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

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| **IESBA Proposes Revisions Pertaining to the Offering and Accepting of Inducements**  Johannesburg / 14 September 2017  The International Ethics Standards Board for Accountants (IESBA) released for public comment the Exposure Draft, Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements, on 8 September 2017.  The proposed comprehensive framework covers all forms of inducements and provides enhanced guidance on the offering and accepting of inducements by registered auditors, their immediate or close family members.  Among other matters, the proposals also require registered auditors to address any threats to compliance with the fundamental ethical principles in accordance with the IESBA Code's conceptual framework, where there is no improper intent.  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 addressed to [standards@irba.co.za](mailto:standards@irba.co.za) in Word and PDF formats by 24 November 2017.  Alternatively, comments may be submitted directly to the IESBA through the [www.ifac.org](http://www.ethicsboard.org/) website, which has a 'Submit a Comment' link on the Exposure Drafts and Consultation Papers page. Comments to the IESBA close on 8 December 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, please do not hesitate to contact the Standards Department by sending an email to [standards@irba.co.za](mailto: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.*  *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.*  *.* |