

**RE: Proposed IRBA rules Arising from The International Standards on Quality Management.**

Dear Sir

We thank you for providing us with the opportunity to present our views on your proposed IRBA rules arising from the International Standards on Quality Management.

Question 1: Proposed IRBA Rule 1

- a) Do you support the proposed IRBA Rule 1?

Answer: Yes

- b) Do you believe that there is guidance required in support of the proposed IRBA Rule 1?

Answer: No

- c) Do you agree with the effective date for the proposed IRBA Rule 1?

Answer: Yes

Question 2: Proposed IRBA Rule 2

- a) Do you support the proposed IRBA Rule 2?

Answer: Yes

- b) Do you believe that there is guidance required in support of the proposed IRBA Rule 2?

Answer: Yes

- Further guidance is requested as to the nature and extent of the information that is required to be included in the transparency report. We request the IRBA to issue minimum documentation requirements for audit firms, to ensure consistency and comparability across the firms.
- Guidance is requested relating to where the transparency report should be disclosed and to whom should the firms disclose the transparency report to, when not required by law and regulation. For example, is the transparency report to be maintained on the audit firm's respective website or to be readily available when requested?

- c) Do you agree with the effective date for the proposed IRBA Rule 2?

Answer: Yes

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Question 3: Proposed IRBA Rule 3

- a) Do you support the proposed IRBA Rule 3?  
Answer: Yes
  
- b) Do you believe that there is guidance required in support of the proposed IRBA Rule 3?  
Answer: No
  
- c) Do you agree with the effective date for the proposed IRBA Rule 3?  
Answer: Yes

Question 4: Proposed IRBA Rule 4

- a) Do you support the proposed IRBA Rule 4?
  - 1. The engagement quality reviewer must be registered with the IRBA as a registered auditor (RA)  
Answer: No

We believe that a firm can appropriately select an engagement quality reviewer (EQR) based on the requirements of the Quality Management Standards. We acknowledge that the IRBA may want to hold the EQR accountable and responsible for the performance of engagement quality reviews, however we believe that this will allow and promote engagement partners to abdicate their responsibility for performing a quality engagement and issuing an appropriate engagement report.

- 2. An assistant to an engagement quality reviewer must have, as a minimum, three years of relevant expertise.  
Answer: Yes

- b) Do you believe that there is guidance required in support of the proposed IRBA Rule 4?
  - 1. The engagement quality reviewer must be registered with the IRBA as a registered auditor (RA)  
Answer: No

- 2. An assistant to an engagement quality reviewer must have, as a minimum, three years of relevant expertise.  
Answer: Yes

Further guidance is requested to elaborate when the commencement of the three years of relevant experience. For example, a firm could include an individual's three-year registered article experience as relevant experience, this is also to ensure consistency across audit firms.

- c) Do you agree with the effective date for the proposed IRBA Rule 4?  
Answer: Yes

Question 5: Proposed IRBA Rule 5

a) Do you support the proposed IRBA Rule 5?

Answer: Yes

b) Do you believe that there is guidance required in support of the proposed IRBA Rule 5?

Answer: Yes

- Further guidance is requested regarding the definition of engagement files. Is it the intention of IRBA to regulate 60 days for all engagement files that fall within the scope of ISQM1, audits or reviews of financial statements, or other assurance or related services engagements, or is this rule limited to audits and other assurance engagements?
- Further guidance is requested from the IRBA around the allowable procedures or administrative tasks an engagement team can perform within the required 60-day assembly period.

c) Do you agree with the effective date for the proposed IRBA Rule 5?

Answer: Yes

We trust that you find our comments above in order.

Sincerely,

*Nishani Sudhoowa*

N. Sudhoowa (Head of Risk and Compliance)

August 19, 2022