

Mr Allen Wicomb
 Email: awicomb@parliament.gov.za

2 February 2015

**SAIPA'S COMMENTS ON THE
AUDITING PROFESSION AMENDMENT BILL**

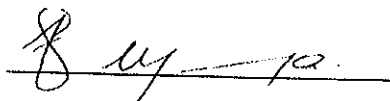
The South African Institute of Professional Accountants (SAIPA) would like to thank the Standing Committee on Finance for the opportunity to provide comments on the Auditing Profession Amendment Bill. We trust that our submission will receive your favourable consideration.

SAIPA is one of the leading accountancy institutes representing qualified professional accountants in practice, industry, commerce, government, academia and the public sector. The Institute's focus is on the advancement of Professional Accountants in South Africa to assist in meeting the changing needs of the accountancy profession in all facets of business and finance. Through innovative services and solutions, SAIPA responds effectively to emerging trends and positively impacts on our economy.

Should you require any further information or wish to discuss our comments in more detail, the writer can be contacted on:

082 0643453 or (011) 207 7873, or fnqwenya@saipa.co.za

Kind regards,



Faith Ngwenya

Technical Executive



Specific Comments

Section	Issue	Recommendation
1. (a)	<i>definition: “ ‘candidate auditor’ means an individual who has obtained a professional accountant designation from an accredited professional body and who is serving under the supervision of a registered auditor.”</i>	The use of the term “professional accountant” is confusing as SAIPA members are designated Professional Accountants (SA).
1. (a)	<i>‘candidate auditor’</i>	It needs to be ensured that a Candidate Auditor (or his/her employer) does not use the abbreviation CA, as this would be misleading. The public is likely to associate it with the Chartered Accountant – CA(SA) designation.
4. 36. (4)	<i>The Regulatory Board must, prior to the cancelling of the registration of a registered auditor or candidate auditor, give notice in writing to the registered auditor concerned ...</i>	Insert “or candidate auditor” <i>“The Regulatory Board must, prior to the cancelling of the registration of a registered auditor or candidate auditor, give notice in writing to the registered auditor <u>or candidate auditor</u> concerned ...”</i>
5. 37. (3)	<i>The Regulatory Board may not register an individual as a registered auditor or candidate auditor if that individual—</i>	Disqualified individuals must be in line with all other ACTs where disqualification is listed. e.g. Companies Act (individual professional body's to ensure compliance with ACTS too).
7. 39. (1)	<i>Subject to subsection (3), the Regulatory Board must cancel the registration of any registered auditor that is an individual or candidate auditor, and—</i>	Completeness of this list per last comment
1.3	<i>Memorandum Audit Development Programme</i>	Does this programme have to be completed at a registered audit firm? How else do you do it under the supervision of an RA? How long is this programme?
1.4	<i>What has not been considered in this bill</i>	The Companies Act 71 of 2008 recognises registered auditors for performing Independent review services for entities with a Public interest score between 100-349. There is no provision in the current Audit Profession Act nor this amendment bill for the regulation of Independent Reviewers.