

NATIONAL TREASURY

NO. 2504

16 September 2022

MAXIMUM MONETARY FINES IN TERMS OF AUDITING PROFESSION ACT, 2005

1. The Minister of Finance hereby, in terms of sections 51(2) and 51B(3)(b) of the Auditing Profession Act, 2005 (Act No. 26 of 2005 - "the Act"), and on the recommendation of the Independent Regulatory Board for Auditors, publish for comment—

- (a) a proposed maximum amount of—
 - (i) R5 million per charge, as the amount envisaged in section 51(2) of the Act, which may be imposed on an individual registered auditor who admits guilt as contemplated in section 49(4)(a) of the Act; and
 - (ii) R15 million per charge, as the amount envisaged in section 51(2) of the Act, which may be imposed on a firm of auditors that admits guilt as contemplated in section 49(4)(a) of the Act; and
- (b) a proposed maximum amount of—
 - (i) R10 million, as the amount envisaged in section 51B(3)(b) of the Act, which may be imposed on an individual registered auditor who is charged and found guilty or if the registered auditor admits guilt to the charges; and
 - (ii) R25 million, as the amount envisaged in section 51B(3)(b) of the Act, which may be imposed on a firm of auditors that is charged and found guilty or if the firm admits guilt to the charges.

2. It is proposed that the amounts in paragraph 1(a) and (b) be increased annually, from 1 October, at the rate of the Consumer Price Index.

3. Written comments on the amounts proposed in paragraph 1(a) and (b) should be submitted to CommentDraftLegislation@treasury.gov.za by close of business on within 30 days after the date of publication of this notice.