

- **CPD:** The IRBA will not provide CPD certificates for this event, unfortunately.
- **Recording and Presentations:** We are recording the event and that footage will be accessible via the IRBA website. The link will be emailed to all attendees, as soon as it is available. Also, the slides will be included, as they have useful resources you may want to refer to at a later stage.
- **Disclaimer:** The views expressed by external presenters are their own and do not necessarily reflect those of the IRBA.



# Inside a Small and Medium Practice: A Practitioner's Day in Focus

Webinar: 9 October 2024

## Agenda

#	Item	Time	Presenter
<b>Welcome and Introductions (5 min)</b>			
1.	Managing Today, Planning for Tomorrow: Managing Clients and Work-Life While Planning for Business Growth and Succession	13:05-13:25	Coen Stokes
2	Key IRBA Inspection Observations: Audit Quality at SMPs	13:25-14:00	Melanie Bodha
3	Building Your Team: Recruitment and Retention	14:00-14:30	Saadiya Adam, Emma Mashilwane and Dr Tumeka Matshoba-Ramuedzisi
<b>Comfort Break (10 min)</b>			
4	Scaling Success: Crafting a Cutting-Edge Technical Team	14:40-15:05	Delia McLean
5	Stress: Aid or Hindrance?	15:05-15:25	Zuleka Jasper
<b>Webinar Conclusion (5 min)</b>			

## Managing Today, Planning for Tomorrow: Managing Clients and Work-Life While Planning for Business Growth and Succession (Presented by Coen Stokes)



Coen is the CEO of Beraca Group.

He is a CA (SA) and an RA in public practice, as well as a registered tax practitioner.

In 2017, SAICA nominated him as one of the Top 35 CAs under 35.

He has served in SAICA structures, including as its National Council member and the National Small Medium Practice Committee Chairman.

He has experience in business valuations, tax litigation, internal and external assurance, as well as accounting engagements, including in listed entities, multi-national companies, privately-held companies and non-profit entities.

# THE JOURNEY FROM TODAY TO YOUR FUTURE

Coen Stokes CA(SA), RA  
9 October 2024

# WHAT ABOUT TODAY?

- You are a business owner
- Your product is assurance reporting and must not define you
- You are the leader of your team and clients
- Honest reflection on your own ecosystem
- Conscious decision to own your future

# THE JOURNEY YOU'RE ON:

- You are responsible for your future;
  - Communicate with stakeholders;
  - Plan for the future; and
  - EXECUTE.
- 
- Important considerations:
    - Technology
    - Products and the market
    - Human capital
    - ISQM integration

## THE FUTURE TO BUILD:

- Sustainable business
- Quality in what we do
- Less risks
- Less reliance on key clients
- Less reliance on key resources
- Time to enjoy life
- Attractive environment for employees





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## Key IRBA Inspection Observations: Audit Quality at SMPs (Presented by Melanie Bodha)



Melanie is a Team Leader in audit within the Inspections Department at the IRBA.

She has 10+ years' experience in auditing and accounting.

She is a seasoned professional with a strong academic and professional record. All this she obtained from having worked and lived in various countries, in addition to experience across several sectors.



# IRBA Inspections Department

Key Inspection Observations on Audit  
Quality at SMPs

Melanie Bodha  
9 October 2024

# Content

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- Key inspection observations at SMPs
- Root causes and remediation
- Q&A



## Key inspection observations at SMPs

- Assembly and archiving of engagement files
- Lack of methodology/guidance – sample selection and testing
- Inappropriate risk assessment and evaluation
- Lack of an understanding of the client's environment and activities
- Information produced by the entity not tested
- Journal entry testing
  - International Standard on Auditing (ISA) 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*, considerations
- Information technology
  - Understanding the IT environment
  - Planned reliance on controls, including:
    - IT general and application controls and IT dependent controls
    - IPE consideration and audit work performed on FSLIs

## Key inspection observations at SMPs (continued)

- Significant auditor judgements
  - Not documented
  - Accounting estimates, including fair value measurement, revaluation of assets and reliance on the work of experts
- Acceptance and Continuance procedures
  - Independence – Companies Act Section 90, the Code and the International Standard on Quality Management
  - Pre-engagement activities (not performed or performed after acceptance)
  - Capacity/Resources not considered
  - No terms of reference signed
- Engagement Quality Reviewer
  - Not performed (per firm policy or public interest entities)
  - Independence and competence not assessed

## Key inspection observations at SMPs (continued)

- Completion
  - Representation letters - used as sole audit evidence and timing
  - Inappropriate evaluation of misstatements
  - Evaluation of going concern (disclosures)
  - Reportable Irregularities considerations
  - Non-compliance with Laws and Regulations considerations
- Financial Statements presentation and disclosure reviews
  - Lack of evidence of the review
  - Classification of financial liabilities
  - Directors' emoluments and/or related parties
  - Boilerplate accounting policies
  - Statement of Cash Flows – non-cash items included

## Key inspection observations at SMPs (continued)

- International Standard on Quality Management (ISQM)
  - Templates not tailored
  - Scalability not applied appropriately
  - Risk assessment is incomplete
  - Some specified responses not considered
  - Firm responses not operating/executed effectively
  - Documentation requirements not met:
    - Nature, timing and extent not clear
  - Monitoring of the ISQM and annual evaluation



## Root causes and remediation

- Remediation – ***Real or true*** cause not identified
  - ✓ Appropriate remedial actions cannot be identified and implemented
- Most common root causes identified by the firms/RAs:
  - × Insufficient documentation
  - × Audit methodology and working paper templates incorrect/insufficient
  - × Audit firms' policies and procedures (followed by the teams) not correct/insufficient
  - × Individual RAs not following firm methodology
  - × Lack of industry experience from the audit team/partner

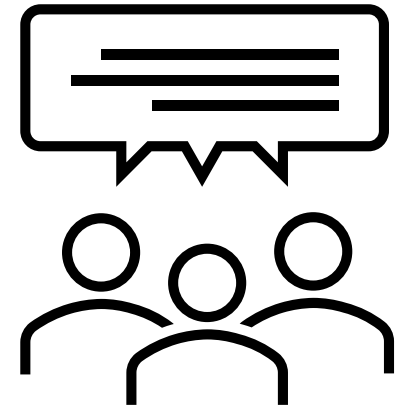
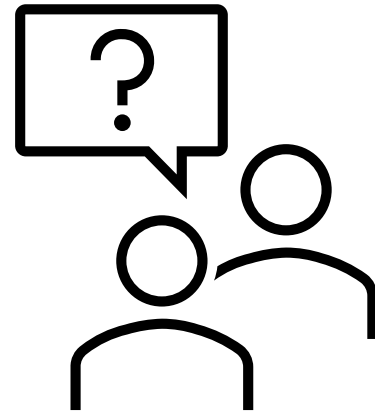
## Useful Resources

- [2023 IRBA Public Inspections Report](#)
- [2023 IRBA Survey Report on Audit Quality Indicators](#)
- [IFIAR 2023 Survey of Inspection Findings](#)
- [9<sup>th</sup> Inspections Cycle](#)
- [IRBA Tip-offs](#)

# Public Interest

## Questions

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## Building Your Team: Recruitment and Retention (Panel Discussion with Saadiya Adam, Emma Mashilwane and Dr Tumeka Matshoba-Ramuedzisi)



Saadiya is the Senior Professional Manager: Standards at the IRBA, and her experience at the regulator spans more than 10 years.

She is an IESBA Board Member and a former Technical Advisor on the IESBA Board.

She is the local lead expert on the IRBA Code of Professional Conduct for Registered Auditors.

## Building Your Team: Recruitment and Retention (Panel Discussion with Saadiya Adam, Emma Mashilwane and Dr Tumeka Matshoba-Ramuedzisi)



Emma is the co-founder and CEO of MASA Auditors and is a director at Tiger Brands Limited and Clientele Limited.

She has extensive experience leading audit and advisory teams across various sectors, including logistics, mining, aviation, financial services, retail, healthcare and non-profit organisations.

Her career includes significant roles in finance and executive leadership. In addition to her role at MASA Auditors, Emma serves on committees, in which she shares her expertise in social, ethics, sustainability, audit and risk management.

She holds an MBA from Wits Business School and has completed executive development programmes at GIBS. Emma is also actively involved in educational and community organisations, demonstrating her commitment to both professional and personal growth. She has completed two Comrades Marathons and one World Major.



Dr Tumeka is a Chairman at Ramuedzisi Chartered Accountants.

She holds a Doctorate in Leadership from the University of Pretoria, as well as qualifications in finance, accounting, computer auditing and company law.

She has over 19 years of experience in auditing, business, academics and governance. She continues to make significant contributions in these fields.



## Tea / Comfort Break

We will recommence at  
14h40

