

IRBA Issues Its First Enforcement Report

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The Independent Regulatory Board for Auditors (IRBA) has just published its first-ever Annual Enforcement Report. The report covers the nature of enforcement cases dealt with by the IRBA enforcement structures and the outcomes of enforcement processes undertaken against registered auditors who were found to have contravened various facets of the profession's governing frameworks, including the prescripts of law, the IRBA Code of Professional Conduct for Registered Auditors, as well as auditing and other professional standards.

In 2020, the IRBA Board adopted a disciplinary process strategy focusing on moving matters speedily, in an efficient and effective manner, from referral to conclusion; minimising various risks; preserving the integrity of the IRBA and its processes; and restoring confidence in the IRBA and the profession.

It is in furtherance of the above disciplinary process strategic objectives that we share with stakeholders, the outcomes of our enforcement processes and the measures we have taken to ensure that the auditing profession is governed with integrity and professionalism.

The IRBA commends those auditors who, at the realisation of their transgressions, reflected accountability and were quick to take responsibility. This is evidenced by the percentage (96%) of matters that were finalised through admission of guilt processes, with only 4% having been finalised through disciplinary hearings in the period under review. It is such integrity for which the IRBA continues to advocate. In addition, the regulator commends every other auditor who has cooperated and engaged openly throughout the investigation and/or disciplinary processes, thus demonstrating transparency and contributing to the effective and efficient finalisation of enforcement matters.

We believe that deterrence is not achieved only through discipline, but also through communication and the attainment of an understanding of the breach or transgression, together with the appreciation of the purpose of the breached standards or rules. Hence, the presentation of the report, which includes a detailed analysis of relevant enforcement themes.

The Annual Enforcement Report can be accessed and downloaded from the IRBA [website](#).

Imre Nagy

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.

