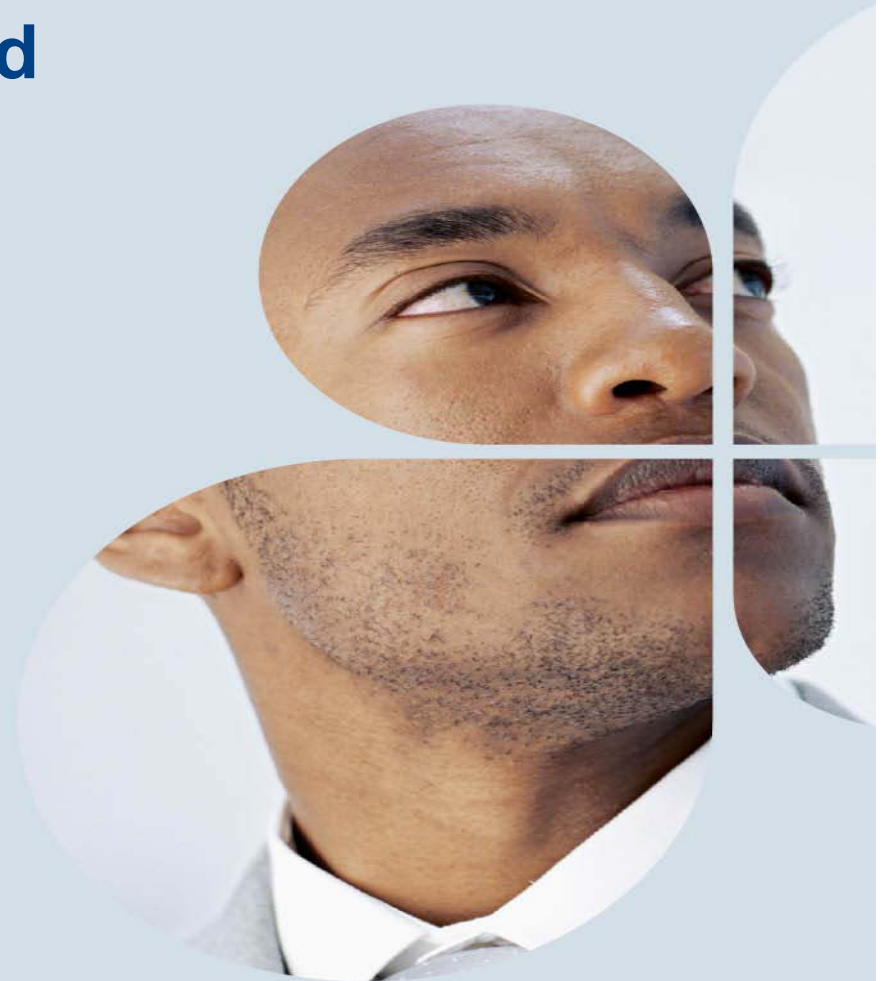


Upholding the SAICA brand through effective Audit Committee Membership

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CEO



DEFINITION OF A BRAND



“A Brand is differentiated from another product or service by having strong associations and perceptions associated with it by the market”

The CA(SA) brand associations are :

CAs(SA) are perceived to be:

- Functional : Strong in Accounting, Auditing & Tax
- Intellectual : Measurers/Creators of Value
- Ethical : Professional : Transparency , Honesty , Integrity
- Social : Are socially responsible

REQUIREMENTS: Companies Act & Regulations



- The Minister may prescribe minimum qualification requirements for members of an audit committee as necessary to ensure that any such committee, taken as a whole, comprises persons with adequate relevant knowledge and experience to equip the committee to perform its functions
- At least one-third of the members of a company's audit committee at any particular time must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management



REQUIREMENTS: King III

- The nomination committee and the board should evaluate whether collectively (but not necessarily individually) the audit committee has an understanding of:
 - integrated reporting, which includes financial reporting;
 - internal financial controls;
 - the external audit process;
 - the internal audit process;
 - corporate law;
 - risk management;
 - sustainability issues;
 - information, communication and technology governance as it relates to integrated reporting; and
 - the governance processes within the company



COMPETENCY FRAMEWORK

- Auditing/Assurance
- Corporate Governance & ethics
- Financial Accounting
- Financial Management
- Business skills
- Information and communication technology
- Interpersonal, personal & communication skills
- Leadership
- Managerial Accounting
- Organisational & management skills
- Taxation

CODE OF PROFESSIONAL CONDUCT



- A chartered accountant shall comply with the following fundamental principles:
 - (c) Professional Competence and Due Care – to maintain professional knowledge and skill at the level required to ensure that a client receives competent professional services based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards
 - (e) Professional Behaviour – to comply with relevant laws and regulations and avoid any action that discredits the accountancy profession

CODE OF PROFESSIONAL CONDUCT



- The principle of professional competence and due care imposes the following obligations on all chartered accountants:
- (a) To maintain professional knowledge and skill at the level required to ensure that clients receive competent professional service; and
- (b) To act diligently in accordance with applicable technical and professional standards when providing professional services
- Competent professional service requires the exercise of sound judgment in applying professional knowledge and skill in the performance of such service

CODE OF PROFESSIONAL CONDUCT



- Professional competence may be divided into two separate phases:
 - (a) Attainment of professional competence; and
 - (b) Maintenance of professional competence
- The maintenance of professional competence requires a continuing awareness and an understanding of relevant technical, professional and business developments
- Continuing professional development enables a chartered accountant to develop and maintain the capabilities to perform competently within the professional environment

The CA(SA) Value Proposition



- CA(SA) = Leaders in Business
 - 32% of top 200 listed company CEO's are CAs(SA)
 - 75% of top 200 listed company CFO's are CAs(SA)
 - 32% of top 200 listed company Directors are CAs(SA)
- The market requires “Advisors” to deliver value
- CAs(SA) are required to accumulate 120 hours of CPD every 3 years
 - “In order for CAs(SA) to be leaders in the audit committee space, our members need to be pro-active with audit committee related CPD in order to provide value to the organisations which they serve, through effective audit committee participation”



CONCLUSION

- Correct mix of skills
- High ethical standards
- Best positioned for challenging role