

Please note that most Acts are published in English and another South African official language. Currently we only have capacity to publish the English versions. This means that this document will only contain even numbered pages as the other language is printed on uneven numbered pages.



REPUBLIC OF SOUTH AFRICA

# GOVERNMENT GAZETTE

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## STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

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STATE PRESIDENT'S OFFICE

KANTOOR VAN DIE STAATSPRESIDENT

No. 1110.

25 June 1993

No. 1110.

25 Junie 1993

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:—

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

No. 70 of 1993: Public Accountants' and Auditors' Amendment Act, 1993.

No. 70 van 1993: Wysigingswet op Openbare Rekenmeesters en Ouditeurs, 1993.

**GENERAL EXPLANATORY NOTE:**

Words underlined with a solid line indicate insertions in existing enactments.

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# ACT

To amend the Public Accountants' and Auditors' Act, 1991, so as to further regulate the general powers of the Public Accountants' and Auditors' Board; to make further provision for the limitation of liability of auditors; and to provide for a certain inspection by that Board; and to provide for matters connected therewith.

*(Afrikaans text signed by the State President.)*  
*(Assented to 17 June 1993.)*

**B**E IT ENACTED by the State President and the Parliament of the Republic of South Africa, as follows:—

**Amendment of section 13 of Act 80 of 1991**

1. Section 13 of the Public Accountants' and Auditors' Act, 1991, is hereby amended by the substitution for paragraph (p) of subsection (1) of the following paragraph: 5

“(p) take any steps which it may consider expedient for the maintenance of the integrity, the enhancement of the status, and the maintenance and improvement of the standards of professional qualifications and of the competence, of accountants and auditors, and encourage research in connection with problems relating to any matter affecting the accounting profession;” 10

**Amendment of section 20 of Act 80 of 1991**

2. Section 20 of the Public Accountants' and Auditors' Act, 1991, is hereby amended by the insertion after subsection (9) of the following subsection: 15

“(9A) Nothing in subsection (9) contained shall be construed as conferring upon any person any right of action against an auditor which, but for the provisions of that subsection, he would not have had.”

**Insertion of section 22A in Act 80 of 1991**

3. The following section is hereby inserted in the Public Accountants' and Auditors' Act, 1991, after section 22: 20

**“Inspection by board**

**22A. (1)** For the purposes of section 13(p) the board, or any person from time to time authorized thereto by the board, may review the practice of an accountant and auditor and may inspect any book, 25

document or thing in the possession or under the control of an accountant and auditor.

(2) An accountant and auditor shall, at the request of the board, or the person authorized thereto by the board, produce a book, document or thing and shall not, subject to the provisions of any other law, refuse to produce such book, document or thing, even though he is of the opinion that that book, document or thing contains confidential information of his client.

(3) An accountant and auditor who acts in good faith during the review of his practice or such inspection, and who produces a book, document or thing under subsection (2), shall not be held liable criminally or under the civil law as a result thereof.

(4) Any person who is or was concerned in the performance of any function under this section, shall not disclose any information which he obtained in the performance of such a function except—

- (a) for the purposes of an investigation under section 23 or a hearing under section 24;
- (b) to any person authorized thereto by the board and who of necessity requires it for the performance of his functions under this Act;
- (c) if he is a person who of necessity supplies it in the performance of his functions under this Act;
- (d) when required to do so by order of a court of law; or
- (e) at the written request of an attorney-general, to any competent authority which requires it for the institution, or an investigation with a view to the institution, of any criminal prosecution.

(5) Any person who—

- (a) refuses or fails to produce a book, document or thing under subsection (2);
- (b) contravenes subsection (4); or
- (c) obstructs or hinders any person in the performance of his functions under this section,

shall be guilty of an offence and liable on conviction to a fine, or to imprisonment for a period not exceeding one year.”

#### Short title

4. This Act shall be called the Public Accountants' and Auditors' Amendment Act, 1993.