



Members' Update – July 2005

1. CEO visit to South Africa

ACCA's CEO, Allen Blewitt, visited South Africa in March where he attended the IFAC (International Federation of Accountants) Board meeting and met with the office of the South African Auditor General, SA Revenue Services, regulators and ACCA members.

The highlight of his visit was the CEO breakfast held at the Hyatt Hotel, Johannesburg. Allen Blewitt used the event to share with members some of the challenges which face the South African and global accounting profession and outlined the ways that ACCA will approach them.

Allen Blewitt said that global convergence to International Financial Reporting Standards was the biggest challenge facing the profession.

“While many people believe that IFRS may be the accounting profession's equivalent of Y2K – a damp squib – there is a strongly held view among senior experts and commentators that the bruising encounter over the adoption of just one standard – IAS 39 – was just a ‘blip’ compared to the battles ahead over leasing, insurance, performance reporting and pensions,” he said.

He said that accountants needed to face the challenges of rebuilding trust in the profession which is still damaged by the Enron and WorldCom scandals of three years ago. Internationally, regulation of the profession has become the solution for dealing with this problem and it can be seen that South Africa is following this trend with its recent release of the Draft Auditing Profession Bill.

Allen Blewitt said that: “increased regulation will mean that auditing will become progressively more independent from the other services provided by the profession. This will lead to increased competition for those other services from lawyers and consultants, the development of new structures within the big accountancy firms and real challenges in recruitment of high quality staff.”

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Corporate Social Responsibility was addressed as an area of importance as companies seek to find ways to regain confidence and the investment community grows more alert to the significance of corporate social responsibility issues. Allen Blewitt commented that: “an issue which may have been regarded as taboo not many years ago – is now seen as an example of forward-thinking and transparency. Make no mistake, there is a strong business case for increased corporate social responsibility disclosure.”

The attendance of ACCA members, other ACCA stakeholders and leaders of South African industry made for an outstanding audience who thoroughly enjoyed Allen’s message.

Allen Blewitt left the Breakfast for a Summit TV interview where he also addressed these issues.

2. ACCA South Africa Sustainability Reporting Awards

British American Tobacco South Africa and Sasol Limited were honoured by ACCA as the joint winners of the Best Sustainability Report at the awards ceremony of the ACCA South Africa Sustainability Reporting Awards 2004 held at the Apartheid Museum on the 26th of May.

British American Tobacco was congratulated for its willingness to frankly discuss problems and showed an in-depth understanding of the material issues facing the organisation.

Sasol’s report provided feedback on its progress in meeting previously identified challenges and demonstrated a focused stakeholder engagement process, which included company responses to stakeholder issues.

The achievements of three other companies were also recognised with the following commendations:

Commendation for site-specific reporting: Hillside Aluminium
Commendation for reporting on the African Footprint: MTN Group Limited
Commendation for articulating the challenge of sustainable development for their business: African Bank Investment Limited.

We are pleased that the field of interest has grown by 75% from last year, which indicates immense interest of the organisations in, and concern for, improved governance.



Thank you to all our members who joined us at this flagship event.

3. Raising ACCA's Profile

Media coverage - Exposure achieved this quarter has, amongst others, included:

Business Day (16 March 2005) in "Accounting changeover a tough task", Allen Blewitt comments on the global convergence to international financial reporting standards;

Summit TV (6 March 2005) Allen Blewitt speaks on "The Challenges facing the Accounting Profession";

Business Day (5 April 2005) in "Accountants must balance their ethical books", Allen Blewitt speaks on rebuilding trust in the profession;

Business Day (18 April 2005) in "New accounting burden for SME's", Allen Blewitt comments on the development of a set of accounting standards specifically for SME's;

Professional Management Review (1 May 2005) in "Why Audits Matter" on ACCA's 2004 SME Research Report which motivates why an audit will remain relevant for the smaller business;

The Star (26 May 2005) in "More learnership opportunities in financial services", on ACCA's learnerships being taken up in the market;

Business Day (2 June 2005) in "British American Tobacco SA and Sasol lead reporting pack", on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;

Beeld (10 June 2005) in "Sasol and BAT honoured for reporting" on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;

Zululand Observer (10 June 2005) in "Recognition for Smelter" on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;

Sake (11 June 2005) in "Sasol's reporting is honoured once again" on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;



Business Day (13 June 2005) in “Accountants CE calls for simplifying new reporting standards”, Allen Blewitt comments on the new international financial reporting standards;

Mercury Network (15 June 2005) in “Hillside are kings of the castle” on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;

Business Report (24 June 2005) in “Sasol keeps investors informed on safety” on the winners of the ACCA South Africa Sustainability Reporting Awards 2004;

Links to these articles and the press releases may be found at www.accaglobal.com/southafrica

4. ACCA Learnerships through FASSET

FASSET, the Seta for Finance, Accounting, Management Consulting and other Financial Services, is offering a cash grant of approximately R25 000 for the employment of a Previously Disadvantaged Individual (this includes African, Indian & Coloured men & women as well as any disabled employees) on a Fasset Learnership.

Both ACCA Professional and CAT are FASSET registered ACCA Learnerships on the National Qualifications Framework (NQF). This means that an employer who has staff studying either or both of these ACCA qualifications would qualify for the grant.

The table below sets out the limits:

Employer Size	Maximum Number of Learners that may be applied for	Maximum Total Grant (R25 000 per learner)
1-20	2	R50 000
21-50	3	R75 000
51-100	4	R100 000
101-150	5	R125 000

There are certain criteria that need to be met in order to apply for this grant:



- This Learnership grant is only applicable for learners that were/will be employed in the period 1 April 2005
- The individual must be registered with ACCA and FASSET as a learner
- An approved WorkPlace Skills Plan for the period 1 April 2005 to 31 March 2006 is a prerequisite for this grant
- Deadline for applications is 30 June 2006

So, if you think your company qualifies and would like to take advantage of this opportunity, please contact the ACCA South Africa office and speak to Melanie Williams or myself.

5. Launch of ACCA Realise in South Africa

ACCA has introduced its new continuing professional development (CPD) programme to members at events in Johannesburg and Cape Town.

Phased in from January 2005, the CPD programme - *ACCA Realise* – is a requirement for all 105,000 ACCA members worldwide. ACCA was the first professional accountancy body in the world to introduce such a comprehensive range of CPD products and services for its members.

With demand from regulators and accountants themselves to work to the highest of standards, it is essential that ACCA finance professionals continuously update their professional knowledge, personal skills and competencies. These developments will also serve to emphasise further the differences between qualified and unqualified accountants, which will be of benefit to qualified accountants, their existing and potential clients and the general public alike.

The products and services to support our members are a result of consultation with over 100,000 members and employers around the world. They reflect cultural differences, recognise the many ways people learn and focus on work tasks, business objectives and personal development, rather than the traditional ‘clocking up’ of hours on CPD courses.”

ACCA accountants will be able to benefit from CPD products and services including the Professional Development Matrix - a unique planning tool to enable members to identify their learning needs; 150 online courses; an online knowledge library containing a range of ACCA published material and links to external information and, a list of events and training opportunities throughout the world.

The *ACCA Realise* CPD scheme fully complies with the CPD Standard (IES 7) released by the International Federation of Accountants (IFAC) in May 2004. The Standard requires all accountancy bodies which are members of IFAC to introduce continuing professional development for all professional accountants from January 2006.

ACCA qualified finance professionals will be able to benefit from the following CPD products and services:

- The Professional Development Matrix - this unique planning tool enables members to identify their learning needs, the most effective way they learn and their future career aspirations. Real case studies are used to demonstrate what skills and knowledge are required in different jobs.
- An online knowledge library provides easy access to information for members and brings together all ACCA's published material, including technical reports, feature articles, responses to consultation documents and exam questions and answers. It also includes links to a range of external research resources.
- Around 150 online courses covering a range of business skills and technical training.
- *ACCA Plus*. Members employed by an approved CPD employer, will automatically meet ACCA's CPD requirements. Becoming an approved CPD employer under the *ACCA Plus* scheme will bring a range of benefits to employers and their employees.
- Comprehensive guidance on how to obtain CPD including, for example, fact sheets on effective mentoring and coaching
- List of events and training opportunities throughout the world. This global information source will be enhanced by the introduction of a new registered training provider scheme, which will identify training providers who meet ACCA's quality standards.

If you need any information regarding ACCA's CPD Programme, please feel free to contact me on (011) 537 1777.



6. ACCA South Africa negotiates discounted AA membership rates for ACCA members

Want to have all your roadside assistance needs taken care of?

Join the AA today and you will enjoy a year of discounted ACCA membership for you and your partner. If you take out AA Advantage PLUS or AA Advantage membership, you will get 15% off your annual membership subscription.

Attached is the AA personal membership matrix detailing all the benefits you will be entitled to, along with an application form. If you have any queries, please contact Tessa Breedt on (011) 799-1329, fax (011) 799-1187 or mobile 083 516 8433.

7. Conclusion

Thanks for reading this edition of the Members' Update. Again, if you have received this in the post, please send us your e-mail address so that we may ensure more effective communication in future.

With very best wishes

Nirri Nair
Head of ACCA – South Africa