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**INDEPENDENT REGULATORY BOARD FOR AUDITORS**  
**COMMITTEE FOR AUDITING STANDARDS**

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**REMINDER:**

**Effective Date of the International Standard on Auditing 600 (Revised): *Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors)***

Johannesburg / 30 November 2023

The International Auditing and Assurance Standards Board (IAASB) issued the International Standard on Auditing (ISA) 600 (Revised), *Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors)* (ISA 600 (Revised)), which was adopted, and prescribed by the Board of the Independent Regulatory Board for Auditors (IRBA) on 29 July 2022. Registered auditors and others are reminded that ISA 600 (Revised) and the related *Conforming and Consequential Amendments to Other International Standards* become effective for audits of financial statements for periods beginning on or after **15 December 2023**. As previously announced, early adoption was/is permissible and encouraged by the IRBA.

ISA 600 (Revised) includes new and revised requirements and application material that better aligns the standard with recently revised standards, such as the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*; ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*; and ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*. These new and revised requirements also strengthen the auditor's responsibilities in relation to professional scepticism; planning and performing a group audit; two-way communications between the group auditor and component auditors; and documentation.

The standard clarifies how the requirements in ISA 220 (Revised) apply to manage and achieve audit quality in a group audit, including sufficient and appropriate resources to perform the engagement, as well as the direction and supervision of the engagement team and the review of its work.

Further, ISA 600 (Revised) describes the various types of restrictions that may exist, such as those on access to people and information (e.g. access to component management, those charged with governance of the component, component auditors, or information at the component) and component auditor audit documentation. The revised standard also provides guidance on ways to overcome such restrictions.

ISA 600 (Revised) also explains how the concepts of materiality and aggregation risk apply in a group audit.

In addition, ISA 600 (Revised) includes enhanced documentation requirements and application material to emphasize the linkage to the requirements in ISA 230, *Audit Documentation*, and the documentation requirements in other relevant ISAs. The revised standard also clarifies what the group auditor may need to document in different situations, including when there are restrictions on access to component auditor audit documentation.

Auditors are also reminded of the following IRBA communication that is of relevance and available on its website:

- [Revisions to the IRBA Code of Professional Conduct \(Revised April 2023\) to Strengthen and Clarify the Independence Requirements for Group Audits.](#)

ISA 600 (Revised) and the related *Conforming and Consequential Amendments to Other International Standards* can be downloaded from the [IRBA website](#). Auditors may also refer to the [IAASB website](#).

Should you have any further queries, please email the [Standards Department](#).

**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; consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information, where requested; and promote and ensure the relevance of auditing pronouncements.*