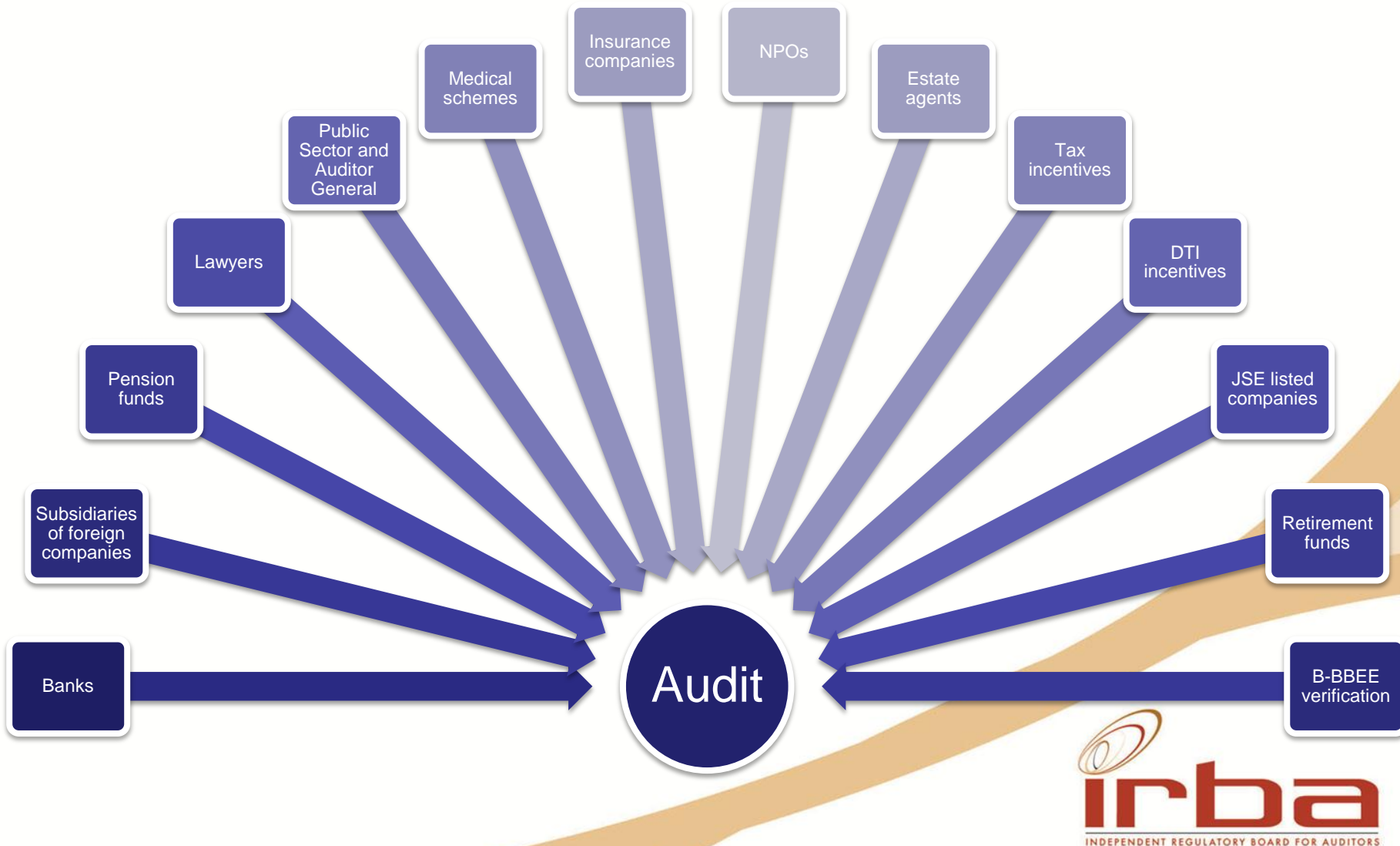


Presentation to Standing Committee on Finance

Bernard Agulhas
Chief Executive Officer

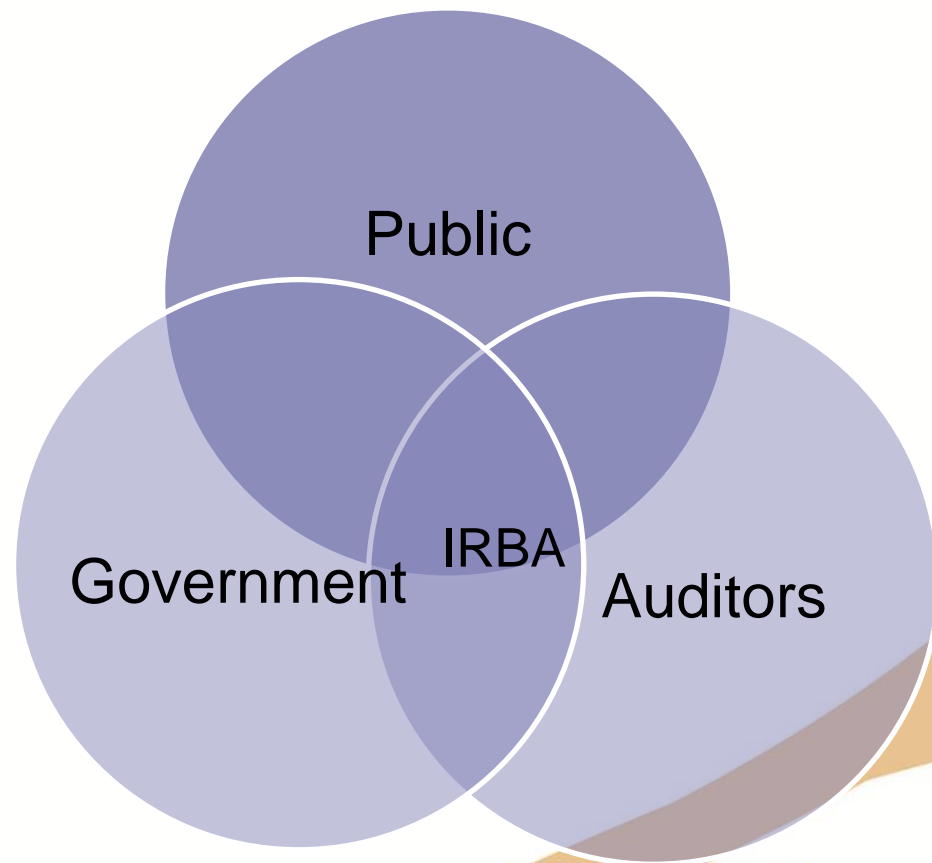
16 July 2014

The central role of audit in the economy



Our mission and role in the greater economy

We create continuing value through our role as an embedded protector of confidence in the sustainability of the system, while creating an enabling environment for auditors, thereby contributing to the protection of the South African public.



How we regulate



Impact of the IRBA's role in the economy

- **CONFIDENCE**

of investors/savers/lenders



- **STABILITY**

of financial markets



- **ECONOMIC GROWTH**

for all South Africans



- **COMPLIANCE**

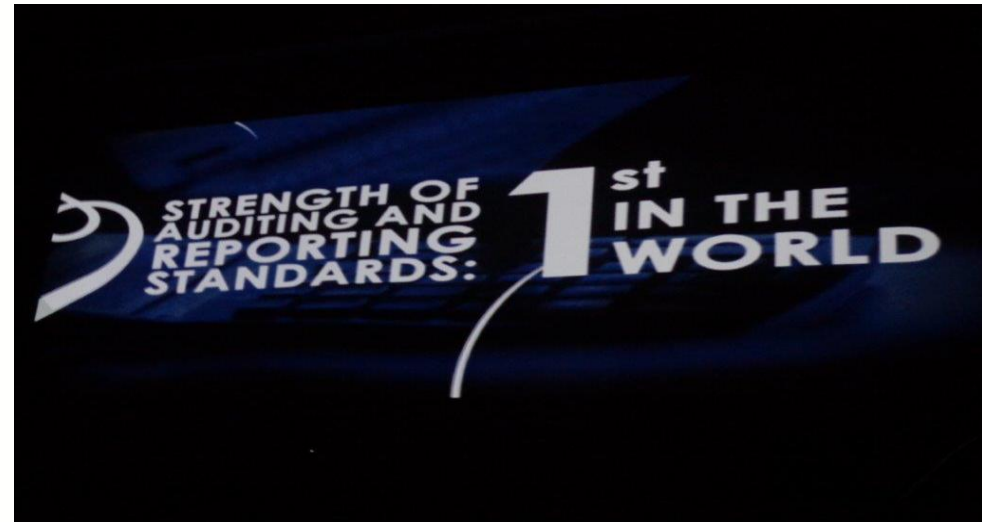
with our laws and obligations



Our global positioning



PCAOB
Public Company Accounting Oversight Board




irba
INDEPENDENT REGULATORY BOARD FOR AUDITORS

The South African landscape

- Registered Auditors approx. 4300
 - White 78%
 - Indian 11%
 - Black 9%
 - Coloured 2%
- B-BBEE Approved Auditors approx. 260
- Trainees registered p.a. approx. 3500
out of approximately 37 000 CAs(SA)

Case Study: Disciplinary Action

- Mr T of T & Associates
 - pleaded guilty and was found guilty on four charges of improper conduct
 - 1st charge - statutory contravention
 - 2nd charge - lack of independence
 - 3rd charge - failure to report irregularities
 - 4th charge - not keeping proper accounting and secretarial records
- Sentence: firm's name removed from the register of registered auditors.
- May not apply for re-registration before 31 March 2019
- Fine of R400 000 suspended plus R500 000 costs

Acknowledgement of issues facing auditors

- Companies Act impact
- Over-regulation
- Challenges for small practices
- Independence rules
- Transformation

Strategic matters on IRBA's agenda

- World Bank report and proposals (ROSC)
- New training model
- Amendments to the Auditing Profession Act
- Independence
- Africa strategy
- B-BBEE regulation
- Transformation

Our governance

Appointed by
the Minister of
Finance



Willem van der Linde, SC
B. Juris LLB
(Chairman)

4 years
consecutive clean
audit



Cynthia Mbili
CA(SA)



Yunus Suleman
CA(SA)



Mohamed Iqbal Khan
CA(SA)



Pule Mothibe
CA(SA)



Lindelwa Majova-Songca
CA(SA)



Rene Kenosi



Alex van der Watt
CA(SA)

Supporting the Ministry and the whole of government

- Centre of excellence (clean audits)
- Dispute resolution
- Support for G20 initiatives on financial reforms
- Reports and guides for other regulators and ministries
- AGSA quality review / Public Sector Standing Committee

Supporting the Standing Committee on Finance

- Expert advisor on all matters relating to audit and assurance
- Tracking international developments
- Improving the quality of submissions to, and deliberations of the SC through assurance – IRBA role to facilitate

Questions?

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