



**INDEPENDENT REGULATORY BOARD FOR
AUDITORS**

COMMITTEE FOR AUDITING STANDARDS

**IAASB Opens Its Post-Exposure Public
Consultation for the Penultimate Narrow Scope
Amendments to the ISQMs and ISAs as a
Result of the Revisions to the Definitions of
Listed Entity and Public Interest Entity in the
IESBA Code**

Johannesburg / 14 February 2025

The International Auditing and Assurance Standards Board (IAASB) has opened its post-exposure public consultation for the penultimate narrow scope amendments to the International Standards on Quality Management (ISQMs) and the International Standards on Auditing (ISAs) as a result of the revisions to the definitions of listed entity and public interest entity (PIE) in the International Ethics Standards Board for Accountants (IESBA) Code.

This consultation sets out the IAASB's final position, rationale and pathway to broader differential requirements relating to the definitions of listed and public interest entities in the ISQMs and ISAs. Furthermore, it includes an invitation to stakeholders to comment and share any observations that might be relevant to the IAASB, prior to its finalisation of the narrow scope amendments to the ISQMs and ISAs, and to answer a few specific questions about related forward-looking matters.

The IAASB's final position is different from the one presented in the [Exposure Draft of the IAASB PIE Track 2 Project](#), and this is due to a divergence issue between the IAASB PIE proposals and the [IESBA PIE Revisions](#). Consequently, the IAASB's post-exposure consultation offers stakeholders the opportunity to familiarise themselves with the identified divergence issue and how that has informed its advancement of the IAASB PIE proposals, including the rationale behind its final position.

Relevance for South Africa

The Independent Regulatory Board for Auditors (IRBA) adopted the IESBA Code, published in 2018, together with South African enhancements. Since then, the IRBA Code of Professional Conduct for Registered Auditors (Revised November 2024) (IRBA Code) tracks changes in the IESBA Code and is updated for those developments, following a local due process and adoption by the IRBA Board. Local adaptations of the IESBA Code are reflected in the IRBA Code as *underlined* and *in italics*.

Additionally, the IRBA Code includes local amendments relating to the [Revisions to Listed Entity and Public Interest Entity Definitions](#).

Request for Comments

The IRBA's Committee for Auditing Standards (CFAS) welcomes comments on all matters that are addressed in the [Post-Exposure Consultation: Invitation to Comment Before the IAASB Finalizes the Narrow Scope Amendments to the ISQMs and ISAs as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the IESBA Code](#). This includes feedback on the questions to respondents (using the applicable response template).

Furthermore, we invite respondents to advise us of any issues or South Africa-specific challenges that might have to be considered. Comments should be submitted via email to standards@irba.co.za by **18 March 2025**. All views will be considered as a public record.

Alternatively, auditors and other interested stakeholders can submit comments directly to the IAASB via [its website](#) by **27 March 2025**.

A PDF copy of the post-exposure consultation is available and may be downloaded from the exposure drafts page of the [IRBA website](#). Also, the [response template](#), in an MS Word format, may be downloaded from the same page. Should you have any other queries or experience any technical difficulties in downloading the documents, please do not hesitate to contact the Standards Department by emailing standards@irba.co.za.

Standards Department

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 responsibility of the CFAS is to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and promote and ensure the relevance of auditing pronouncements





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