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| TO      | REGISTERED AUDITORS  |
| FROM    | INDEPENDENT REGULATORY BOARD FOR AUDITORS                              |
| DATE    | 1 APRIL 2025   |
| SUBJECT | INDIVIDUAL ANNUAL RENEWAL FOR THE PERIOD 1 APRIL 2025 TO 31 MARCH 2026 |

Dear Practitioner

**A: IMPORTANT INFORMATION**

The 2025 Individual Annual Return is available on the IRBA website for RAs to complete and submit.

The instructions on how to complete and submit your Annual Return are provided in the next section of this Explanatory Memorandum.

RAs may choose to pay their individual annual fees through the IRBA website. RAs may also then complete and submit their Individual Annual Returns at the same time.

However, we understand that there are firms who prefer to do a bulk payment for all the RAs linked to that firm and this remains an acceptable method of payment.

You will receive an invoice for your annual fees by email at the beginning of April 2025.

If you have not received your annual fee invoice by mid-April 2025, please contact [invoices@irba.co.za](mailto:invoices@irba.co.za).

**You will not receive your Individual Annual Return document by email and there is no hard copy. Your Individual Annual Return is only available on the IRBA website.**

**The due date for both the submission of your Individual Annual Return and payment of your individual annual fee is 31 May 2025.**

**B: INSTRUCTIONS FOR SUBMISSION OF ANNUAL RETURN**

1. Once you have logged in to the IRBA website, the dashboard page will open with your details.
2. From the three tabs on that page, select the Annual Individual Renewal page.
3. Three options will come up, allowing you to view or print the Explanatory Memorandum, complete and submit the Individual Annual Return and pay the annual fees.
4. You can complete and submit your Individual Annual Return form without paying the annual fees through the website.

5. If you submit your Individual Annual Return form without paying the annual fees, please ensure that the fees are paid before the deadline.
6. If you wish to print a copy of your completed Individual Annual Return for your records, you may do so after you have submitted. Click on the “Annual Renewal” button again, select “Individual Annual Return form”, scroll to the bottom of the page and click on the “print” button.

## **C: REINSTATEMENT AND RE-REGISTRATION**

If the IRBA terminates your registration because of non-payment of individual annual fees or non-submission of your Individual Annual Return, you may request reinstatement once you have paid a R6,015 administration fee plus payment of your annual fees and/or submission of your Annual Return.

If your registration is terminated for non-payment of annual fees, and you request reinstatement after cancellations for non-submission of Individual Annual Returns have been processed, you must submit your Individual Annual Return as well as pay your Individual annual fees and the administration fee for reinstatement before your request for reinstatement will be considered.

**You may only apply for reinstatement for the 2025 annual renewal year until 31 March 2026.**

**No applications for re-registration will be processed until 1 April 2026.**

Reinstatement and re-registration are not automatic. They are influenced by pending disciplinary investigations, payment of any outstanding amounts due to the IRBA, including but not limited to assurance fees and disciplinary fines, and submission of any outstanding documents including outstanding Assurance Fee Declarations.

## **D: HOW TO SEND US YOUR PROOF OF PAYMENT**

1. Pay through the IRBA website (this is our preference):

Payment may be made via Visa, MasterCard, Diners or American Express credit cards.

Credit card transactions will be acquired for the IRBA via Adumo Online who are the approved payment gateway for Standard Bank. Adumo Online uses the strictest form of encryption, name Secure Socket Layer 3 (SSL3) and no credit card details are stored on the website. Users may go to <https://www.adumoonline.com/> to view their security certificate and security policy.

If you pay through the website, you do not need to send us your proof of payment.

2. Pay by EFT into our account and email your proof of payment to [invoices@irba.co.za](mailto:invoices@irba.co.za).

Please note the following if you pay by EFT:

- If you pay by EFT into our account, please use your RA registration number or invoice number as reference. The proof of payment must be emailed through to [invoices@irba.co.za](mailto:invoices@irba.co.za) after payment with the RA registration number or invoice number clearly indicated.
- If you do not correctly reference your payment, we may not be able to allocate that payment to you.

- Please do not reference your payment with your firm’s practice number or your SAICA number.
- The IRBA does not accept cash payments.

## **E: HOW TO COMPLETE AND SUBMIT YOUR ANNUAL RETURN**

Complete and submit your Individual Annual Return through our website.

You will receive an immediate automatic email confirming that your Annual Return has been submitted.

Your Annual Return will then be processed by us, our database will be updated, and you will receive a second automatic email confirming that your Annual Return has been captured.

Due to the volume of Annual Returns received in a short space of time, you will not receive the second automatic email immediately.

## **F: SPECIFIC INFORMATION REGARDING THE COMPLETION OF THE PUBLIC PRACTICE QUESTIONNAIRE**

**All RAs must complete this section, regardless of whether you are classified as assurance or non-assurance and regardless of whether you are linked to a firm or not.**

To assist you with completing this section, the following information is provided:

### **1. Definition of public practice in the Auditing Profession Act, 26 of 2005:**

“public practice” means the practice of a registered auditor who places professional services at the disposal of the public for reward.

### **2. Definition of professional activity in the Code of Professional Conduct:**

“An activity requiring accountancy or related skills undertaken by a *registered auditor*, including:

- auditing, *review, other assurance and related services*;
- accounting;
- tax;
- management consulting; and

financial management.”

### **3. Definition of professional services in the Code of Professional Conduct:**

“Professional activities performed for clients. These include, but are not limited to, the following:

(1) Audit, review, other assurance and related services:

- (i) Financial statement audits and reviews, other assurance and related services such as regulatory reporting, sustainability, compliance and performance reporting; and

- (ii) Preparation of financial statements in accordance with recognised financial reporting standards and applicable statutes;
- (2) Accounting services;
  - (i) Preparation of accounting records;
- (3) Company statutory services;
- (4) Taxation services:
  - (i) Tax return preparation and submission;
  - (ii) Tax calculations for the purpose of preparing accounting entries;
  - (iii) Tax planning and other tax advisory services; and
  - (iv) Assistance in the resolution of tax disputes;
- (5) Management consulting and advisory services:
  - (i) Accounting advisory and financial management advisory services; accounting support, conversion services for new and revised accounting standards, financial modelling and project management;
  - (ii) Business performance services; business effectiveness, people and change management, operational and business finance;
  - (iii) Internal audit; risk and compliance services, review and monitoring of internal controls, risk management, compliance services, corporate governance and audit committee advisory services;
  - (iv) Corporate finance service; mergers and acquisitions, valuations, infrastructure financing, debt and capital markets, due diligence reviews, transaction services and designated advisor services;
  - (v) Corporate recovery services; liquidation and insolvency administration, curator bonis, administration of deceased estates, judicial management and trusteeships;
  - (vi) Financial risk management services; actuarial services, banking and risk advisory, regulatory and compliance services, and technical accounting;
  - (vii) Information technology (IT) advisory; security, privacy and continuity, enterprise resource planning; information system audit services, IT project advisory, governance and performance; and
  - (viii) Forensic services; dispute advisory and resolution, ethics and integrity monitoring, fraud risk management, intellectual property and other investigations and regulatory compliance.”

### 3. What is assurance work?

The IRBA considers assurance work to include:

#### **Category A – High risk audits and related assurance work**

This refers to audits that are performed by RAs and firms that are required in terms of legislation or regulation. Currently these audits include:

- Audits required in terms of the Companies Act of 2008, of:
  - public companies;
  - state-owned enterprises;
  - private companies with a public interest score of 350 or more;
  - private companies with a public interest score of less than 350 but at least 100, if its annual financial statements were internally compiled; and

- private companies with a public interest score below 350 and where the MOI was altered to include an audit requirement. Such an engagement is not considered to be a voluntary audit.
- Audits of banks and regulatory returns to the South African Reserve Bank in terms of the regulations to the Banks Act.
- Audits required per the South African Reserve Bank Act.
- Audits required by legislation under the Financial Services Conduct Authority of:
  - insurance companies;
  - collective investment schemes;
  - pension and retirement funds;
  - provident funds; and
  - any other audits required by the Financial Advisory and Intermediary Services Act (FAIS).
- Audits of medical schemes.
- Audits on behalf of the Auditor-General:
  - secondment of staff to assist the Auditor-General – no opinion is expressed and consequently these engagements should be excluded.
  - performance of an engagement under the supervision of the Auditor-General (so-called “contracted out” engagements). Although this audit opinion is signed by the Auditor-General, a substantial portion of the work is performed by the contracted firm. These engagements should be included.
  - audits performed and signed by a firm in terms of Section 4(3) of the Public Audit Act. These engagements should be included.
- Trust accounts for legal practitioners (including attorney trust accounts).
- Estate Agents (business and trust accounts).
- Audits of Co-operatives.
- Audits of non-profit organisations where the turnover is more than R50 million.
- Audits of all tertiary educational institutions.
- Audits required by the Sectional Titles Schemes Management Act, 2011, (as amended).
- Assurance work related to other regulatory returns in respect of any of the above audit clients.

**Category C – Low risk assurance work, being all assurance work not already stated above and including:**

- Voluntary audits by decision.
- Independent reviews required in terms of the Companies Act of 2008, as amended.
- Other assurance work.

**G: HOW TO CHANGE YOUR ASSURANCE STATUS**

It is incumbent upon each RA to take the necessary steps in the event of an assurance status change, regardless of when in the year this change occurs.

Changes to assurance status may be made at any time during the year. Please do not wait until you submit your Individual Annual Return to inform the IRBA of a change in status.

If you wish to change your status from assurance to non-assurance, please either update your status in the Individual Annual Return or email [registry@irba.co.za](mailto:registry@irba.co.za) at any time during the year.

If you wish to change your status to assurance, please complete a **Form 6** (which you will find on the registry section of the IRBA website), and email the completed form together with any required supporting documentation to [registry@irba.co.za](mailto:registry@irba.co.za).

Please note that if you change your status in your Individual Annual Return to assurance, your status will not automatically change to assurance on submission of your Individual Annual Return through our website.

**Only** on receipt of your completed **Form 6** will your request be assessed.

RAs may be required to attend an interview with the IRBA's Proficiency Assessment Panel. The scenarios in which this would be applicable are set out in **Form 6**.

If you are requested to attend an interview, an additional fee of R2,955 is payable for the year ending 31 March 2026.

If your registration status is assurance and you wish to change your assurance category, please email [registry@irba.co.za](mailto:registry@irba.co.za) with your request.

**Please be aware that if you indicate that you are not currently performing assurance work in your Individual Annual Return, your status will automatically be changed to non-assurance in the IRBA's records.**

Please also be aware that you must be linked to a firm registered with the IRBA in order to perform assurance work.

#### **H: COMPLIANCE QUESTIONNAIRE IN TERMS OF THE FINANCIAL INTELLIGENCE CENTRE ACT 38 OF 2001 (FIC ACT)**

Amendments to the FIC Act have added additional categories of businesses to Schedule 1 which provides a listing of the types of businesses that are considered for the purpose of determining whether the Accountable Institutions (AIs) classification would be appropriate to individuals or entities. Although assurance services are not included in the additional categories of businesses added to Schedule 1, it is important to note that the listing contained therein has now been broadened through the addition of other categories of businesses regarding the provision of certain services to trusts and companies.

RAs are advised to consult the amended Schedules to ascertain whether any of the professional services they render qualify them for classification as AIs and thus, registration with the Financial Intelligence Centre (the FIC). In this regard the FIC has issued both Public Compliance Communication No. 6A (PCC 6A) "Guidance on Trust and Company Service Providers as Item 2 in Schedule 1 of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001)" as well as PCC 5D "Registration with the Financial Intelligence Centre in terms of Section 43(B) of the Financial Intelligence Centre Act, 2001 (Act 38 of 2001)" - both of which are available on the FIC website. RAs should refer to these and to the other Guidance Notes and PCCs as published on the FIC's website at [www.fic.gov.za](http://www.fic.gov.za) from time to time to familiarise themselves with the requirements as any non-compliance could result in substantial penalties.

RAs who render services which might possibly fit within the ambit of the definition in Schedule 1, Item 2 of the FIC Act are also advised to consider the definitions in the Financial Advisory and Intermediary Services Act 37 of 2002.

Though the IRBA is no longer classified as a Supervisory Body in terms of the FIC Act, with effect from 19 December 2022, we continue to support the FIC in its efforts to ensure that South Africa is able to demonstrate that it is addressing the strategic deficiencies in its Anti-Money Laundering/Terrorist

Financing regime as identified – and to that end we will continue to monitor the number of RAs who are deemed to be Als per the FIC Act.

All Als must register on the FIC's online reporting platform called goAML given that the FIC no longer accept any reports from Als unless such reports are submitted via their goAML platform, and RAs who are classified as Als are advised to refer to the FIC's website for guidance on the procedures to follow in order to register a profile thereon.

## **I: CPD DECLARATION**

The IRBA's CPD policy, which came into effect on 1 January 2020, is premised on the output-based approach combined with a minimum requirement of hours for ethics learning and development activities.

You may read the relevant communiques and policy and procedures under the Education and Transformation guidance on the IRBA website at <https://www.irba.co.za/guidance-to-ras/education,-training-and-development/continuing-professional-development>

**Please be aware that failure to comply with the IRBA's CPD policy and its requirements may result in the RA's registration not being renewed and the RA's registration accordingly being cancelled.**

For any CPD related queries, please email [cpdadmin@irba.co.za](mailto:cpdadmin@irba.co.za).

## **J: FIT AND PROPER**

The Fit and Proper questionnaire also forms part of the registration and re-registration processes.

In terms of Section 37(2)(d) of the Auditing Profession Act, 26 of 2005, the need arose for a formal Fit and Proper questionnaire to assist the IRBA in determining whether an individual is a fit and proper person to practise the profession on entry into the profession, and in determining that the Registered Auditor remains a fit and proper person to practise the profession throughout the period of their registration with the IRBA. This has been prescribed.

The IRBA hopes that the questions that are asked in the Annual Return will prompt a certain level of introspection on the part of Registered Auditors and we ask that Registered Auditors are mindful of how they answer the questions.

## **K: UPDATING OF PERSONAL DETAILS**

Please verify your personal details on our website.

If any of your details are incorrect or incomplete, please correct or complete them in the space provided and submit your corrected details through our website.

If no changes are made to your personal details, the IRBA will assume that the records in the IRBA database are correct.

Please ensure specifically that your email and contact numbers are up to date.

Certain details, such as ID numbers and firm composition, cannot be changed through the website. Please email [registry@irba.co.za](mailto:registry@irba.co.za) with any queries in this regard.

#### **L: TAX COMPLIANCE**

**RAs are required to declare their personal tax compliance with SARS in their Individual Annual Return.**

#### **M: GOOD STANDING**

The IRBA has noted a growing trend of non-compliance by RAs with the IRBA issued requirements and/or decisions, including sanctions imposed by IRBA statutory committees.

**RAs are required to confirm their good standing with both the IRBA and SAICA in their Individual Annual Return.**

A registered auditor is in good standing with the IRBA when he/she has complied with all their explicit obligations and the IRBA Rules; paid all fees and debts owing to the IRBA (or made arrangements to pay such debts), while not being subject to any form of sanction with which he/she has not complied or a suspension which has not been uplifted or a disciplinary order which has precluded his/her continued registration.

#### **N: WHO TO CONTACT FOR QUERIES**

For queries on payments, please contact the Accounts Department on [invoices@irba.co.za](mailto:invoices@irba.co.za).

For all other queries, please contact Registry on [registry@irba.co.za](mailto:registry@irba.co.za). If we do not know the answer to your query, we will direct your query to the correct person within the IRBA.

If you experience any difficulties with the website interface, please email us at [registry@irba.co.za](mailto:registry@irba.co.za) and we will direct your query.