

---

## INDEPENDENT REGULATORY BOARD FOR AUDITORS

---

### Court rules on disclosure of documents in MAFR challenge

Dear Stakeholder

The Independent Regulatory Board for Auditors (IRBA) confirms that court proceedings on Wednesday, 26 February 2020 dealt with an interlocutory application regarding the disclosure of documents.

The application brought by East Rand District Chartered Accountants (ERD) and Jari Cerny sought to compel IRBA to hand over the record supporting the decision to implement Mandatory Audit Firm Rotation (MAFR). The IRBA had already provided the Board file on which it made its decision on MAFR to the ERD, and this application dealt with access to specific additional documentation.

The order granted to the ERD ruled that the applicants could have access to the specific documents that had been requested. Given the confidential nature of the documents sought, the IRBA's position has always been that the disclosure of such documents could only be made to those with direct interest in the MAFR decision and/or those duly authorised by interested parties, hence the requirement for the applicants to provide proof of their legal standing and authority.

The IRBA has never intended to delay the process but sought to ensure that the disclosure of confidential information was lawful. Thus, the IRBA welcomes the direction provided by the Court and intends to fully comply with the court order.

**The IRBA confirms that the court has not yet heard any arguments or made a ruling on the Mandatory Audit Firm Rotation Rule and as such the rule remains in force with the effective date of 1 April 2023.**

**Bernard Peter Agulhas**  
**Chief Executive Officer**

*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.*