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Per Email: standards@irba.co.za

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Dear Mr Vanker

**SNG Grant Thornton**

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**PROPOSED GUIDANCE FOR REGISTERED AUDITORS: JOINT AUDIT ENGAGEMENTS**

Thank you for the opportunity to comment on the proposed guidance for registered auditors joint audit engagements. We were previously engaged by IRBA to participate on the project, overall we are happy to see that our input has been to a significant extent taken into account in developing the guidance. Our further comments are detailed below:

**Specific Comment 1:**

Are there any aspects of this proposed Guide with which respondents **disagree**? Please provide details and suggestions for correction and/or improvements.

No	Subject	Comments and proposals
1.	Par 27: A letter by each joint auditor to the other(s), explaining their processes in this regard, may form part of the audit documentation.	We suggest: An undertaking by each joint auditor to the other(s) may form part of the audit documentation. - We suggest you removed the "explanation of their processes"
2.	Par 51: New Joint Audit Engagement The remaining/continuing joint auditor(s) from the previous joint audit engagement, jointly with the new joint auditor(s), forming the new joint audit engagement, shall document the work performed on the opening balances, as this would be a new joint audit engagement.	We propose that only the new auditor joining the joint audit arrangement should be required to perform work on the opening balances. The existing joint auditor would have satisfied themselves through cross reviews and other procedure performed, they should therefore only consider the need for them to perform work on the opening balances.

### Specific Comment 2:

Are there any aspects of this proposed Guide that are **unclear** and require **further guidance**? If so, please list those aspects and the guidance required.

No	Subject	Comments and proposals
3.	Par 25 and 28	We propose you add a reference to section "Joint Auditors' Report and the Resolution of Differences of Opinion Between Joint Auditors (par 71-74)"
4.	Par 71-74: Differences of opinion	Please provide clearer guidance in dealing with differences of opinion between the joint auditors. What should the auditors consider when establishing the process for dealing with differences of opinion?
5.	Par 52: Consultations on Technical, Independence/Ethical or Other Matters	<ul style="list-style-type: none"><li>- We propose you add "Taking into consideration the relevant professional standards" in this paragraph, second sentence.</li><li>- We propose you remove the word "jointly" in the sentence "The conclusions reached, as a result of the discussions, are <u>jointly</u> implemented by the joint auditors and documented accordingly".</li><li>- We propose you add a reference to section "Joint Auditors' Report and the Resolution of Differences of Opinion Between Joint Auditors (par 71-74)"</li></ul>
6.	Par 47:	This paragraph should make it clear that the rotation of work does not trigger auditing of opening balances, ISA 510.

### Specific Comment 3:

Given the abovementioned scope, are there **further aspects** that should be included in this proposed Guide? If so, please list those aspects and the guidance required.

No	Subject	Comments and proposals
7.	Reportable Irregularities: The IRBA Guide on Reportable Irregularities states the following: "If only one auditor is satisfied or has reason to believe that the unlawful act or omission meets the definition of a reportable irregularity such auditor must send a report in terms of section 45 to comply with the requirements of the section. A copy of the report should also be sent to the other auditor".	<p>Proposal: Where a possible RI is identified by one auditor, information relating to the possible RI should be shared and discussed with the other auditor to allow joint assessment and possible joint reporting of the RI.</p> <p>Consideration: How do the auditor's deal with the audit report in instances where only one auditor is satisfied that there is a RI?</p> <ul style="list-style-type: none"><li>- We propose a collective reporting of an RI.</li></ul>
8.	Split of work vs fees	We propose that the guide should include guidance on how to split the work in reference to the audit fees.

**Specific Comment 4:**

**Effective date:** Recognising that this proposed Guide is new and substantive, the CFAS believes that an appropriate effective date for the standard would be for financial reporting periods beginning on or after 31 December 2020. However, earlier application would be permitted and encouraged. To this end, the CFAS welcomes comments on whether this would provide a sufficient period to support the effective implementation of the Guide.

We are happy with the proposed effective date and welcome early adoption proposal.

We hope you find the above information useful.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'T. Zimondi', with a stylized flourish above the name.

Tatenda Zimondi  
Registered Auditor  
**Director**  
SizweNtsalubaGobodo Grant Thornton Inc