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## INDEPENDENT REGULATORY BOARD FOR AUDITORS

### COMMITTEE FOR AUDITING STANDARDS

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**Alert: Three months to go before the effective date of ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures***

Johannesburg / 13 September 2019

This communique is a reminder that the International Standard on Auditing (ISA) 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*, becomes effective for audits of financial statements for periods beginning on or after 15 December 2019.

As previously communicated by the IRBA on [8 November 2018](#) and [5 February 2019](#), respectively:

- The International Auditing and Assurance Standards Board (IAASB) issued ISA 540 (Revised) on 3 October 2018.
- At its meeting on 6 November 2018, the IRBA Board approved ISA 540 (Revised) for adoption, issue and prescription for use by registered auditors in South Africa.
- ISA 540 (Revised) becomes effective for financial statement audits for periods beginning on or after 15 December 2019. Early adoption of ISA 540 (Revised) is permissible and is encouraged by the IRBA.
- ISA 540 (Revised) may be downloaded from the [IRBA website](#).

The [ISA 540 \(Revised\) Implementation](#) project page has been added to the IAASB website as a repository for implementation support materials. It contains links to useful materials and will continue to be updated.

Please visit the *ISA 540 (Revised) Implementation* project page regularly to check whether any new implementation support has been issued by the ISA 540 (Revised) Implementation Working Group.

Should you have any further queries, please do not hesitate to contact the Standards Department by email at [standards@irba.co.za](mailto: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 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.*