
INDEPENDENT REGULATORY BOARD FOR AUDITORS

COMMITTEE FOR AUDITOR ETHICS

IRBA Rules Regarding Improper Conduct (Revised 2019)

Johannesburg / 4 June 2019

The Independent Regulatory Board for Auditors (IRBA) draws the attention of all registered auditors to changes to the IRBA Rules Regarding Improper Conduct (IRBA Rules) (Revised 2019).

The IRBA adopted these amendments following their issue on exposure for public comment Government Gazette No. 42304 on 15 March 2019 (Board Notice No. 30 of 2019).

Changes in Substance

The IRBA Rules (Revised 2019) regulate the conduct of an investigation and the disciplinary process. The IRBA Rules Regarding Improper Conduct were revised due to the following reasons:

- Recent IRBA disciplinary hearings have brought to light the need for potential improvements in the wording of certain IRBA Rules Regarding Improper Conduct.
- Certain IRBA Rules Regarding Improper Conduct are outdated or no longer required.
- The IRBA Rules Regarding Improper Conduct required certain alignment amendments in light of the release of the IRBA Code (Revised November 2018).
- The Auditing Profession Act, 2005 (Act No. 26 of 2005) (the APA) as amended in 2015, included the regulation of registered candidate auditors. An update to the IRBA Rules Regarding Improper Conduct was required to consider the potential investigation of these individuals.

Registered auditors need to note that the deletion of certain IRBA Rules Regarding Improper Conduct should not be read as a condonation of that conduct. Rather, these deletions are due to changes in laws and regulations, or the particular conduct is covered by the conceptual framework in the IRBA Code of Professional Conduct (Revised November 2018).

Effective Date

The IRBA Rules (Revised 2019) repeal and replace the IRBA Rules Regarding Improper Conduct issued in June 2010, referred to in Section 10(1) read with Section 21(2) of the APA. The IRBA Rules (Revised 2019) have been prescribed by the Board under Section 4(1)(c) with effect from 1 January 2020.

Until the effective date of the IRBA Rules (Revised 2019), as mentioned above, the IRBA Rules Regarding Improper Conduct issued in June 2010 and effective from 1 January 2011 will remain in force.

A Board Notice will be published in the Government Gazette, advising of the publication of the amendments to the IRBA Rules Regarding Improper Conduct pursuant to the provisions of Section 10(1)(a) of the APA.

The IRBA Rules (Revised 2019) may be downloaded from the IRBA [website](#).

Should you have any further queries, please send an email to standards@irba.co.za.

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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; 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 provide advice to registered auditors on matters of professional ethics and conduct.