
INDEPENDENT REGULATORY BOARD FOR AUDITORS

The ISA 540 (Revised) Implementation Working Group Provides Implementation Support on the Revised Standard

Johannesburg / 5 February 2019

As previously [communicated](#) by the IRBA on 8 November 2018:

- The International Auditing and Assurance Standards Board (IAASB) issued the International Standard on Auditing (ISA) 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*, on 3 October 2018.
- At its meeting on 6 November 2018, the IRBA Board approved ISA 540 (Revised) for adoption, issue and prescription for use by registered auditors in South Africa.
- ISA 540 (Revised) becomes effective for financial statement audits for periods beginning on or after 15 December 2019. Early adoption of ISA 540 (Revised) is permissible and is encouraged by the IRBA.
- ISA 540 (Revised) may be downloaded from the [IRBA website](#).

This communique also noted that the IAASB will provide implementation support to help auditors navigate and apply the revised standard.

A project page, [ISA 540 \(Revised\) Implementation](#), has been added to the IAASB website as a repository for such implementation support and it contains links to:

2018:

- Final Pronouncement;
- Basis for Conclusion; and
- At a Glance.

2019:

- Slide Decks

These slide decks have been prepared by the Working Group to assist IAASB members, national standard setters, auditors, regulators and others to promote awareness of the revised standard within their respective jurisdictions. The summary slide deck provides a high level overview of ISA 540 (Revised), while the overview slide deck provides a more detailed overview of the changes.

- Presentation

Presentation by the IAASB Board member and the Chair of the Working Group. He explains the public interest issues addressed by ISA 540 (Revised). This 10-minute presentation also contains useful information to help stakeholders understand the changes to the revised standard and the planned activities of the Working Group.

Further implementation support that is expected to be provided during 2019 is as follows:

- Flowcharts;
- Webcasts;
- Answers to Frequently Asked Questions;
- An explanation of the range of different types of measurement bases; and
- Illustrative examples on how the requirements in the revised standard are scalable.

Please continue to visit the *ISA 540 (Revised) Implementation* project page to check if any new implementation support has been issued by the Working Group.

Should you have any further queries, please do not hesitate to contact the Standards Department by email at standards@irba.co.za.

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About the IRBA

The objective of the IRBA is to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.