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| **INDEPENDENT REGULATORY BOARD FOR AUDITORS****COMMITTEE FOR AUDITOR ETHICS** |

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| **REMINDER: IRBA Code amendments relating to Non-Compliance with Laws and Regulations become effective as of 15 July 2017**Johannesburg / 11 July 2017Registered auditors and other interested parties are reminded that the amendments to the IRBA Code of Professional Conduct (IRBA Code) for Registered Auditors, *Responding to Non-Compliance with Laws and Regulations (NOCLAR)*, will be effective as of 15 July 2017. The amendments to the IRBA Code may be downloaded from the [IRBA website](https://www.irba.co.za/guidance-for-ras/technical-guidance-for-ras/ethics%3A-the-rules-and-the-code/noclar).According to paragraph 225.2 of the IRBA Code of Professional Conduct, 'non-compliance with laws and regulations ('non-compliance') comprises acts of omission or commission, intentional or unintentional, committed by a client, or by those charged with governance, by management or by other individuals working for or under the direction of a client which are contrary to the prevailing laws or regulations'.The Committee for Auditor Ethics (CFAE) is currently working on Frequently Asked Questions (FAQs) relating to NOCLAR for registered auditors in South Africa. Registered auditors will be notified via a communique once the FAQs are released.In the interim, registered auditors may find the [IESBA Frequently Asked Questions for Professional Accountants in Public Practice](http://www.ifac.org/publications-resources/iesba-staff-questions-and-answers-responding-non-compliance-laws-regulations) helpful guidance.We also urge professional accountants in business (PAIBs), to be alert to corresponding amendments to Part C of the IESBA Code of Ethics and the SAICA Code of Professional Conduct in deciding how best to act in the public interest when they become aware of NOCLAR.Should you have any further queries, please send an email to standards@irba.co.za.**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 CFAE are to assist the IRBA to determine what constitutes improper conduct by registered auditors by developing rules and guidelines for professional ethics, including a code of professional conduct; to interact on any matter relating to its functions and powers with professional bodies and any other body or organ of state with an interest in the auditing profession; and to provide advice to registered auditors on matters of professional ethics and conduct.* |

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