
BOARD NOTICE

BOARD NOTICE 84 OF 2007



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INDEPENDENT REGULATORY BOARD FOR AUDITORS (IRBA)

AUDITING PROFESSION ACT, 2005 (ACT NO. 26 OF 2005)

1. ACCREDITATION OF PROFESSIONAL BODIES

Pursuant to the provisions of section 5 of Act No. 26 of 2005 we hereby publish for general information the following:

1. The Accreditation Model for the accreditation of professional bodies in terms of Part 1, Chapter 3 of Act No. 26 of 2005;
 2. The application form for the accreditation of professional bodies in terms of section 32(1) of Act No. 26 of 2005;
 3. In terms of section 5(c) of Act No. 26 of 2005 the period of validity of the accreditation, which remains valid unless terminated under section 35 of Act No. 26 of 2005;
 4. In terms of section 33(e) of Act No. 26 of 2005 the form of register of members that must be kept by professional bodies, which must include as a minimum the following fields:
 - Membership number, full names, identity number, race, gender, addresses, contact details (e-mail, tel. no, cell no, fax), details of practice/ firm details, qualifications and date of qualification, identify members who are Registered Auditors.
 5. In terms of section 34 of Act No. 26 of 2005 an accredited professional body must comply with the monitoring procedures as outlined in the Accreditation Model and must continually meet the institutional and programme requirements in order to retain accreditation.
- As stipulated by section 3 of the Accreditation Model the following monitoring reports (regular formal report and self-evaluation report) must be submitted within the following time frame:

Institutional Accreditation:

End June

Programme Accreditation:

Education Programme:	End March
Core Assessment Programme:	Three months after publication of results
Academic Programme:	End of April
Training Programme:	End of March



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2. CONTINUING PROFESSIONAL DEVELOPMENT

Pursuant to the provisions of section 7(1)(c) of Act No. 26 of 2005 we hereby publish for general notice the requirements for the continuing professional development of registered auditors as contained in the IRBA CPD Policy.

3. TRAINING CONTRACTS

Pursuant to the provisions of section 7(1)(d) of Act No. 26 of 2005 we hereby publish for general notice the following :

The prescribed form for training contracts.

Take notice that the period of training is prescribed in terms of the recognition standards for training contracts as contained in section 3 D, Part 2.1 of the Accreditation Model.

4. PUBLIC PRACTICE EXAMINATION

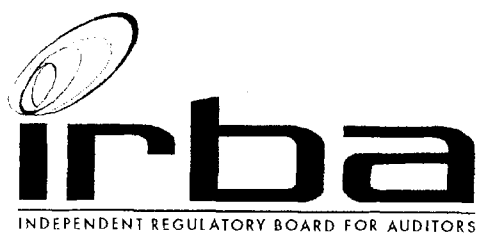
Pursuant to the provisions of section 7 (1)(f) of Act No. 26 of 2005 we hereby recognise the Public Practice Examination as the competency requirement for registration as an Auditor.

Enquiries should be directed to:

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The Director-Education, Training and Professional Development

IRBA



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ACCREDITATION MODEL



ACCREDITATION MODEL



THE ACCREDITATION MODEL

2007

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Foreword

This document consists of three sections and one appendix.

Section 1: This section provides an overview of and orientation to the accreditation model. It explains the objectives to be achieved through the accreditation of professional bodies, the two levels of accreditation as defined by the Independent Regulatory Board for Auditors (IRBA) and the principles underlying the model.

Section 2: This section provides details of the requirements for the institutional accreditation of professional bodies by the IRBA.

Section 3: This section provides details of the requirements for the recognition of the programmes (academic, core assessment, training and education) of professional bodies by the IRBA.

Appendix 1: Appendix 1 contains the Curriculum Framework upon which section 3 relies.

April 2007

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THE CURRICULUM FRAMEWORK FOR REGISTERED AUDITORS IN
SOUTH AFRICA

SECTION 1

**INTRODUCTION AND OVERVIEW
OF THE
ACCREDITATION MODEL**

SECTION 1

Overview of the accreditation model

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SECTION 1: OVERVIEW OF THE ACCREDITATION MODEL

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ORIENTATION TO THIS SECTION

This section serves as an introduction to the accreditation model prescribed by the IRBA. It explains the objectives to be achieved through the accreditation of professional bodies as a statutory mechanism through which the IRBA may achieve its objectives.

Two levels of accreditation are identified, namely institutional accreditation and programme accreditation. The former refers to the quality of a professional body as a whole and its ability to support the various accredited programmes. This includes its commitment to the maintenance and further development of professional competence and the advancement and implementation of high standards of ethics and discipline within the profession. Programme accreditation refers to the quality of the programmes used by professional bodies to develop and assess core competence. It may also involve programmes designed to develop the professional competence (education and training programmes) appropriate on entry to the profession.

This section defines the principles underlying the application of the model and describes the nature of the responsibilities implicit in accreditation as well as the relationship established between the IRBA and accredited professional bodies. A distinction is made between partially and fully accredited professional bodies.

1. ACCREDITATION AS STATUTORY MECHANISM

- 1.1 The primary objective of the IRBA as established in terms of section 3 of the Auditing Profession Act, 2005 ("the Act") is to protect the public in the Republic through regulation of the auditing profession. In terms of section 2 of the Act, such regulation is intended to advance the development and maintenance of internationally comparable ethical and auditing standards and to advance the implementation of appropriate standards of competence and good ethics. These objectives seek to advance the economic well-being of South Africa by promoting investment and ultimately employment. The Act provides for various statutory mechanisms necessary to achieve these objectives, one of which is the accreditation of professional bodies.
- 1.2 The reputation, relevance and value of the auditing profession depend on the ability of its members to continually meet the expectations of stakeholders and provide a service appropriate to the needs of the South African economy within the global context. The IRBA therefore has a duty to ensure that all Registered Auditors (RAs):
 - have the necessary professional competence on entering the auditing profession to serve the public interest and the needs of the economy;
 - further develop and maintain their professional competence after registration; and
 - are subject to appropriate ethical requirements and disciplined where appropriate.

Supporting the realisation of the IRBA's objectives for the development, assessment and maintenance of the professional competence of auditors demands more than high-quality education, training, assessment and Continuing Professional Development (CPD) programmes. What is required is high-quality governance and management of these programmes by professional bodies devoted to providing relevant, effective and efficient services to members and other stakeholders.

For this reason, the accreditation of a professional body must address the institutional effectiveness and efficiency as well as the quality of programmes that develop and assess professional competence. It is therefore useful to distinguish between institutional and programme accreditation requirements. In terms of section 33 of the Act, in order to qualify for accreditation a professional body must demonstrate, to the satisfaction of the IRBA, that –

Programme accreditation requirements

- a. It complies with the prescribed requirements for professional development and the achievement of professional competence;

Institutional accreditation requirements

- b. It has appropriate mechanisms for ensuring that its members participate in CPD as recognised by the Regulatory Board;
- c. It has mechanisms to ensure that its members are disciplined where appropriate;
- d. It is, and is likely to continue to be, financially and operationally viable for the foreseeable future;
- e. It keeps a register of its members in the form prescribed by the Regulatory Board;
- f. It has in place appropriate programmes and structures to ensure that it is actively endeavouring to achieve the objective of being representative of all sectors of the South African population; and
- g. It meets any other requirement prescribed by the IRBA from time to time.
 - In this regard the professional body must have appropriate technical support and guidance available to its members who are RAs.

Fig. 1. Structure of the accreditation model

Institutional accreditation (Section 33 (b) to (g))	Programme accreditation (Section 33(a))
All accredited professional bodies are required to comply with the following institutional accreditation requirements:	All accredited professional bodies must comply with the programme requirements for the development and assessment of core competence.
<ul style="list-style-type: none"> • Continuing Professional Development (CPD); • Disciplining of members where appropriate; • Financial and operational viability; • Maintaining a register of members in prescribed form; • Programmes endeavouring to achieve representative sectors; and • Other requirements <ul style="list-style-type: none"> o Appropriate technical support and guidance available to all its members who are RAs. 	<p>Develop and assess core competence:</p> <ul style="list-style-type: none"> • Recognised academic programmes; and • Recognised core assessment programmes; <p><i>In order to be fully accredited, a professional body must comply with the requirements for the development of professional competence:</i></p> <ul style="list-style-type: none"> o Recognised education programmes; and o Recognised training programmes.

2. INSTITUTIONAL AND PROGRAMME ACCREDITATION

Accreditation

2.1 Accreditation is the status granted by the IRBA to professional bodies that meet and continue to meet the prescribed accreditation standards. In this regard, a distinction is made between full and partial accreditation.

Full and partial accreditation

2.2 A fully accredited professional body complies with the requirements for institutional accreditation. In addition to this, the IRBA has recognised the academic and core assessment programmes as well as the education and training programmes of the professional body that enable admission to the final qualifying examination set by the IRBA for registration purposes. (This examination is currently referred to as the Public Practice Examination (PPE)).

A partially accredited professional body must comply with the institutional

accreditation requirements and the academic and core assessment programmes, and in addition the IRBA **may** have recognised the education **or** training programme that enables admission to the PPE. Therefore:

FULLY ACCREDITED	
Institutional requirements	Mandatory
Academic programme	Mandatory
Core assessment programme	Mandatory
Education programme	Mandatory
Training programme	Mandatory

PARTIALLY ACCREDITED	
Institutional requirements	Mandatory
Academic programme	Mandatory
Core assessment programme	Mandatory
Education or Training programme	Mandatory

Institutional accreditation requirements

- 2.3 Institutional accreditation is a prerequisite for full and partial accreditation. This is necessary to ensure that professional bodies recognised by the IRBA for conducting the academic and core assessment programmes are supported by high-quality institutions with appropriate infrastructure, policies and procedures capable of making a positive contribution to the auditing profession in South Africa. This contribution extends beyond the provision of recognised academic and core assessment programmes. It demands that all accredited professional bodies have in place mechanisms to ensure that members are disciplined where appropriate. In addition, the professional body should be financially and operationally viable for the foreseeable future and should provide adequate and appropriate technical support and guidance to its members. Within the particular South African context, accredited professional bodies should contribute towards endeavouring to be representative of all sectors of the population.
- 2.4 Compliance with the requirements for CPD is a fundamental aspect of accreditation. The maintenance and further development of the professional competence of RAs is necessary to ensure that they continue to meet stakeholder expectations not only at the point of registration, but throughout their professional lives. The realisation of the objectives of the IRBA to develop and maintain internationally comparable standards of competence and ethics in the auditing profession demands that all accredited professional bodies be required to

place significant emphasis on the continuing professional development of their members.

Institutional accreditation requirements are set out in section 3 of this document.

Programme accreditation requirements

2.5 In order to register and practise as an auditor an individual must, in terms of section 37(2), and in addition to various other requirements, satisfy the IRBA that the prescribed education, training and competency requirements for RAs have been complied with.

2.6 The requirements so prescribed are as follows:

- Successful completion of a recognised academic programme (section 7(1)(a)); and
- Successful completion of a recognised core assessment programme (section 7(1)(a)); and
- Successful completion of a recognised education programme (section 7(1)(a)); and
- Successful completion of a recognised training programme of the prescribed period and form (section 7(1)(d)) and under a contract registered with the IRBA (section 7(1)(e)) in the office of an RA recognised by the IRBA as a training officer (section 7(1)(g)); and
- Demonstration of a degree of professional competence appropriate on entering the profession through successful completion of the qualifying examination conducted by the IRBA in terms of section 7(1)(b), currently referred to as the PPE.

2.7 Section 7(1)(a) provides for the recognition of the programmes of educational institutions as well as accredited professional bodies. In this regard the following applies:

- a. The IRBA will give preference to the recognition of the programmes of accredited professional bodies. This is due to the partnership relationship established through the process of accreditation whereby the IRBA's objectives are supported by accredited professional bodies that have complied and continue to comply with the requirements for institutional accreditation.
- b. In the interests of providing continuous paths of access to the registered profession, where it is not possible to recognise the programmes of an accredited professional body and in order to enable such access, the IRBA may, subject to the relevant requirements being met, recognise the educational qualifications or programmes of educational institutions as provided for in terms of section 7(1)(a).

2.8 It is evident from the above that the following programmes can be recognised by the IRBA in terms of section 7(1)(a):

- Recognised academic programme;
- Recognised core assessment programme;
- Recognised training programme; and
- Recognised education programme.

The recognition requirements, including programme objectives, standards and indicators, are described in section 3 of this document.

2.9 In terms of section 7(1)(d), (e) and (g) the IRBA must prescribe training requirements, including but not limited to the period of training and the form of training contracts. The IRBA must approve and register training contracts entered into by prospective RAs and must either conditionally or unconditionally recognise or withdraw the recognition of RAs as training officers. These statutory requirements as they relate to training are incorporated into the conditions for the recognition of the training programmes of professional bodies.

2.10 In terms of section 7(1)(b) the IRBA may recognise or withdraw the right of accredited professional bodies to conduct the final qualifying examination for registration purposes. It may also on its own conduct any such examination for registration purposes. However, given that the IRBA must, in terms of section 7(1)(f), prescribe competency requirements, it considers itself well placed to assess the competence of aspirant RAs against its prescribed requirements. The IRBA will therefore not recognise the examinations of professional bodies as constituting the final assessment of professional competence required for the purpose of registering as an auditor. The IRBA will assume full responsibility for conducting this assessment, currently referred to as the PPE.

3. PRESCRIBED ACCREDITATION REQUIREMENTS

Institutional and programme objectives

3.1 The IRBA must, in terms of section 5(a), prescribe minimum requirements for accreditation in addition to those provided for in the Act. This is achieved firstly through the definition of objectives (institutional and programme) that relate to each of the accreditation requirements specified in the Act. The objectives are a broad statement of the IRBA's minimum expectations and requirements at the institutional and programme levels.

Accreditation standards

3.2 Accreditation standards describe the fundamental characteristics that should be present either at an institutional or programme level to realise the stated

objectives. It should be noted, however, that the mere existence of such characteristics is not an assurance that the required standards will be achieved, but rather that the institution or its programme contains the necessary resources that, if effectively applied, are likely to achieve the stated objectives.

- 3.3 Accreditation standards describe the minimum institutional and/or programme requirements that must be complied with and it is likely that professional bodies may exceed these requirements for their own purposes.
- 3.4 The IRBA will seek to define its accreditation standards on the basis of appropriate experience and research and, where appropriate, after consultation with already accredited professional bodies. Standards will be periodically reviewed and revised so as to remain relevant to changed circumstance.
- 3.5 While the accreditation standards are intentionally general, the assessment thereof is based upon careful and detailed examination of the specific circumstances of the professional body. Their generality enables the IRBA to focus on the particular circumstances relevant to a specific professional body, rather than on establishing measures of conformity. The widely diverse purposes and scope of professional bodies demand that the accreditation standards be sufficiently broad to encompass this diversity, and thereby support innovation. At the same time, the accreditation standards must be sufficiently clear so as to promote quality.
- 3.6 The IRBA has articulated the following six principles that underpin the interpretation and application of accreditation standards:
 - (a) The accreditation standards are statements of good practice and are not intended to seek uniformity or conformity that may be applicable to a limited set of circumstances.
 - (b) The diversity and range of professional bodies in South Africa must be respected and accommodated, thus emphasising that good practice may be manifested in a wide range of practices.
 - (c) Accreditation standards focus on inputs and outcomes, thereby embracing a model of accreditation that requires the assessment of resources, processes and outcomes at both the institutional and programme level.
 - (d) The standards strive towards economy and clarity and avoid redundancy and ambiguity.
 - (e) No single accreditation standard is considered to have overriding importance for the purposes of granting or maintaining accreditation. Rather, standards are viewed as an interdependent set of requirements that, collectively, enable the institutional and programme objectives to be met.
 - (f) The standards recognise that the IRBA is a statutory regulatory body

charged with protecting public interest within the Republic, and therefore must advance the best interests of the profession in this regard.

Indicators of standards

- 3.7 In determining the extent to which an accreditation standard has been met, certain indicators that provide guidance on how the standard may be achieved in practice are included in the accreditation model.
- 3.8 The inability to adhere to a specific indicator will not be viewed in isolation in the accreditation and monitoring process. It is accepted that the standard may also be realised through alternative means not referred to in the indicators.
- 3.9 The indicators elaborate upon the accreditation standards defined by the IRBA. While they identify practices that the IRBA considers characteristic of the standard, they do not demand specific application nor carry any endorsements of particular practices. The indicators address major components of the accreditation standards but they are not designed to cover every aspect of the standard. Professional bodies are, however, encouraged to address each indicator, and to include, where appropriate, alternative or additional indicators where doing so would provide greater depth or more applicability to the individual institution.

4. THE ACCREDITATION PHILOSOPHY

The accreditation of professional bodies is intended to give rise to long-term partnerships between the regulator and relevant professional bodies that share an interest in advancing an appropriate standard within the auditing profession. No assurance is given or implied that every accredited professional body manifests all the accreditation standards to the same degree. Accredited bodies are expected to demonstrate these standards in a substantial measure and always to be in the process of striving toward improvement. The IRBA will base its accreditation processes and procedures upon the following broad principles:

4.1 Objectivity

Accreditation by the IRBA is an expression of confidence in a professional body's institutional and programme quality. Accreditation attests to the judgement of the IRBA that a professional body complies with certain minimum accreditation requirements. Such judgement is based, as far as possible, on an objective decision supported by evidence that arises both from a self-evaluation process conducted by the professional body, and an external validation process carried out by the IRBA.

4.2 Public assurance

Given the statutory objectives of the IRBA, accreditation must provide public assurance that a professional body has the resources that render it capable of delivering high-quality academic, education and core assessment programmes of an appropriate standard, supported by a high-quality institution. Accreditation cannot, however, provide assurance as to the quality of actual delivery, as this is a function of the extent to which available resources are actually applied.

4.3 Continual improvement

Accreditation seeks to achieve and maintain and constantly enhance high standards of programme delivery within the profession. It must therefore provide an opportunity for accredited professional bodies to continually evaluate stated objectives, and through innovation and change seek continuous improvement in quality. Thus, the accreditation process involves more than an examination of static requirements against predetermined criteria. It rather involves an elaborate and interactive process to evaluate the extent to which a professional body is able to support the realisation of the objectives of the IRBA.

4.4 Forum for consultation

The IRBA recognises that its statutory objectives are to be partly achieved through the mechanism of the accreditation of professional bodies. To this end, therefore, accreditation should provide a forum for consultation between the IRBA, accredited bodies and identified stakeholders that share a common interest in enhancing the development, assessment and maintenance of high standards of competence within the auditing profession.

4.5 Diversity and innovation

The accreditation process tolerates and encourages diverse and innovative means of achieving common objectives. For this reason, the focus of the accreditation process is on fostering a commitment to quality, rather than on prescribing specific quantitative measures of consistency in policies and procedures among professional bodies.

4.6 Access to the profession

The accreditation process is intended to provide access to the auditing profession to all who have the ability and desire to qualify, register and practise as RAs.

It is, however, not the policy of the IRBA to establish academic, core assessment, education and training programmes required for registration purposes. The IRBA believes that this function is best fulfilled by professional bodies that seek accreditation, either in full or in part. Given that the IRBA is to conduct the

assessment of professional competence for those persons wishing to register and practice as RAs, it is in the interests of the broader accountancy profession that programmes that prepare individuals for this assessment are conducted by accredited professional bodies. In this manner, access to the auditing profession through accredited professional bodies will be encouraged. The roles to be played by the accredited professional bodies and the IRBA will also be appropriately differentiated.

4.7 Appropriate standards

Given the status of the IRBA as a statutory regulatory body, the accreditation process must promote appropriate standards of professional competence that will ensure that only those persons who have demonstrated the prescribed degree of professional competence are able to register and practise as auditors. Accreditation must also ensure that, as South Africa continues to participate in a competitive global economy, standards of professional qualification and CPD are on par with international standards.

5. RESPONSIBILITIES IMPLICIT IN ACCREDITATION

Accreditation establishes a partnership relationship between the IRBA and the professional bodies that gives rise to certain responsibilities.

5.1 Responsibilities undertaken by the IRBA

In granting accreditation to professional bodies, the IRBA undertakes to:

- Constantly evaluate its own policies and practices to ensure that they represent best international accreditation practices that promote the autonomy of accredited professional bodies.
- Ensure that its accreditation policies and procedures are appropriate within South African circumstances, are responsive to the particular needs of the profession, and contribute towards achieving the objectives of the IRBA as defined in the Act.
- Provide opportunities whereby partially accredited professional bodies that appear to be capable of achieving full accreditation within a reasonable period are able to learn from the accreditation process and thereby enhance their programmes so as to make them capable over time, of full accreditation.
- Honour the relationships between accredited professional bodies and the providers of their various programmes to strengthen the relationships between the profession and those responsible for the development, assessment and training of individuals for the profession.
- Co-operate, where appropriate, with other statutory bodies and organs of

state and other professional institutes that share the objectives of advancing the standards of competence of RAs within South Africa.

5.2 Responsibilities undertaken by an accredited professional body

The accreditation process is intended to strengthen and sustain the quality and integrity of the auditing profession, making it worthy of public confidence. The extent to which each accredited body accepts and fulfils the responsibilities inherent in the process is a measure of its concern for the quality of auditing and its commitment to striving for and achieving excellence in its own endeavours.

The IRBA accredits a professional body only after it is satisfied that its accreditation standards have been complied with. The process of accreditation provides an opportunity for critical self-analysis by the professional body, leading to improvements in quality. With the granting of accreditation status to a professional body, the body should undertake to:

- Co-operate fully with the IRBA in the monitoring activities carried out by the IRBA in respect of the accreditation standards;
- Inform the IRBA timeously of any anticipated changes in the professional body that might affect the extent to which it continues to meet accreditation standards;
- Inform the IRBA of any anticipated intention to renounce its accreditation;
- Bring to the attention of the IRBA any circumstances that may affect the accreditation or continued accreditation of the professional body;
- Respond to correspondence from the IRBA in matters relating to accreditation within a reasonable period;
- Demonstrate a commitment to the accreditation process by remaining informed about the process and by participating in the process to improve it through co-operation; and
- Demonstrate commitment to a continuous improvement process by performing regular self-evaluations against stated objectives.

SECTION 2**INSTITUTIONAL
ACCREDITATION**

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OVERVIEW OF INSTITUTIONAL ACCREDITATION

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ORIENTATION TO THIS SECTION

The purpose of this section is to set out the requirements for the institutional accreditation of professional bodies by the IRBA. The section deals with each of the institutional accreditation requirements listed in section 33 (b) to (g) of the Act. For each requirement, an objective is defined from which accreditation standards and indicators are derived.

The accreditation standards describe the minimum requirements to be met by professional bodies seeking accreditation. The maintenance of accreditation is dependent upon the professional body continuing to comply with the accreditation standards. Indicators describe certain patterns of evidence that indicate the manner in which a particular standard may be met in practice.

Institutional accreditation is a prerequisite for both full and partial accreditation because it provides the foundation upon which an accreditation relationship is established between the IRBA and the relevant professional body. Institutional accreditation requirements are aimed at ensuring that accredited professional bodies can make a positive contribution to the auditing profession in South Africa, thereby supporting the IRBA in the achievement of its unique statutory objectives.

1. STATUTORY REQUIREMENTS

- 1.1 In terms of section 33, a professional body must demonstrate, to the satisfaction of the IRBA that:
 - It complies with the prescribed requirements for professional development and the achievement of professional competence;
 - It has appropriate mechanisms for ensuring that its members participate in CPD as recognised by the IRBA;
 - It has mechanisms to ensure that its members are disciplined where appropriate;
 - It is, and is likely to continue to be, financially and operationally viable for the foreseeable future;
 - It keeps a register of its members in the form prescribed by the IRBA;
 - It has in place appropriate programmes and structures to ensure that it is actively endeavouring to achieve the objective of being representative of all sectors of the South African population; and
 - It meets any other requirement prescribed by the IRBA from time to time. In this regard the professional body must have appropriate technical support and guidance available to its members who are RAs.

Fig. 1. Structure of the accreditation model

Institutional accreditation (Section 33 (b) to (g))	Programme accreditation (Section 33(a))
All accredited professional bodies are required to comply with the following institutional accreditation requirements:	All accredited professional bodies must comply with the programme requirements for the development and assessment of core competence.
<ul style="list-style-type: none"> • Continuing Professional Development (CPD); • Disciplining and ethical conduct of members where appropriate; • Financial and operational viability; • Maintaining a register of members in prescribed form; • Programmes endeavouring to achieve representative sectors; and • Other requirements <ul style="list-style-type: none"> o Appropriate technical support and guidance available to all its members who are RAs. 	<p>Develop and assess core competence:</p> <ul style="list-style-type: none"> • Recognised academic programmes; and • Recognised core assessment programmes; <p><i>In order to be fully accredited, a professional body must comply with the requirements for the development of professional competence:</i></p> <ul style="list-style-type: none"> o Recognised education programmes; and o Recognised training programmes.

1.2 Accreditation is the status granted by the IRBA to professional bodies that meet and continue to meet the prescribed accreditation standards. In this regard, a distinction is made between full and partial accreditation.

1.3 Compliance with the institutional requirements is a prerequisite for both full and partial accreditation.

- In addition to its compliance with the institutional requirements, in the case of a fully accredited professional body the IRBA has recognised its academic and core assessment programmes as well as both the education and training programmes that enable admission to the PPE.
- In addition to its compliance with the institutional requirements, in the case of a partially accredited professional body the IRBA has recognised both the academic and core assessment programmes. (The IRBA may also have recognised either the education or training programme of the professional body.)

- 1.4 Institutional accreditation is a prerequisite for both full and partial accreditation. The objectives and functions of the IRBA as defined in the statute are rigorous. The promotion of investment and ultimately employment in the Republic must be sought in partnership with accredited professional bodies. The IRBA should therefore, in order to realise its objectives and where it is appropriate, draw on the support of accredited professional bodies so as to extend its sphere of influence into the broader accountancy profession. Thus, the requirements of accredited professional bodies extend beyond the delivery of development and assessment programmes. The IRBA accredits professional bodies committed to supporting the IRBA in its disciplinary and CPD objectives, where appropriate, and capable of making a positive contribution to the auditing profession specifically as well as to the broader accountancy profession in South Africa.

Continuing Professional Development (CPD)

- 1.5 Compliance with the requirements for CPD is a fundamental aspect of both full and partial accreditation. The maintenance and further development of professional competence among RAs is necessary to ensure that they continue to meet stakeholder expectations, not only at the point of registration, but throughout their professional lives. The realisation of the objectives of the IRBA to develop and maintain internationally comparable standards of competence and ethics in the auditing profession demands that all accredited professional bodies be required to place significant emphasis on the continuing professional development of their members.
- 1.6 Accredited professional bodies must have appropriate mechanisms for ensuring that members participate in CPD that is recognised by the IRBA.

Discipline and ethical conduct

- 1.7 Compliance with the accreditation requirements demonstrates the commitment of a professional body towards advancing the implementation of appropriate standards of ethical conduct within the broader profession. The level of professional standing for all members of an accredited professional body has direct implications for the regard of RAs who are members of the same professional body.

Financial and operational viability

- 1.8 The provision of consistent support for the IRBA's objectives and the making of a sustainable commitment to the broader profession over an extended period demand that an accredited professional body must be financially and operationally viable for the foreseeable future.

Register of members

- 1.9 A further institutional requirement for accreditation is that a professional body must maintain a register of its members in the appropriate form.

Representivity in the profession

- 1.10 Within the particular South African circumstances all accredited professional bodies should contribute towards endeavouring to be representative of all sectors of the population.

Other accreditation requirements

- 1.11 In addition to the above, the IRBA may from time to time prescribe any other accreditation requirements. This emphasises the fact that the accreditation relationship is not a static one, but must be adapted to changing circumstances. Accreditation standards and indicators will be regularly reviewed in order to ensure that they remain relevant to the particular needs of the South African auditing profession within the global context. In this regard, the following:

1.11.1 Technical support and guidance

The professional body must provide adequate technical support and guidance in order to assist its members to maintain and develop their professional competence.

2. MONITORING IN THE CONTEXT OF ACCREDITATION

- 2.1 Central to achieving the objectives of the IRBA is the monitoring of the institutional requirements to be complied with by accredited professional bodies.
- 2.2 The monitoring process is designed to encourage and assist accredited professional bodies to seek continuous improvement in those aspects of its CPD and disciplinary measures that relate to the support of the IRBA objectives within the context of the auditing profession specifically, as well as of the broader profession. In order to support these objectives, the monitoring process should also provide the IRBA with reasonable assurance that the accredited professional body is likely to be operationally and financially viable in the foreseeable future, maintains the appropriate membership register and is endeavouring to advance the representivity in the profession.
- 2.3 Once a professional body is accredited by the IRBA, either partially or fully, it shall be deemed accredited unless monitoring procedures reveal that it no longer complies with the accreditation requirements.
- 2.4 The maintenance of accreditation status is therefore dependent on the accredited professional body continuing to meet all the institutional accreditation

requirements, in addition to at least the recognition of its academic and core assessment programmes as determined through the continuous monitoring procedures carried out by the IRBA.

- 2.5 Every professional body that is accredited by the IRBA will be subjected to a monitoring process by the IRBA.
- 2.6 The following monitoring procedures apply to every institutional accreditation requirement:
- regular formal reporting by the professional body;
 - self-evaluation by the professional body;
 - external validation (where appropriate); and
 - specific investigation (where appropriate).
- 2.7 The manner in which the above monitoring procedures are applied to the institutional requirements of a particular accredited professional body will be determined by means of a consultative process between the relevant professional body and the IRBA.

Regular formal reporting

- 2.8 It is essential for the accredited professional body to submit regular formal reports to the IRBA to ensure that the IRBA receives relevant and up to date information with respect to every institutional accreditation requirement.

Self-evaluation

- 2.9 The purpose of the self-evaluation is to provide the professional body with an opportunity to:
- determine the extent to which the institutional accreditation requirements defined by the IRBA continue to be complied with;
 - recommend to the IRBA possible changes to accreditation requirements and/or monitoring procedures defined by the IRBA; and
 - identify particular aspects relating to the regulation of the broader profession generally or the auditing profession in general that call for appropriate measures to be taken by the IRBA.
- 2.10 The absence of external validation procedures ordinarily carried out by the IRBA in respect of institutional accreditation requirements implies that a high degree of reliance is to be placed on the information forwarded to the IRBA by the professional body in the regular formal report and self-evaluation reports. Accordingly, the professional body should ensure that the information so provided is sufficient and appropriate to enable the IRBA to determine the

extent to which each of the institutional accreditation requirements is complied with. The IRBA therefore reserves the right to request the professional body to address particular aspects of the institutional accreditation requirements as part of its self-evaluation report.

External validation

- 2.11 The purpose of the external validation procedures is to provide the IRBA with an opportunity to assess, independently, the opinions expressed by the professional body in the self-evaluation report with regard to institutional accreditation requirements.
- 2.12 Given the nature of the institutional requirements for accreditation and the direct role that the IRBA plays with regard to the regulation of RAs through its own CPD and disciplinary functions, external validation procedures will not ordinarily be carried out with respect to institutional accreditation requirements. However, the IRBA reserves the right to conduct its own external validation procedures of the institutional requirements where appropriate in order to satisfy itself that the institutional requirements are complied with.

Specific investigation

- 2.13 Where the IRBA has reason to question the extent to which the institutional accreditation requirements are being complied with, it will investigate the matter and take appropriate action.

3. THE MONITORING REPORT

- 3.1. The IRBA will use the information gathered through the regular formal report and self-evaluation report (and external validation procedures and specific investigations, if undertaken) to compile a monitoring report that addresses each of the institutional accreditation requirements.
- 3.2. The IRBA will prepare a draft monitoring report, a copy of which will be forwarded to the professional body for comment.
- 3.3. A copy of the final monitoring report will be forwarded to the professional body.
- 3.4. On the basis of the final monitoring report and the recommendations contained therein, the IRBA will either resolve that accreditation of the professional body be continued or withdrawn immediately, or that a warning of possible withdrawal be issued.
- 3.5. The decision of the IRBA will be communicated to the professional body in writing.

4. WITHDRAWAL OF ACCREDITATION

- 4.1 The IRBA will, prior to cancelling accreditation, give notice in writing to the professional body concerned of its intention to cancel its accreditation and the reasons upon which this decision is based, and must afford the professional body a period of at least 21 days and not more than 30 days in which to submit grounds for not proceeding with the cancellation.
- 4.2 A warning of withdrawal of accreditation by the IRBA implies that if the situation is not rectified within the period specified in the warning, the accreditation of the professional body will be withdrawn.
- 4.3 Upon issuing a warning, the IRBA will set out the reasons for the warning and set specific and clear objectives that must be achieved by the professional body within the specified period in order to maintain its accreditation status.
- 4.4 During the warning period, the professional body will work closely with the IRBA with a view to maintaining standards and rectifying the situation.
- 4.5 In deciding whether to withdraw accreditation immediately or to issue a warning, efforts will be made to avoid disadvantaging existing students to whom a commitment regarding access to a profession has been made. However, the IRBA will also recognise its commitment towards the protection of the public interest and the maintenance of appropriate standards.
- 4.6 If standards for institutional accreditation have not been complied with by the end of the warning period, accreditation will be withdrawn.
- 4.7 Since compliance with institutional requirements is a prerequisite for accreditation, non-compliance with these requirements will have implications for the continued recognition of the academic and core assessment programmes (as well as the education and/or training programmes of the professional body, if applicable). Non-compliance with institutional accreditation requirements implies the withdrawal of recognition of such programmes.

5. INSTITUTIONAL ACCREDITATION REQUIREMENTS

- 5.1 The accreditation requirements as they relate to each of the institutional requirements for accreditation are set out as follows:
 - Section 2 A: Continuing Professional Development (CPD)
 - Section 2 B: Disciplining and ethical conduct of members
 - Section 2 C: Financial and operational viability
 - Section 2 D: Register of members
 - Section 2 E: Representivity in the profession

Section 2 F: Technical support and guidance

In each case, the following details relating to each requirement are set out:

- Objectives
- Recognition standards and indicators
- Monitoring procedures

5.2 Recognition standards are those criteria that are regarded as essential for the realisation of the objective of each of the programmes. Standards reflect the minimum requirements for the recognition of the programmes of a professional body and the body may choose to include additional requirements for its own purposes.

5.3 In determining the extent to which a recognition standard has been met, certain indicators that give practical guidance on how the standard may be achieved have been described. The inability to comply with a specific indicator will not be viewed in isolation. It is accepted that a recognition standard may also be realised through alternative means not referred to in the indicators.

SECTION 2A: CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

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1. OBJECTIVE

- 1.1 In order to protect the public interest, the IRBA must ensure that every RA has the necessary professional competence on entering the profession. As a direct consequence of this obligation, the IRBA also has a duty to ensure that all RAs engage in appropriate CPD programmes designed to maintain and further develop the competence they demonstrated on entering the profession. Thus, having been charged to act in the public interest, the IRBA must, in the context of the maintenance and further development of professional competence, prescribe and monitor the extent to which every RA engages in CPD.
- 1.2 The IRBA may either in full or in part recognise or withdraw the recognition of the continued education, training and professional development programmes of educational institutions and accredited professional bodies. However, since the IRBA will conduct the final assessment of professional competence on entry to the profession, it considers it appropriate to take direct steps to ensure that RAs engage in appropriate programmes designed to further develop and maintain this competence throughout their professional life.
- 1.3 Through the recognition of the academic and core assessment programmes (and in some cases education and training programmes), it is clear that accredited professional bodies share in the responsibility for developing the professional competence of those persons desiring to register as auditors. It is therefore appropriate for professional bodies to have appropriate mechanisms for ensuring that their members participate in CPD as recognised or prescribed by the IRBA.
- 1.4 Where appropriate, accredited professional bodies ought to co-operate with the IRBA by placing appropriate emphasis on CPD, by promoting lifelong learning and by providing support for and access to CPD interventions.
- 1.5 Compliance with the institutional accreditation requirements for CPD is a fundamental aspect of both full and partial accreditation. The maintenance and further development of professional competence among RAs is necessary to ensure that they continue to meet stakeholder expectations not only at the point of registration, but throughout their professional lives. The realisation of the objectives of the IRBA to advance the implementation of appropriate standards of competence and good ethics in the auditing profession demands that all accredited professional bodies be required to co-operate with the IRBA by placing significant emphasis on the CPD of their members.
- 1.6 This co-operative arrangement between the IRBA and the accredited professional body with regard to CPD is encompassed in the following accreditation standards designed to enable the professional body to provide support for the

CPD objectives of the IRBA:

- Standard 1: Mandatory CPD required for membership
- Standard 2: Fostering of commitment to lifelong learning
- Standard 3: Facilitation of access to CPD interventions

2. ACCREDITATION STANDARDS

2.1 Standard 1: Mandatory CPD required for membership

In order for RAs to support the CPD objectives of the IRBA, it is essential that they be bound not only by the CPD requirements prescribed by the IRBA, but also by the requirements of the professional body as an integral part of continued membership. Thus, the professional body of which the RA is to be a member, must have appropriate CPD policies that will require, as a condition for continued membership, that its members participate in appropriate CPD activities.

Standard

The professional body should ensure that all its members who are registered with the IRBA as RAs are subject to a mandatory programme of CPD as an integral component of continued membership of the professional body.

Indicators

The following indicators provide guidance on how this standard may be achieved in practice:

- a. Members of the accredited professional body who are/desire to become RAs should be required to undertake mandatory programmes of CPD as an integral component of their continued membership of the professional body. In keeping with the IFAC statement dealing with CPD, such CPD requirements may be input or output based, or a combination of both.
- b. In recognition of the self-directedness of lifelong learning and the personal commitment required for CPD, accredited professional bodies should as far as possible place the responsibility on the individual to identify development needs and undertake the appropriate learning interventions in those areas. The professional body should require all registered members to develop and maintain their professional competence in areas that are relevant and appropriate to the nature of the work they undertake and the level of responsibility they assume.
- c. The CPD policy of the professional body should require that members maintain appropriate records of CPD in as much detail as is necessary to describe the nature, extent and relevance of the learning activities undertaken.

- d. The CPD policy of the professional body should provide a mechanism through which an appropriate degree of monitoring of the extent to which the requirements are met may take place.
- e. The CPD policy of the professional body should stipulate the action that may be taken in instances of non-compliance with the CPD requirements.
- f. Given the continually changing environment in which RAs function, the professional body should reassess the appropriateness of its CPD policy on a continuous basis in order to address changing needs.

2.2 Standard 2: Fostering of commitment to lifelong learning

RAs should be professionally competent individuals who are capable of adapting to change and who are committed to a process of lifelong learning that will enable them to make a meaningful contribution to the profession and society throughout their professional lives. The maintenance of professional competence in a constantly changing environment makes it imperative that RAs develop and maintain a commitment to lifelong learning.

Standard

The professional body should foster a commitment to self-directed, lifelong learning as part of its education, training and assessment programmes that prepare individuals to enter the profession, as well as among its members.

Indicators

The following indicators provide guidance on how this standard may be achieved in practice:

- a. The professional body should place considerable emphasis on the development of lifelong learning capabilities among its students through appropriately focusing on the delivery of the recognised academic and education programmes that prepare students for entering the auditing profession. Assessment methods applied within these programmes should also be designed to encourage and assess the extent to which students are capable of carrying out systematic enquiries in unstructured circumstances. (In this regard, refer to the recognition standards relating to the academic and education programmes.)
- b. The professional body should ensure that the recognised academic and education programmes appropriately emphasise the ethical requirements of the profession. In particular, programmes in business ethics should emphasise the need to maintain competence in the interests of the public and the profession, and to undertake only those services commensurate with the appropriate degree of competence. (In this regard, refer to the recognition standards relating to the

academic and education programmes.)

- c. The professional body should require providers of the recognised training programmes to take appropriate measures to ensure that trainee accountants are afforded sufficient opportunities to maintain and develop their professional competence during the training period so as to help foster a personal commitment towards CPD among aspirant RAs. (In this regard, refer to the recognition standards relating to the training programme.)
- d. The professional body should continuously take positive steps to promote the importance of the maintenance and development of competence and a commitment to lifelong learning among its registered members.

2.3 Standard 3: Facilitation of access to CPD interventions

Appropriate programmes of CPD should maintain and further develop the professional competence of RAs throughout their professional life. This lifelong learning is intended to provide for the self-directed and full professional development of every practitioner within a particular role, responsibility and context.

Standard

The professional body should facilitate access to CPD interventions and provide appropriate support and resources to its members so as to assist them in meeting their responsibility to undertake lifelong learning and in so doing, to maintain and develop their professional competence.

Indicators

The following indicators provide guidance on how this standard may be achieved in practice:

- a. The professional body should take steps to identify and communicate to its registered members relevant developments in national and international pronouncements on accounting, auditing and other regulations and statutory requirements pertaining to the profession, legislation, techniques and standards that may be of particular relevance to RAs in meeting their CPD requirements.
- b. The professional body should, where appropriate, collaborate with the IRBA, and in particular with its standard setting, practice review and disciplinary functions, in order to identify particular learning areas that may require further development and should therefore be included in CPD programmes. These should be communicated to members.
- c. The professional body should facilitate access to CPD opportunities through direct provision and/or through the identification and dissemination of

information relating to suitable providers, or through the establishment of collaborative partnerships with such providers. In this regard, however, it should be emphasised that CPD interventions need not be delivered directly by the professional body, nor need they be outsourced to particular providers under arrangement with the professional body. The professional body should provide details of available CPD activities to its members. These may extend to programmes undertaken by firms of registered auditors.

- d. The professional body should provide the necessary tools, support and assistance to members through the development and promotion of the use of CPD records for its members.
- e. The professional body should develop CPD documentation and other resources that may assist its registered members in reflecting on their performance, identifying areas that require maintenance or development of competence, undertaking and recording relevant CPD activities, and subsequently assessing their performance. This may include the development and promotion of the use of learning plans for its registered members.

3. MONITORING OF INSTITUTIONAL ACCREDITATION REQUIREMENTS

3.1 Regular formal reporting

The submission of a regular formal report by the professional body is essential to ensure that the IRBA receives relevant and up-to-date information with respect to the CPD programmes of accredited professional bodies.

The information should relate to the previous calendar year and should be forwarded to the IRBA by a date to be determined in consultation between the IRBA and the accredited professional body. The information should include the following:

- Details relating to the CPD policy of the professional body, including:
 - the CPD requirements for continued membership;
 - the maintenance of CPD records;
 - monitoring of CPD requirements; and
 - the effect of non-compliance with CPD requirements on membership.
- Details relating to any anticipated changes in the CPD policy of the professional body.
- To the extent possible through its monitoring activities, details as to the measure to which members have complied with the CPD requirements of the professional body, and an indication of the steps taken to address instances of non-compliance.

3.2 Self-evaluation

The self-evaluation report should provide the accredited professional body with an opportunity to reflect on the extent to which it continues to meet each of the accreditation standards and indicators defined by the IRBA in relation to CPD. In doing so the professional body should identify shortcomings in its CPD programme and reach specific conclusions as to whether or not the relevant accreditation requirements have been met.

Such an objective analysis by the professional body should assist in identifying the means by which co-operation between the professional body and the regulator may be extended so as to provide support for the CPD objectives of the IRBA. The analysis should also provide insights into specific deficiencies in the policies and procedures that have become apparent in the year under review.

The information should relate to the previous calendar year and should be forwarded to the IRBA by a date to be determined in consultation between the IRBA and the accredited professional body. In addition to the above requirements, the information should also include:

- A description and critique of the specific educational philosophies, learning theories or other philosophies that explain and underpin the CPD policy of the professional body.
- Details as to what actions the professional body has taken to advance lifelong learning capabilities among students through appropriate emphasis being placed upon the delivery of the recognised academic and education programmes that prepare students to enter the auditing profession. In addition to on-the-job training, students should be required to maintain and update their knowledge of new developments through more formalised courses. (Refer to the recognition requirements in respect of the recognised training programme in this regard.)
- Details as to what actions the professional body has taken to ensure that recognised academic and education programmes sufficiently emphasise the ethical requirements of the profession through their inclusion in business ethics courses.
- Details as to what actions the professional body has taken to ensure that trainee accountants are afforded sufficient opportunity to maintain and further develop their competence throughout the period of the registered training contract.
- Details as to what actions the professional body has taken to promote the importance of lifelong learning and the maintenance and development of competence among its members.

- A description of the steps taken to identify and communicate to the registered members relevant developments in the profession that may be of particular relevance to RAs in meeting their CPD requirements.
- An overview of the general nature and availability of CPD interventions in the areas of professional knowledge, professional skills and ethical values and the steps taken by the professional body to facilitate access to such CPD opportunities.
- Details of the tools, support or assistance that the professional body provides to its members in order to help foster a commitment towards CPD through the development and promotion of the use of learning plans, CPD records and other material.

3.3 External validation

Given the role of the IRBA in the prescription and monitoring of the extent to which individual auditors comply with CPD requirements, external validation procedures will not be carried out as a matter of course.

However, the IRBA reserves the right to conduct such procedures as it deems necessary, in addition to receiving the regular formal report and self-evaluation report, in order to satisfy itself that the accreditation requirements in relation to CPD are complied with.

3.4 Specific investigation

Where the IRBA has reason to question the extent to which accreditation standards continue to be met, it has a duty to investigate and take appropriate action.

SECTION 2B: DISCIPLINE AND ETHICAL CONDUCT OF MEMBERS

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1. OBJECTIVE

- 1.1 In order to be accredited, a professional body must demonstrate that it has mechanisms to ensure that its members are disciplined where appropriate. Compliance with the accreditation requirements demonstrates the commitment of a professional body towards advancing the implementation of appropriate standards of ethical conduct within the broader profession. The rigour of a professional body's own disciplinary processes and the actions taken against members in the case of improper conduct provide support for the IRBA's function to promote the integrity of the auditing profession.
- 1.2 The IRBA will take steps to promote the integrity of the auditing profession, including investigating improper conduct, conducting disciplinary hearings, and imposing sanctions for improper conduct. The IRBA prescribes standards of ethics and conduct to RAs.

These functions apply specifically to the IRBA and are designed to protect the public in South Africa by regulating audits performed by RAs. However, within the context of the broader profession, members of professional bodies, including those who are not RAs, must be required to conduct themselves according to a prescribed code of ethical conduct. Members of accredited professional bodies, including those who are not RAs, should also be held accountable in terms of the code of ethics.

- 1.3 The role of the accredited professional body in supporting the objectives of the IRBA as they relate to the disciplining of RAs is contained in the following accreditation standards:

Standard 1: Code of ethical conduct applicable to all members

Standard 2: Evidence of appropriate disciplinary proceedings

2. ACCREDITATION STANDARDS

2.1 Code of ethical conduct applicable to all members

Standard

The accredited professional body should have a code of ethical conduct that is applicable, where relevant, to all its members, including RAs and those members who are not RAs.

Indicators

The following indicators provide guidance on how this standard may be achieved in practice:

- The accredited professional body should formally adopt and publish a code of ethical conduct. It is accepted that this code may be drawn from the ethical requirements applicable to international accounting bodies, but in such instances it should be adapted, where appropriate, to accommodate the specific South African circumstances.
- The accredited professional body should prescribe a code of ethical conduct that, where relevant, is applicable to all members of the accredited professional body, including but not limited to those who are RAs.
- The accredited professional body should subject the code of ethical conduct to regular review so as to ensure that it remains relevant to the particular South African circumstances.
- The accredited professional body should ensure that, where appropriate, the ethical requirements prescribed by the IRBA as they relate to RAs are contained in the code as a minimum requirement for ethical conduct.

2.2 Appropriate disciplinary proceedings

Standard

The accredited professional body should have sufficient and appropriate resources and capacity to investigate alleged improper conduct, conduct disciplinary proceedings and impose appropriate sanctions. However, a duplication of the disciplinary proceedings required to be implemented by the IRBA is not considered to be in the best interests of the profession, and where appropriate the accredited professional body should place reliance on the IRBA's investigative powers.

Indicators

The following indicators provide guidance on how this standard may be achieved in practice:

- The accredited professional body should have a disciplinary committee that has an appropriate number of RAs acting as full members thereof.
- The accredited professional body should formally set out, adopt and publish the investigation and disciplinary processes and procedures that will be applicable when cases of alleged improper conduct are brought to its attention. These processes and procedures should provide for the following:
 - Charges of improper conduct that are laid directly with the professional body but that relate to the regulation of audits performed by an RA should be referred to the IRBA. The IRBA will, once the matter is finalised, inform the accredited professional body of the outcome and provide details of sanctions imposed (if any).
 - Charges of improper conduct laid with the IRBA but that do not relate to

the regulation of audits performed by an RA may, where the IRBA deems it appropriate, be referred to the accredited professional body and be subject to its investigation and disciplinary processes.

- The accredited professional body should formally set out, adopt and publish the range of possible disciplinary sanctions it may impose on its members (including but not limited to RAs) who are found guilty of improper conduct. Such sanctions should include, where appropriate, possible expulsion.
- The accredited professional body should establish a mechanism between itself and the IRBA whereby it has access to the outcome of disciplinary hearings and the sanctions imposed by the IRBA on RAs who are also members of the accredited professional body.
- The accredited professional body should establish a mechanism whereby, without undue duplication of the disciplinary proceedings and sanctions of the IRBA, appropriate action may be taken in the case of members found guilty of improper conduct by the IRBA.
- The accredited professional body should establish a mechanism whereby cases of alleged improper conduct that are brought to the attention of the IRBA but that do not relate to the regulation of audits performed by an RA may be referred to the disciplinary functions of the relevant accredited professional body of which that person is a member.

3. MONITORING OF ACCREDITATION REQUIREMENTS

3.1 Regular formal report

The submission of a regular formal report by the professional body is essential to ensure that the IRBA receives relevant and up-to-date information with respect to the disciplinary programmes of accredited professional bodies.

The information should relate to the previous calendar year and should be forwarded to the IRBA on a date to be determined in consultation between the IRBA and the accredited professional body.

The information should include the following:

- Details relating to the disciplinary regulations prescribed by the professional body, including:
 - the code of ethical conduct, including details of any revisions;
 - the applicability of the code to members, including RAs;
 - a description of the disciplinary policies and procedures of the professional body as they relate to complaints lodged, investigations, hearings and sentencing.

- A report on the nature of disciplinary activities in the most recent calendar year, with specific reference to:
 - the number of complaints lodged directly with the professional body and an indication of the general nature thereof and the actions taken;
 - the number of hearings held and an indication of the findings and, where relevant, the sanctions imposed;
 - a report on the process and outcome of any disciplinary matter referred to the professional body by the IRBA that did not relate to the conduct of an audit by an RA; and
 - a report on the process and outcome of any findings by the IRBA in relation to an RA who is also a member of the professional body and who was found guilty of improper conduct by the IRBA.
- Details relating to any anticipated changes in the disciplinary policies or procedures of the professional body.

3.2 Self-evaluation

The self-evaluation report should provide the accredited professional body with an opportunity to reflect on the extent to which it continues to meet each of the accreditation standards and indicators defined by the IRBA in relation to the disciplining of its members. In doing so, the professional body should identify shortcomings in its disciplinary policies and procedures and reach specific conclusions as to whether or not the relevant accreditation requirements have been met.

Such an objective analysis by the professional body should assist in identifying the means through which co-operation between the professional body and the IRBA may be extended so as to provide support for the disciplinary objectives of the IRBA. The analysis should also provide insights into specific deficiencies in the policies and procedures that have become apparent in the year under review.

The information should relate to the previous calendar year and should be forwarded to the IRBA by a date to be determined in consultation between the IRBA and the accredited body. In addition to the above, the information should also include the following:

- A critique of the disciplinary policies and procedures of the professional body and an indication of the steps that may be taken to improve the quality of the process.
- Details as to what actions the professional body has taken to promote ethical behaviour among all its members.
- Details as to what actions the professional body has taken to ensure that appropriate action is taken in instances where members are found guilty of

improper conduct.

- Details as to what actions the professional body has taken to ensure that trainee accountants are aware of their responsibility to abide by the code of professional conduct and are subject to it.
- Details as to what mechanisms the professional body may propose be investigated so as to implement effective and efficient disciplinary proceedings in the profession while drawing upon the resources of both the IRBA and the accredited body, where appropriate, so as to minimise duplication.
- A description of any actions taken by the professional body to bring to the attention of its members any particular practices that may be subject to specific ethical concerns and issues.

3.3 External validation

Given the role of the IRBA in relation to the disciplining of individual RAs, external validation procedures will not be carried out as a matter of course. However, the IRBA reserves the right to conduct such procedures as it deems necessary, in addition to the receipt of the regular formal report and self-evaluation report, in order to satisfy itself that the accreditation requirements in relation to discipline are complied with.

3.4 Specific investigation

Where the IRBA has reason to question the extent to which accreditation standards continue to be met, it clearly has a duty to investigate and take appropriate action.