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

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| **IESBA Proposes New Guidance for Professional Skepticism and Professional Judgment**Johannesburg / 01 May 2017The International Ethics Standards Board for Accountants (IESBA) released for public comment the Exposure Draft, Proposed Application Material Relating to Professional Skepticism and Professional Judgmenton 11 May 2017.The proposed amendments link key concepts in the IESBA Code of Ethics for Professional Accountants (IESBA Code) and clarify their application and emphasis, with a focus on:* How compliance with the fundamental principles in the IESBA Code supports the exercise of professional skepticism by auditors and assurance practitioners for audit, review and other assurance engagements, and
* The importance of professional accountants obtaining a sufficient understanding of the facts and circumstances known to them when exercising professional judgment in applying the conceptual framework underpinning the Code.

In accordance with the provisions of Section 10(1)(a) of the Auditing Profession Act, Act No. 26 of 2005 (the Act), the IRBA may, by notice in the Government Gazette and pursuant to the provisions of Section 4(1)(c) of the Act, publish, for public information and comment, an amendment to the IRBA Code. Accordingly, a Board Notice to the same effect will be published in the Government Gazette for public comment for a minimum period of 30 days.**How to Comment**We invite registered auditors and others to submit any comments regarding the proposed changes to the IRBA for consideration as we prepare our response to the IESBA. Comments should be submitted by e-mail to standards@irba.co.za in Word format by 11 July 2017.Alternatively, comments may be submitted directly to the IESBA through the [www.ifac.org](http://www.ethicsboard.org/restructured-code) website, which has a 'Submit a Comment' link on the Exposure Drafts and Consultation Papers page. Comments to the IESBA close on 25 July 2017.The proposed changes to the IESBA Code of Ethics are available in PDF format and may be downloaded from the IRBA website at [http://www.irba.co.za](http://www.irba.co.za/guidance-to-ras/technical-guidance-for-auditors/exposure-drafts-and-comment-letters).Should you have any further queries or experience any technical difficulties in downloading the documents, please do not hesitate to contact the Standards Department by sending an email to standards@irba.co.za.**Imran Vanker****Director: Standards*****About the IRBA****The objectives of the IRBA are 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.* |

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