

Financial Matters Amendment Bill progresses through parliament

The Financial Matters Amendment Bill, which includes much needed amendments to the audit legislation, is now officially in the parliamentary process to enact legislation. It has reached the stage where the National Treasury has briefed members of the Standing Committee on Finance (SCoF) on the key amendments to the five acts included in the amendment bill, following a public consultation process which started last year.



Photo: Parliament of the Republic of South Africa

Part of the draft bill relates to short-term amendments of the Auditing Profession Act 26 of 2005, aimed at strengthening the independence of the Independent Regulatory Board for Auditors (IRBA) strengthening the independence of auditors, increasing the powers of the IRBA to improve its efficiency in its investigation and disciplinary processes, and to introduce deterrents to undesirable behaviour by auditors. These measures will contribute significantly to public protection.

“The IRBA is pleased with the support that the proposed amendments have received thus far. This was not unexpected, based on the huge reputational damage caused to a highly trusted profession by a few errant auditors.

“The regulator, together with the profession and other role players such as audit committees and others charged with governance, are working tirelessly on restoring confidence in the profession, and the proposed amendments will go a long way in rebuilding the public trust which, in turn, will stimulate investment.

"The amendments come at a critical time when attempts to regain confidence from the public and investors, and the prevention of further losses of hard-earned savings, can no longer be compromised," says Bernard Agulhas, CEO of the IRBA.

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