
INDEPENDENT REGULATORY BOARD FOR AUDITORS
COMMITTEE FOR AUDITOR ETHICS

IESBA Proposes Changes to Promote Role and Mindset Expectations of Professional Accountants

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The International Ethics Standards Board for Accountants (IESBA) released, for public comment, the Exposure Draft, *Proposed Revisions to Promote the Role and Mindset Expected of Professional Accountants*, on 31 July 2019. The Exposure Draft puts forward changes that further strengthen the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code) to promote the role and mindset expected of all professional accountants.

The proposed revisions respond to stakeholder calls for the IESBA to explore whether and how the Code could contribute to strengthening the application of concepts underlying professional scepticism by all professional accountants.

Among other matters, the proposals:

- Highlight professional accountants' wide-ranging role in society and the relationship between compliance with the IESBA Code and a professional accountant's responsibility to act in the public interest;
- Include enhancements to the robustness of the fundamental principles of integrity, objectivity and professional behaviour;
- Further strengthen the IESBA Code through requiring professional accountants to have an inquiring mind when applying the conceptual framework; and
- Highlight the importance of being aware of bias and having the right organisational culture.

The IRBA Code of Professional Conduct for Registered Auditors (Revised November 2018) (IRBA Code) adopted the 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 are in line with the IESBA Code. It is proposed that these IESBA Code amendments will be incorporated into the IRBA 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.

IESBA Webinar

To learn more about the key proposed changes, the IESBA has announced a 60-minute webinar on Tuesday, 10 September 2019 at 2:00 PM SAST.

To join the webinar, click on the link to register on the [IESBA website](#).

Attendance of the webinar is free of charge, and is open to anyone to attend. The webinar will be of interest to all members of engagement teams, even those who are not registered auditors, as well as students at universities and other interested parties.

Request for Comments

We invite registered auditors and others to submit any comments regarding the Exposure Draft 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 and submitted by 17 October 2019.

Alternatively, comments may be submitted directly to the IESBA through the www.ifac.org website, which has a 'Submit a Comment' link on the Exposure Drafts and Consultation Papers page. Comments to the IESBA close on 31 October 2019.

The proposed changes to the IESBA Code are available in PDF format and may be downloaded from the [IRBA website](#).

Should you have any further queries, 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.

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.