
INDEPENDENT REGULATORY BOARD FOR AUDITORS
COMMITTEE FOR AUDITING STANDARDS

Proposed Guide for Registered Auditors: Assurance Engagements on the Fresh Produce Agents' Trust Accounts

Johannesburg / 11 December 2018

The CFAS approved the issue of the *Proposed Guide for Registered Auditors: Assurance Engagements on the Fresh Produce Agents' Trust Accounts* (this proposed Guide) in November 2018 for a 90-day exposure period for public comment.

This proposed Guide was developed by a CFAS Task Group, which comprised technical staff representatives from auditing firms, the Agricultural Produce Agents Council (APAC), the South African Institute of Chartered Accountants (SAICA) and the IRBA.

The guidance relates to understanding the nature and characteristics of an agricultural produce agent, and the nature and extent of assurance work on the engagement. As a consequence, this proposed Guide emphasises professional competence and professional scepticism.

This proposed Guide provides certain practical guidance to be considered in developing audit programmes. This proposed Guide does not override the requirements of the International Standards on Assurance Engagements (ISAE), nor does it purport to deal with all special considerations that may be relevant in the circumstances of the engagement. As such, it should not be regarded as a checklist.

This proposed Guide is authoritative and includes:

- Guidance to a registered auditor on conducting an assurance engagement in accordance with ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* on a fresh produce agents' trust accounts in terms of the Agricultural Produce Agents Act 12 of 1992;
- An illustrative engagement letter and representation letter; and
- Illustrative interim and annual auditor's reports based on ISAE 3000 (Revised).

The abovementioned ISAE is effective for audits of financial statements for periods ending on or after 15 December 2015.

Proposed effective date

Depending on the comments received, it is anticipated that the final Guide will be approved by the CFAS in June 2019 and issued in the same month, with such approval and issue being noted at the subsequent meeting of the IRBA Board.

It is expected that this proposed Guide will be effective for assurance engagements of financial year-ends of fresh produce agents' trust accounts ending on or after 31 December 2020. Early adoption is encouraged.

A copy of the exposure draft is available in PDF format and may be downloaded from the exposure drafts page on the [IRBA website](#).

Request for comments

The CFAS welcomes comments on all matters addressed in this proposed Guide and seeks responses to three specific questions that are set out in the Explanatory Memorandum section.

We invite auditors and other interested parties to submit any comments regarding this proposed Guide to the IRBA by **15 March 2019**. Comments, in Word format, should be submitted via e-mail to standards@irba.co.za. All comments will be considered a matter of public record.

Imran Vanker

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 CFAS are to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; to consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and to promote and ensure the relevance of auditing pronouncements.