
INDEPENDENT REGULATORY BOARD FOR AUDITORS

BOARD

Assurance Fees Payable to the IRBA with Effect from 1 June 2023

Johannesburg / 15 June 2023

Section 8 of the Auditing Profession Act No. 26 of 2005, as amended, gives the Independent Regulatory Board for Auditors (IRBA) the power to determine the fees that are payable to the regulator, in respect of the performance of its legislated functions and other related services.

In light of this, and following a conservative budget process, increases to the IRBA assurance fees for the 2023/2024 financial year were considered and approved by the Board at its meeting on 29 May 2023. The adjustments came into effect on 1 June 2023.

In approving these fee increases, the following factors were fully reflected on:

- The IRBA allocation from National Treasury (NT) for the next financial year has only increased by 0.38%, which is below the inflation rate. Furthermore, according to the Medium-Term Expenditure Framework guidelines issued by NT, no additional financial resources will be made available;
- In terms of the Public Finance Management Act, the IRBA may not budget for a deficit, without prior approval from NT;
- During the IRBA's budgeting process, revenue and expenditure were increased based on the budgeted inflation rate; and after applying strict cost containment measures, a saving of R22.4 million was achieved on employee costs, enforcement costs and central expenditure; and
- The current restrictive economic climate affecting practitioners and the higher-than-expected inflation rate were considered, resulting in the Board's approval of a lower-than-inflation rate increase in assurance fees.

In view of the above, and to achieve a breakeven budget that will still support the delivery of the IRBA's operational and strategic plans, the Board resolved to increase the assurance fees payable for all assurance fee categories by 5%.

The Board cautiously weighed all the relevant factors and based its decision on the operational requirements that are necessary to deliver on the IRBA's legislative mandate. It also took into account the increasing demands to protect the investing public and restore confidence in the profession, while appreciating the current financial challenges faced by our registered auditors.

Please click [here](#) to view the assurance fee category rates for the 2023/2024 financial year.

Prakash Narismulu

Director Operations

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.