

Auditing Profession Amendment Act strengthens IRBA disciplinary processes

The recently gazetted [Auditing Profession Amendment Act \(APA\)](#) has strengthened the Independent Regulatory Board for Auditors' (IRBA) powers, removing some of the limitations of the Auditing Profession Act of 2005 before this amendment.



© Fotolia.com

Over the past four years, the profession has been besieged by high-profile corporate collapses and state capture revelations that have implicated auditors and highlighted audit failure in some instances. As negative sentiment has increased, the regulator recognised that it was necessary to improve its enforcement processes to ensure its effectiveness.

Addressing public concerns

Says IRBA acting CEO Imre Nagy: "The IRBA approached National Treasury in 2017 with proposed amendments to the APA which would enable the regulator to address public concerns on the state of the profession and assist it in carrying out its mandate in a more effective and efficient way.

"The Act was amended following a three-year parliamentary process that began with the proposed amendments being included as part of the Financial Matters Amendment Bill. Ultimately, these amendments were re-introduced in Parliament through the Auditing Profession Amendment Bill in February 2020."



SA's new debit order system comes into effect 1 May

29 Apr 2021



In addition to strengthening the IRBA's independence, investigating and disciplinary processes, the amended Act also provides for:

- The power to enter and search premises for the purpose of seizing information relevant to an investigation;
- The power to subpoena persons with information that is required for an investigation;
- The power to refer non-audit complaints for investigation to registered accredited accounting bodies; and
- Stricter monetary sanctions in relation to both investigation and disciplinary outcomes.

For more, visit: <https://www.bizcommunity.com>