

# CONSTITUTION OF THE ASSOCIATION OF REGISTERED AUDITORS (ARA)

## 1. Name and Legal Status

The name of the organisation is Association of Registered Auditors (“the Association” or “ARA”). 1.2 The Association is a voluntary, non-profit professional body governed by this Constitution and applicable South African law.

## 2. Objectives

The objectives of the Association will be achieved in phases.

### 2.2 Phase 1 – Establishment and Initial Support

The Association aims to:

- 2.2.1 Promote the ARA brand and identity independent of the CA(SA) designation.
- 2.2.2 Maintain a panel of Registered Auditors (RAs) to assist with Engagement Quality Reviews and general quality reviews.
- 2.2.3 Facilitate the rotation of audit clients between members (where appropriate and ethical). - Monitor and respond to proposed changes in laws, regulations, and professional standards by:
- 2.2.4 Submitting comments and recommendations to regulatory bodies (IRBA, National Treasury, Parliament, etc.).
- 2.2.5 Participating in consultations and stakeholder forums.
- 2.2.6 Informing members of regulatory developments and implications.

### 2.3 Phase 2 – Growth and Expansion

- 2.3.1 As membership and resources increase, the Association will expand to:
- 2.3.2 Represent and advocate for the interests of members before regulatory bodies and stakeholders.
- 2.3.3 Provide support on compliance with the IRBA Code of Professional Conduct and other regulatory frameworks.
- 2.3.4 Promote and uphold the integrity, independence, and competitive advantage of Registered Auditors.
- 2.3.5 Arrange education, training, and CPD programs.
- 2.3.6 Collaborate with IRBA, IAASB and other bodies on auditing standard-setting.
- 2.3.7 Provide technical support, resources and guidance to members.
- 2.3.8 Establish ethical and disciplinary standards aligned to international best practice.zzzz
- 2.3.9 Promote transformation, diversity and inclusion within the profession.
- 2.3.10 Publish technical guidance, best practice frameworks and interpretations of auditing standards.

- 2.4 Maintain a public interest focus, contributing to financial transparency and accountability.

### **3. Membership**

#### **3.1 Eligibility**

To qualify for membership, an applicant must:

- 3.1.1 Be a Registered Auditor (RA) with IRBA in terms of the Auditing Profession Act 26 of 2005.
- 3.1.2 Be in good standing with IRBA, including compliance with CPD and annual renewal requirements.
- 3.1.3 Be in good standing with the Association (membership fees, if applicable, paid).

#### **3.2 Membership Categories**

- 3.2.1 Full Member: Registered Auditor in good standing.
- 3.2.2 Honorary Member: A person recognised for exceptional contribution to the profession (approved by Council).

#### **3.3 Membership Register**

The Association shall maintain an up-to-date register of all members including IRBA registration details.

#### **3.4 Suspension or Termination of Membership**

Membership may be suspended or terminated if the member:

- 3.4.1 Ceases to be registered with IRBA.
- 3.4.2 Is found guilty of misconduct by IRBA or ARA's Disciplinary Committee.
- 3.4.3 Fails to comply with CPD or membership obligations. Termination decisions rest with the Council and are final.

### **4. Member Rights**

Members are entitled to:

- 4.1 Attend, speak and vote at general meetings.
- 4.2 Nominate or stand for election to Council or committees.
- 4.3 Access Association documents (constitution, financial info, minutes).
- 4.4 Receive professional and regulatory updates.
- 4.5 Access technical guidance, training, and CPD resources.
- 4.6 Request advice relating to regulatory compliance or ethical matters.
- 4.7 Fair and non-discriminatory treatment.
- 4.8 Due process and right of appeal in disciplinary matters.
- 4.9 Resign at any time (subject to financial obligations being settled).

### **5. Code of Conduct**

Members must comply with the IRBA Code of Professional Conduct, including:

- 5.1 Integrity
- 5.2 Objectivity

- 5.3 Professional competence and due care
- 5.4 Confidentiality
- 5.5 Professional behavior

## **6. Governance**

The Association is governed by a Council elected by members.

- 6.1 The Council may include a President, a Vice-President, a Treasurer and a Secretary.
- 6.2 Elections are held annually.
- 6.3 Council size will be determined from time to time.

## **7. Disciplinary Committee**

### **7.1 Establishment**

- 7.1.1 A Disciplinary Committee shall oversee professional conduct and compliance as soon as the number of members requires the establishment.

### **7.2 Composition**

- 7.2.1 Chairperson (appointed by Council)
- 7.2.2 At least two Registered Auditors
- 7.2.3 One legal/ethics expert

### **7.3 Jurisdiction**

The Committee may investigate: - Professional misconduct - Breach of the IRBA Code - Non-compliance with CPD - Conduct that brings the profession into disrepute

### **7.4 Process**

Complaints must be submitted in writing. Affected members may respond, submit evidence, and attend a hearing.

### **7.5 Possible Sanctions**

- 7.5.1 Formal warning
- 7.5.2 Suspension
- 7.5.3 Expulsion
- 7.5.4 Referral to IRBA

### **7.6 Appeals**

Members may appeal within 30 days. Appeals Panel must be independent.

## **8. Continuing Professional Development**

Members must comply with IRBA CPD requirements.

## 9. Meetings

### 9.1 Annual General Meeting (AGM)

- 9.1.1 Held within six months of the financial year-end. Agenda includes:
- Audited financial statements
  - Council elections
  - Approval of fees and amendments
  - President's report

### 9.2 Special General Meetings

- 9.2.1 May be called by:
- 9.2.1.1 Council resolution
  - 9.2.1.2 Written request from at least 10% of voting members  
21 days' notice is required.

### 9.3 Quorum and Voting

- 9.3.1 Quorum = 25 members or 10% of voting members (whichever is greater)
- 9.3.2 Decisions by simple majority unless otherwise specified
- 9.3.3 Voting may be in person, by proxy, or electronically

## 10. Finance

### 10.1 Records

The Association must maintain accurate financial records.

### 10.2 Oversight

Council approves a budget annually. A Finance and Audit Committee will monitor internal controls and risk.

### 10.3 Membership Fees

- 10.3.1 Membership fees are proposed by Council and approved at AGM.
- 10.3.2 Members in arrears for more than 90 days may have their membership suspended.
- 10.3.3 At inception, no membership fees are payable.
- 10.3.4 Council may introduce fees at a future date.
- 10.3.5 Members must be notified 30 days in advance.
- 10.3.6 Council determines fee amount and frequency.
- 10.3.7 Non-payment may result in suspension or termination.

## 11. Amendments to the Constitution

Requires a two-thirds majority of voting members present at an AGM/SGM.  
Proposed changes must be submitted 30 days before and circulated 21 days prior.

## 12. Dissolution

Requires a three-quarters majority. Remaining assets must be transferred to another non-profit body with similar objectives