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**INDEPENDENT REGULATORY BOARD FOR AUDITORS**  
**COMMITTEE FOR AUDITOR ETHICS**

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**IESBA Global Ethics Webinars to Explain the Proposed Revisions to the IESBA  
Code of Ethics**

Johannesburg / 10 March 2020

The International Ethics Standards Board for Accountants (IESBA) has announced the dates for two webinars to be held on the recently [released Exposure Drafts](#) (EDs) that are focused on the proposals relating to Non-assurance services (NAS) and Fees. These proposed amendments reinforce auditor independence.

The webinars can be joined free of charge, and are open to all.

To register and join the 60-minute webinars, please click on the links below:

- [Tuesday, 17 March 2020 at 2:30 PM - 3:30 PM SAST](#)
- [Thursday, 19 March 2020 at 4:00PM - 5:00 PM SAST](#)

During the **March 17 webinar**, the NAS Task Force Chair will explain the key NAS proposals, which include:

- A prohibition on providing NAS to an audit client that is a public interest entity (PIE), if a self-review threat to independence will be created;
- Further tightening of the circumstances in which materiality may be considered in determining the permissibility of NAS;
- Strengthened provisions regarding auditor communication with those charged with governance (TCWG), including, for PIEs, a requirement for NAS pre-approval by TCWG; and
- Stricter requirements regarding the provision of some NAS, including certain tax and corporate finance advice.

During the **March 19 webinar**, the Fees Task Force Chair will explain the significant aspects of the fee-related proposals, which include:

- A prohibition on firms allowing the audit fee to be influenced by the provision of services other than audit to the audit client;
- In the case of PIEs, a requirement to cease to act as auditor, if fee dependency on the audit client continues beyond a specified period; and
- Communication of fee-related information to TCWG and the public to assist their judgments about auditor independence.

## **Relevance to South Africa**

The IRBA adopted the IESBA International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), issued during 2018, following the issue of proposed amendments on exposure in South Africa, together with South African enhancements. All amendments to the [IRBA Code of Professional Conduct for Registered Auditors \(Revised November 2018\)](#) (IRBA Code) are in line with the IESBA Code. It is proposed that these IESBA Code amendments will be incorporated into the IRBA Code.

## **Request for Comments**

In the IRBA communique dated [4 February 2020](#), we invited registered auditors and others to submit any comments regarding the NAS and Fees EDs to the IRBA for consideration, as we prepare our response to the IESBA. Comments, in Word and PDF formats, should be addressed to [standards@irba.co.za](mailto:standards@irba.co.za) and submitted by 9 April 2020.

Alternatively, comments may be submitted directly to the IESBA through the [IESBA website](#), which has a 'Submit a Comment' link on the Exposure Drafts and Consultation Papers page. Comments to the IESBA close on 4 May 2020.

Should you have any further queries, please do not hesitate to send an email to [standards@irba.co.za](mailto:standards@irba.co.za).

**Imran Vanker**

**Director: Standards**

## ***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.*

*The statutory responsibilities of the CFAE are to assist the IRBA to determine what constitutes improper conduct by registered auditors by developing rules and guidelines for professional ethics, including a code of professional conduct; to interact on any matter relating to its functions and powers with professional bodies and any other body or organ of state with an interest in the auditing profession; and to provide advice to registered auditors on matters of professional ethics and conduct.*