators; and
    - The firm's transformation policies and statistics, including its Broad-based Black Economic Empowerment scorecard; the policy on partner promotions; the number of female partners and/or directors, as a percentage of the firm's total partners and/or directors; and the number of African, Coloured and Indian partners and/or directors, as a percentage of the firm's total partners and/or directors.

[10] ISQM 1, paragraph 29(b).

Intellectual resources

- A description of the firm's intellectual resources; for example, written policies or procedures; the audit and assurance methodologies applied; industry or subject matter-specific guides; accounting guides; standardised documentation; or access to information sources.

Technological resources

- A description of the firm's technological resources; for example, information technology (IT) applications, including their impact on audit, and aspects pertaining to cybersecurity.
- Where applicable, a disclosure of the firm's established policies or procedures regarding the use of its technological and intellectual resources. Such policies or procedures may:
  - Require the use of certain IT applications or intellectual resources in the performance of engagements, or relating to other aspects of the engagement, such as in archiving the engagement file.
  - Specify the qualifications or experience that individuals need to use the resource, including the need for an expert or training. For example, the firm may specify the qualifications or expertise needed to use an IT application that analyses data, given that specialised skills may be needed to interpret the results.
  - Specify the responsibilities of the engagement partner regarding the use of technological and intellectual resources.
  - Set out how the technological or intellectual resources are to be used, including how individuals should interact with an IT application or how the intellectual resource should be applied, and the availability of support or assistance in using the technological or intellectual resource.[11]

Other disclosures in respect of resources

- Whether a firm has adequate resources (particularly financial resources) to sustain its operations into the future; and
- A description of the firm's service providers in relation to its human, technological and intellectual resources.

Information and Communication

34. Where applicable, a firm considers disclosing how relevant and reliable information is exchanged throughout the firm and with engagement teams, including:
    - How information is communicated to personnel and engagement teams, as well as that the nature, timing and extent of the information is sufficient, to enable them to understand and carry out their responsibilities relating to performing activities within the SoQM or engagements; and

[11] ISQM 1, paragraph A104.

- How personnel and engagement teams communicate information to the firm when performing activities within the system of quality management or engagements.[12]

The Monitoring and Remediation Process

35. In respect of its monitoring and remediation process, A firm considers disclosing the following aspects in its transparency report in respect of audits or reviews of financial statements, or other assurance or related services engagements:
    - A description of the firm's monitoring and remediation process;
    - An overview of the firm's external inspection and monitoring results;
    - An overview of its internal monitoring results;
    - The outcome of the firm's root cause analysis process, to address findings arising from internal and external monitoring; and
    - A description of its remedial actions, to address deficiencies or findings.

36. In its transparency report, a firm discloses the evaluation of the system of quality management per ISQM 1, including how it got to the outcome(s).

37. In instances other than where the SoQM provides the firm with reasonable assurance that the objectives of the system of quality management are being achieved, a firm discloses in its transparency report the reasons for such instances (refer to ISQM 1, paragraph 54(b) and (c)).

Other Disclosures in a Transparency Report

38. Where economic events and situations have affected the firm in respect of its SoQM over the period under consideration, the firm discloses in its transparency report the impact of such events and situations, and how it responded thereto.

39. Where applicable, firms may also use trends and comparatives with respect to the abovementioned disclosures. Further, firms may also cross-reference to other reports, where relevant. For example, a firm may decide to cross-reference to its network's international or global transparency report.

FIRMS MERGING OR SEPARATING BEFORE A PERIODIC TRANSPARENCY REPORT IS ISSUED

40. In the event that firms separate or merge before the publication of an annual transparency report, such an event is clearly disclosed in the report(s) of the firm(s) to which IRBA Rule 2 of the IRBA Rules Arising from the International Standards on Quality Management applies.

PUBLICATION OF THE TRANSPARENCY REPORT

41. A firm publishes its transparency report on its website in a manner that enables easy access and ensures that the report is not obscured. The firm may also publicise/distribute its report to external parties.

42. A firm's transparency report is available on the firm's public website for at least five years from the day of its first publication.

[12] ISQM 1, paragraph 33(c).

43. If a firm updates its published transparency report, the firm specifies this and identifies the modified publication as a revised version. The original version remains available on the firm's website.

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