

IESBA'S Future Strategy and Work Plan Survey

Response ID:55 Data

2. Section A

1. 1. Please provide the following information:

Name : Frederik Eloff

Organization : SAICA member in practice

Role : Director of audit and accounting firm

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2. 2. Please specify the stakeholder you/your organization represents:

Accounting/Audit firm or network

3. 3. Please specify the geographical region where you or your organization is based:

Africa-Middle East

5. Section B

4. 1. What level of importance do you believe the IESBA should place on dedicating strategic focus to responding through standard-setting action to the developments in sustainability reporting and assurance in its next strategy period (2024-2027)? Please be as specific as possible and explain your reasoning.

A high level of importance.

Responding to changes in technology and access to and demand for reliable information on a quick turnaround basis by users, may lead to standard setting actions.

5. 2. Do you believe the IESBA should explore the concept of expanding the scope of the Code to cover assurance service providers other than PAPPs? What preconditions would need to be in place and what potential challenges or drawbacks do you foresee if the Code's provisions were scoped to the nature of the assurance services provided as opposed to who is providing the assurance services?

How extensive would the list of service providers other than PAPPs be ?

And then, the nature and scope of assurance services to be provided ?

I think the Code should cover assurance services for PAPPs only.

Regulatory bodies communicate with their members and should encourage practitioners in business (non members) to become part of the existing structures through membership.

6. 3. Are there other matters the IESBA should consider with regards to this strategic focus area?

Communication of changes in standards and the Code to PAPPs.

In small medium practice environment practitioners are quite busy.

Emails and correspondence are not read and changes implemented in firms.

The strategic focus area is important but the actual implementation of change has to happen at PAPPs level. How do member regulatory bodies respond to the need not just to circulate standards and Code changes, but to monitor the consideration thereof and implementation of it by practitioners.

7. Section B: Strategic Direction and Priorities

7. 4. Beyond sustainability reporting which is covered under the first strategic focus area above, do you believe the IESBA should dedicate strategic focus on further raising the bar of ethical behavior for PAIBs in its next strategy period (2024-2027)? Please be as specific as possible and explain your reasoning.

No. It seems that the BAR is raised and raised and raised.

A lot have been said about this subject and it is a focus area.

I think the focus have to shift to business entities.

Organisations that employ professional accountants in business have to engage with member bodies (SAICA and IRBA in SA) to ensure a pro active approach to ethical behavior in their entities. It should be part of their core values and again, not just on paper ... business entities need to take responsibility for programs and any other form of assistance to professionals to ensure ethical behavior and development thereof.

9. Section B: Strategic Direction and Priorities

8. 5. Do you believe the IESBA should continue to dedicate strategic focus on strengthening the IIS for audit engagements in its next strategy period (2024-2027)? If so, what specific developments or issues do you believe the IESBA should focus on beyond the matters outlined above and in Section C? Please be as specific as possible and explain your reasoning.

no comment

11. Section B: Strategic Direction and Priorities

9. 6. Do you believe the IESBA should devote strategic focus on promoting timely adoption and effective implementation of the Code in its next strategy period (2024-2027)? Please be as specific as possible and explain your reasoning.

no comment

10. 7. Are there specific operability issues or concerns with respect to the Code you believe the IESBA should be made aware of?

no comment

11. 8. Are there key environmental trends or developments, beyond those already noted above, you believe the IESBA should focus on in its next strategy period (2024-2027)? Please be as specific as possible and explain your reasoning.

no comment

13. Section C: Possible Future Standards-Related Projects or Initiatives

12. How would you rate Independence of External Experts as a strategic priority on a scale of 1 – 5?

3

If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

14. Section C: Possible Future Standards-Related Projects or Initiatives

13. How would you rate Audit Firm – Audit Client Relationship as a strategic priority on a scale of 1 – 5?

5

14. If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

Our firm operates in a small medium environment in a small town of SA.

Based on the environment of a small town and audit clients being serviced by mostly 2 local firms, audit client relationship is critical.

Considerations : Independence, fees and retention of clients

15. Section C: Possible Future Standards-Related Projects or Initiatives

15. How would you rate **Business Relationships** as a strategic priority on a scale of 1 – 5?

4

16. If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

These business relationships have been discussion points.

Firm senior partners are regularly asked to act as independent trustees on trusts. Some of these trusts are the shareholders of companies, NPO's and other bodies that are audited. Thus creating independence issues and self interest threats.

16. Section C: Possible Future Standards-Related Projects or Initiatives

17. How would you rate **Definition of Audit Client for PIEs** as a strategic priority on a scale of 1 – 5?

3

If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

17. Section C: Possible Future Standards-Related Projects or Initiatives

18. How would you rate **Matters Arising from Quality Management (QM)-Related Conforming Amendments to the Code** as a strategic priority on a scale of 1 – 5?

3

If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

18. Section C: Possible Future Standards-Related Projects or Initiatives

19. How would you rate **Familiarity Threat in Relation to Part 2 of the Code** as a strategic priority on a scale of 1 – 5?

3

If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

19. Section C: Possible Future Standards-Related Projects or Initiatives

20. How would you rate **Professional Appointments** as a strategic priority on a scale of 1 – 5?

4

21. If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

As said small medium accountants in smaller towns have unique problem areas. Company directors and shareholders are from the same family or ethnic group. Instances like a divorce or power shifting in an group may cause a change of professional appointment. We as accountants in our region meet regularly, have open relationships. The dispute between spouses or power

struggled individuals lead to restrictions being placed on professional accountants to communicate as required in the Code.

20. Section C: Possible Future Standards-Related Projects or Initiatives

22. How would you rate Breaches of the Code as a strategic priority on a scale of 1 – 5?

3

If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

21. Section C: Possible Future Standards-Related Projects or Initiatives

23. How would you rate Definitions and Descriptions of Terms as a strategic priority on a scale of 1 – 5?

4

24. If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

Any concern raised regarding definitions in the Code should be followed up.

The Code of professional bodies are implemented by members in their practices mostly without any problem. We have an open line of communication to our body SAICA and depend on their input to be abreast with changes in our Code.

22. Section C: Possible Future Standards-Related Projects or Initiatives

25. How would you rate Non-Authoritative Material (NAM) as a strategic priority on a scale of 1 – 5?

4

23. Section C: Possible Future Standards-Related Projects or Initiatives

26. If you rate this topic as either 4 or 5 (i.e., high priority), please provide your reasons including any specific areas of focus as well as other relevant information.

Current SA corruption and business failures and unethical behavior have prompt me to agree that specific areas of guidance may be needed to expanded upon. Independence, engagement types and mindset and skepticism considerations are always relevant.

24. Section C

27. 9. Are there specific ethics or independence-related topics not otherwise covered in this Section or this survey that you believe should be given a high priority by the IESBA? If so, please explain and be as specific as possible.

I found that professional accountants are under huge stress to meet timelines, adhere to standards and keep abreast with developments. It seems that regulatory overview are excessive. Clients demand more for lower fees. We are seeing less accounting and math students in local schools. Firms struggle to find article clerks.

25. Thank You!

New Send Email

Apr 27, 2022 01:03:59 Success: Email Sent to: GeoffKwan@ethicsboard.org,dianavasquez@profstds.org