

## Member questions before the South Africa CEO Roadshow – 1 March 2022

### MEMBER VALUE

- **Is there a representative body on the East Rand of Gauteng that is acting on behalf of SAICA? The East Rand Member District of CAs(SA) is under the auspices/control of Mr Jari Cerny. What is SAICA doing about this?**

The structure in question is not a formal SAICA structure, and our understanding is that it goes by the name of East Rand CAs. SAICA respects all its members and their right to form structures of their own to discuss common matters. There is a SAICA-recognised formal member committee on the East Rand, chaired by Vincent Memetja. The official name of this committee is the East Rand Member District of Chartered Accountants. This committee is fully supported by the Northern Region secretariat and is represented on the Northern Region Council, which reports to SAICA's National Council and to the SAICA Board.

- **SARS is slowly grinding practitioners to a halt. They don't accept responsibility for anything and keep hiding behind their system. The recent hacking incident (September 2021) has had our practice in chaos, and still, they don't take responsibility to fix the problem. Taxpayers whose refunds were paid out to fraudsters without blinking (even after we alerted SARS to this risk), are now told to wait while escalations and investigations drag on. It has been six months and problems are still being investigated and escalated. SAICA seems toothless and unable to adequately address the various challenges that practitioners are facing with SARS and this has been going on for years. The list of stakeholder agenda items just keeps growing, with no resolve in sight. Practitioners are left having to deal with clients who fail to understand why these matters are not adequately addressed and why the professional bodies are seemingly not doing anything to improve the situation. Does SAICA have a plan of action or measurable steps in this regard?**

The service delivery challenges at SARS experienced by taxpayers is a multifaceted one and includes some of the following factors, in our view:

#### **SARS mandate and inherent draconian powers**

SARS, like all Revenue Authorities globally, have draconian powers that exceed that of other organs of state. This, as the Constitutional Court has found, is necessary to effect its mandate. However, this does create an environment where finding an appropriate balance and setting limits to these powers is difficult and is continually redacted to a Constitutional challenge which is always a complex problem where the solution requires judicial intervention. It unfortunately also means that the culture that a relevant Commissioner of the South African Revenue Service (SARS) embeds at SARS has a significant impact on how SARS officials exercise their mandate. This was identified by the current Commissioner as a problem when he took office and



Unfortunately, as documented in the Nugent Commission and various other reports including the Budget Review and Tax Ombud reports, this oversight has been lacking and it has become a challenge in elevating such oversight and intervention to a level that is appropriate for SARS' draconian powers. A review of the governance model of SARS was announced in 2020 but, to date, nothing has been issued for public input.

### **SARS human resources and training**

Fiscal policy and legislation are a fluid environment in South Africa but also globally, being one of, or the only, legislative instrument that not only changes significantly but also changes on an annual basis.

This requires that those impacted by these changes upskill themselves to the latest policy and legislation, both in South Africa and globally, but also implement processes to effect these changes. As interventions may take more than one year, a natural lag develops, though the legislation and process do not cater for this lag. This creates an environment of continual catch-up and investment in knowledge and failure where a lag is present. Members experience this change but also note that SARS has been unable to consistently ensure that its staff across the organisation, with nearly 13 000 staff, is able to keep up with the changes in policy, legislation, interpretation and process which directly impacts taxpayers.

SAICA is not solely tasked or able to effect significant change at SARS and needs to, in addition to its own inputs, collaborate with the rest of civil society and organs of state tasked with oversight. SAICA also needs to remain aware of members' challenges and solicit inputs to monitor whether progress is made, regression is occurring or new challenges arise.

In this regard SAICA's plan and annual targets are embedded in its strategic plan and initiatives:

### **Enhance the member value proposition**

- Provide guidance to members through guides and query support channels
- Facilitate interactions with SARS on SARS' process and interpretations on engagement platforms
- Provide timeous notifications to members of challenges and solutions

### **Promote the common interest of members**

- Collaborate with members to create and empower SAICA structures to ensure member representation and consultation on needs and challenges. In tax, this includes the National Tax Committee, 8 technical committees, and 4 regional committees.
- Collaborate with and engage stakeholders including local bodies like BASA and the RCB Forum and international bodies like the GAA.
- Engage with SARS and SARS management at national and regional level on operational processes and challenges

### **Enhance the credibility of the profession in the economy and society**

- Conduct research, for example on the actual cost of tax administration
- Engage the public and media on pertinent matters

- Engage oversight bodies such as Parliament, National Treasury and the Tax Ombud
- Assist in professionalising the public sector, including SARS, with collaborative projects
- Advocate in the public interest by giving input on policy and legislation formulation.

The extent of these initiatives will be published in the 2021 SAICA Integrated Report. SAICA has also recognised that to further the above mandate, it may need to take additional steps and explore alternative solutions with SARS and oversight bodies. Given the legal and constitutional matters at play, we have also had to expand, at a cost, consultation with legal counsel to validate our views. This included counsel opinions on SARS' information-gathering powers and SARS' obligations to report personal data breaches.

- **Please give an update on the CA(SA) Expert Consultancy project that SAICA is running with SARS.**

In June last year, SAICA communicated that it had entered into a memorandum of understanding with SARS to assist with the revenue collectors' capacitation project. Through this MOU, SAICA advertised 20 job opportunities to members and associates of which, 74 members and associates (nationwide) applied for these job opportunities.

In addition to this, a CA(SA) Expert Consultancy webinar was held with the SARS Commissioner Edward Kieswetter and Judge Dennis Davis. Following this engagement, 79 SAICA veteran members completed the expression of interest process to apply to assist SARS with these consultancy roles and SARS has confirmed that, after an initial delay in its process, it is currently screening members and its interview process for these positions is ongoing.

As previously communicated to members, SAICA reiterates that SARS bears sole responsibility for any recruitment decisions, and therefore SAICA has no input into these processes or decisions.

## **MEMBER SERVICE ON THE WEBSITE AND MEMBER PORTAL**

- **Please provide an update of the status of the website and the Member Portal, which has been problematic for over a year. Booking for a seminar or event is frustrating and time-consuming as you are forced to switch between the website and the Portal, with different login details. Passwords cause an issue and must be changed and the only way to do this is to phone the call centre. These processes are inefficient! Logged queries on this matter do not get answered. I even struggled to pay my SAICA membership subscription and do my CPD declaration.**

The functionality between the Member Portal and the SAICA website is due to the Ushintsho digital programme and this process has been communicated to members several times over the past few years. The Ushintsho programme is being implemented in stages and therefore various SAICA processes are migrated to the Member Portal over time. One of these processes includes financial transactions. The payment gateway on the Member Portal is due to be deployed in the first half of 2022.

Password resets can be done online for the SAICA website and the Member Portal. Only members who have locked themselves out of their accounts or have created duplicate profiles/login email addresses should call SAICA's call centre for assistance. The call centre staff cannot reset passwords internally, as this requires verification codes that are sent directly to members' email addresses. There is a [how-to guide for the login process](#) which can be accessed on the website.

We note that SAICA's query resolution time is generally longer during peak periods, due to an increase in the volume of queries. During these times, additional staff is employed to help assist with the queries. We encourage members to log their queries on the Member Portal, which enables SAICA to keep a record of all queries logged to further elevate our member service and turnaround times on queries.

Most members who had trouble declaring their CPD compliance, were members who logged into the Member Portal for the first time and therefore required support with the login process, rather than the actual declaration process. These login processes were communicated to all members prior to the declaration process.

- **How does SAICA feel about CAs(SA) being employed by foreign entities and not remaining in the country's economy? Is there anything that could be done to ensure they still contribute to the success of South Africa and don't emigrate with qualifications/opportunities that were produced in South Africa?**

The number of CAs(SA) that are based outside of South Africa has remained fairly consistent for several years, at just over 20% of the membership base. (View our membership statistics [here](#)). One of the value drivers of the CA(SA) designation is that it can be positively compared to similar designations globally, a consequence of which is that members are able to excel in their careers anywhere in the world. It is very difficult for SAICA to direct members where they can or can't practice, who they can or can't work for, or force a member to stay in South Africa. SAICA is proud to know that its CA(SA) designation is strong and reputable enough to ensure global opportunities and recognition for our members.

## **RECIPROCITY AND PROFESSIONAL AGREEMENTS**

- **I recently saw that SAICA has signed an agreement with the Netherlands for a new simplified route. Could you kindly explain the requirement of being eligible to register as an auditor with IRBA? Does this mean that to qualify for this simplified route, the Audit Development Programme (ADP) programme must be completed before you are considered? I'm asking on behalf of the members who have left public practice here in SA and are now struggling to find a registered firm to do the ADP before they can become eligible for the simplified route in the Netherlands. There might also be members in the Netherlands who have found it difficult to fulfill the IRBA requirement before this agreement was in place.**

SAICA has engaged IRBA and their response is as follows: It must be noted Registered Candidate Auditors (RCAs) who are on international secondment in their capacity as audit managers, may have their international experience recognised as part of the Portfolio of Evidence (POE), provided:

- All applications for international secondment shall be received only from firms that have an RA firm in South Africa. The local firm must have the same audit methodology as the network firm.

- All applications for international secondment shall be supported by confirmation that there will be an Oversight Registered Auditor (ORA) who is an RA from South Africa who will take responsibility for the RCA's development throughout the ADP. There must be a designated engagement partner from the office abroad who should be assigned to manage the performance of the RCA and provide regular updates to the local ORA. Both the local ORA and a designated engagement partner should receive online training about the ADP.
- All the PoE documents shall be reviewed and signed off by the local ORA with assistance from the designated engagement partner from abroad.
- The office offering the ADP abroad shall provide confirmation that the RCA has been appointed at a managerial position as part of the ADP registration.
- A monitoring visit shall be scheduled at the firm where the RCA will complete the ADP online programme abroad. This visit will be scheduled to take place before the candidate completes the programme.
- The IRBA shall review and approve international secondment applications at their discretion and on a case-by-case basis.
- A maximum of 12 months' international secondment shall be granted to a candidate.
- Please note that the RCA can complete the ADP whilst abroad, considering the information above, however the RCA will only be able to register as an RA in South Africa. This means they won't be able to practice as a South African RA in the Netherlands for example.

The relevant contact person in this regard at IRBA is Siphon Khumalo ([SKhumalo@irba.co.za](mailto:SKhumalo@irba.co.za))

- **Will SAICA consider getting similar reciprocity agreements and MRAs for the AGA(SA) designation with counterparts across different countries as they have done with the CA(SA) designation?**

SAICA is currently looking into this possibility.

- **Does SAICA have alliances with other professional bodies such as CIMA and ACCA? If not, why not?**

SAICA has had a recognition agreement with CIMA for approximately 15 years. We are currently in the process of updating the agreement with CIMA.

SAICA also has agreements with the following international professional bodies:

**A. Reciprocal Membership Agreements (RMA):**

- 1) Chartered Accountants Australia and New Zealand (CAANZ)
- 2) Chartered Accountants Ireland (CAI)
- 3) CPA Canada (CPAC)
- 4) Hong Kong Institute of Certified Public Accountants (HKICPA)
- 5) Institute of Chartered Accountants of England and Wales (ICAEW)
- 6) Institute of Chartered Accountants of Scotland (ICAS)

**B. Mutual Recognition Agreements (MRA):**

- 1) Eswatini Institute of Accountants (EIA)
- 2) Institute of Chartered Accountants of Namibia (ICAN)
- 3) Institute of Chartered Accountants of Zimbabwe (ICAZ)

4) Lesotho Institute of Accountants (LIA)

**C. Pathway to Membership Agreements:**

- 1) American Institute of Certified Public Accountants (AICPA)
- 2) Chartered Institute of Management Accountants (CIMA)
- 3) Institute of Certified Public Accountants of Kenya (ICPAK)
- 4) Institute of Chartered Accountants of England and Wales (ICAEW) through their Pathways Route
- 5) Institute of Chartered Accountants of India (ICAI)

**ADVOCACY**

- **Beyond disciplining CAs(SA) who have been involved in State Capture, what else is SAICA doing to engage our Government on issues of good governance, accurate financial reporting and building a capable state at local, provincial, and national levels?**

SAICA acknowledges its role in building a capable state at local, provincial, and national levels and has included a strategic initiative, namely the Government Assistance Programme, on its strategy to support this approach. SAICA has embarked on various projects to accomplish this strategy, which includes:

- (1) Development of a stakeholder engagement plan for the public sector which includes engagements with, amongst others, the National and Provincial Treasuries, Auditor General of South Africa, SALGA, and Parliament. The purpose of these engagements includes advocating for improved governance, financial reporting frameworks and public finance management.  
Regular engagements are also held with the AGSA to unpack the audit outcomes with the aim of receiving responses to poor audit outcomes, non-compliance and lack of internal controls from government.
- (2) Advocacy submissions – SAICA has made several submissions to government with the aim of influencing fit-for-purpose legislation, standards, policies, processes and systems in the public sector. Examples of these submissions include commenting on the Draft Procurement Bill, Modified Cash Standards, the Public Audit Act, *A National Implementation Framework towards the Professionalisation of the Public Service*, etc. SAICA is currently advocating for the urgency of filling key vacant posts within the National Treasury which are essential in assisting National Treasury to deliver on its mandate and monitor financial reporting, budgeting, and compliance.
- (3) SAICA has positioned itself as a key stakeholder on many government structures to enhance its advocacy to improve legislation and standards and ensure that its membership voice is heard by acting as a representative on government structures. Examples of these structures include Treasury CFO Forums, the Public Sector Accounting Forum, and the Public Sector Audit Committee Forum.

SAICA agrees with government analysis that the public sector needs to be professionalised and that there are specific areas where we can contribute. Accountability and Competence is at the

heart of the professionalisation as set out in our submission to the government, which can be found [here](#).

The recommendations include:

- Implementation of an ethics framework
- Setting minimum competencies, recruiting appropriate skills, and ensuring lifelong learning
- Ensuring implementation accountability through performance management

In addition to this, ensuring accountability and ownership thereof by oversight structures through the current framework is critical to ensure implementation and service delivery.

SAICA has, since 2020, also been working on an audit reform and wider corporate reporting ecosystem improvement plan. This followed the minister of finance's call in 2020 that audit reform is needed. To this end, SAICA has created a draft document and we are ready to work with Treasury when the call comes from the government.

SAICA has further been proactively advocating for the re-establishment of the Financial Reporting Standards Council (FRSC) that has been dormant since 2018, and we have been expressing the need for an authoritative standard setter, in particular to deal with reporting consequences in the local context, such as the case with COVID-19 and the implications of the riots in July 2021. The SAICA Accounting Practices Committee has been serving as the de facto FRSC but the content produced is educational and non-authoritative. We remain active in seeking the FRSC's re-establishment by the DTI.

SAICA is also in discussions with Treasury around reporting considerations within the treasury itself and assisting to the extent it can with these matters. Our continued work with the JSE and its governance requirements, involvement with King IV and the work underway by the public sector team, all contribute to our continued focus on increasing both skills and accountability within South African governance landscape.

- **Is National Treasury implementing Treasury Control as required in terms of Section 216 of the Constitution and if not, why not?**

SAICA analysed the nature of accountability and oversight in government in 2021 following concerns in 2020 by Parliament whether more could be done to ensure accountability. SAICA made representations to two Standing Committees of Parliament that National Treasury has a direct constitutional mandate that it must enforce Treasury Control. Over and above the oversight and enforcement powers it is allocated in terms of National Legislation such as the PFMA and MFMA, section 216 empowers it to withhold allocations from the National Revenue Fund where there is a serious or persistent contravention with Treasury Control measures.

We have analysed various Parliamentary meetings and have noted isolated instances where Treasury have applied Treasury Control measures. However, SAICA's view is that Treasury is obligated to exercise Treasury Control enforcement measures whenever a *“serious or persistent*



*breach*” has occurred that has not been rectified. However, the extent of failure by all 3 spheres of the executive with Treasury Control measures, especially in local government, is publicly documented in the Auditor-General’s Annual Report and is substantial rather than isolated.

It should be noted that constitutionally, Parliament is the oversight structure over the executive and has the obligation to exercise such oversight. This is done with support from Chapter 9 Institutions that support democracy. Therefore, in SAICA’s 2022 Budget Review, the institute has again made submissions that National Treasury has an obligation, and not discretion, in enforcing treasury control as envisaged in section 216 and relevant other national legislation. Further engagement on how this enforcement should be applied to ensure accountability and implementation will be sought.

The Auditor General of South Africa has continuously reported on poor audit outcomes within National, Provincial and Local Governments over the years. This includes large amounts of irregular, unauthorised and fruitless and wasteful expenditure which are material non-compliance in terms of the MFMA and PFMA and alludes to a lack of internal controls with the management of public finance resulting in a loss of funds. This is evidence that National Treasury has not been successful in implementing Treasury Control as required by S216 of the Constitution.

Potential reasons for not implementing Treasury Control as required by S216 of the Constitutions by National Treasury include the potential effect that it will have on key service delivery departments such as the Department of Health on the public. However, this should not be used as an excuse to allow for poor public finance management by National Treasury and stricter controls should be implemented to enforce accountability and improve Public Finance Management.

## **CPD, LEARNING AND DEVELOPMENT**

- **I understand that SAICA needs to deal with unethical behaviour that brings the profession into disrepute, but most of us who are ethical and are applying ethical behaviour on a daily basis are now made to prove this in our CPD reflection at an administrative and time cost. We have always been honest and ethical, and the unethical will continue to behave unethically, irrespective of courses, articles, and reflections. Is there not a better way to monitor and enforce this?**

SAICA’s CPD policy states the following:

2.1.1(f): Undertake compulsory Continuing Professional Development as directed by SAICA from time to time.

In 2021 SAICA issued the circular 02/2021 “Compulsory requirement to undertake reflection on the competency area “ethical values and attitudes” on an annual basis and record this on their reflective plan”.

This circular was put in place as we believe it necessary to ensure that all members continue to *reflect on their ethical behaviour* as attitudes towards ethical behaviours and biases are developed over time based on your context and this is a key pillar in every CA(SA)’s professional competence

Further, with the CA Pathways to Relevance competency framework in place (guidance for members), there are three distinct areas that members should consider in ensuring they have the necessary professional competence to perform their role:

1. Professional values and attitudes (ethics, citizenship, lifelong learning)
2. Enabling competencies (digital, decision-making, business and relational acumen)
3. Technical competencies

In rebuilding the trust in the profession, SAICA deems it appropriate to require compulsory reflection on ethics behaviour.

The [SAICA website](#) sets out a number of questions and tools to assist with this reflection.

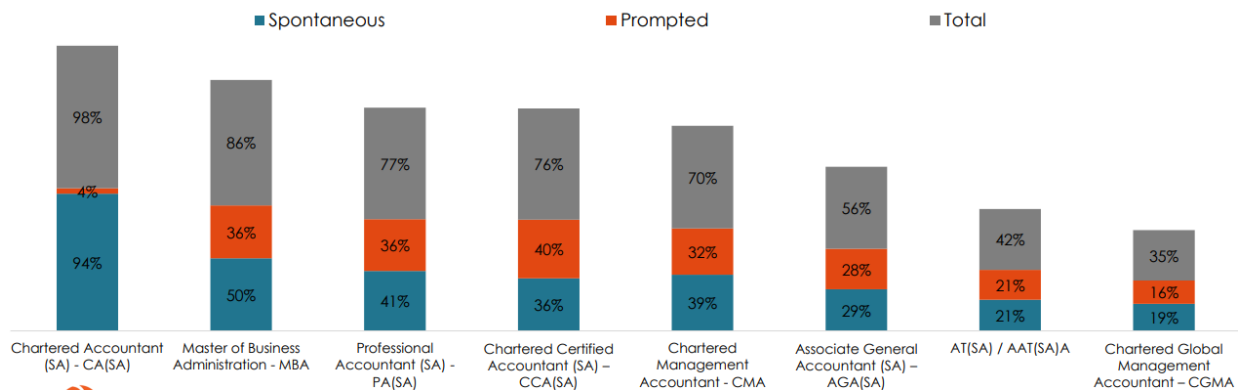
- **Many CAs(SA) are naturally involved in the technology space, with several moving over into designing and implementing systems, developing, and coding. How is SAICA addressing the needs of these CAs(SA)? Or is SAICA no longer the appropriate professional body for them? It does seem as though SAICA is focussed heavily on accountants in practice, and here and there a bit on Members in Business, which is understandable, given the focus on tech tax, tech accounting, etc. Many members are no longer in this space, so this is something to consider in how SAICA ensures members in the technology space remain relevant.**

In the CA2025 competency (pre-qualification ) and CA Pathways to Relevance (post-qualification) frameworks, digital acumen is a core focus area given that it is one of the enabling competencies. SAICA has had significant discussions with preparers of prospective CAs(SA) about the extent to which digital competencies should be developed in the undergraduate and postgraduate programmes. SAICA has acknowledged that at entry-level, we are not trying to develop digital specialists, but qualified CAs(SA) must have a stronger demonstration of digital acumen. This is an opportunity for the post-qualification period and SAICA has run many digital acumen webinars over the last few years, for example the CA of the Future series, the Chief Value Officer programme in collaboration with WITS University and the online learning programmes in collaboration with the University of Johannesburg (read more [here](#)). What is needed now is a deeper level programme to assist current members in developing and elevating their digital acumen and this opportunity is currently being explored.

## MEMBER VALUE PROPOSITION

- **Does SAICA believe its member fees are appropriate for the services it offers and how does SAICA demonstrate its value to members? Why is SAICA not implementing cost-cutting measures to lower membership fees?**

The services that members can access from SAICA are a small part of the value members derive from membership. The value includes a designation that is recognised and valued by business, over and above any other business designation in South Africa. See more information below on the awareness level of the various business designations in South Africa, based on research that was conducted by Ask Afrika in 2021.



The CA(SA) designation enables members to access an employment premium (employability and recognition) over other business designations, and employers have indicated a preference for their employees to have the CA(SA) designation over other business designations.

The statistics clearly demonstrate the value of the CA(SA) designation, which lies in the brand recognition that SAICA maintains through its trust reconstruction and brand reputation management strategies. You can read more on this in the Relevance and Reputation section below.

Regarding the member services, in 2021 SAICA offered more than 80 complimentary events to members. If one was to calculate the cost of the value of these events, they would far exceed the cost of the annual membership fee. Nevertheless, SAICA sees the provision of services to members as being a small driver of the overall value that membership provides.

SAICA further achieved significant cost-saving measures in 2020 with the onset of the pandemic. These measures continue into 2022, as SAICA is maintaining significant virtual delivery mechanisms that save costs (for example, travel and venue costs) while enabling a wider distribution of content through online events and content-sharing. It should be noted that SAICA had not increased membership fees for the three years prior to 2022.

SAICA's Member Value Proposition is premised on the fact that members are part of a prestigious and valued profession that enables them to participate and make a difference in South Africa and globally, while positively impacting the economy and society. The proposition is based on four pillars, which indicate that members are:

1. **Respected, recognised and relevant for the future**, which is enabled through: upholding high education standards, working with universities and training offices to maintain superior accreditation standards, providing learning and development opportunities to members; keeping member up to date on professional and technical developments; and maintaining the premiership of the brand through brand promotion.
2. **Connected, enabled and supported**, through advocacy and stakeholder engagements; representing the profession in national conversations; providing

networking opportunities; maintaining strategic and global partnerships; and providing query logging facilities to members for support.

3. **Held to a high ethical standard**, through the SAICA by-laws that provide disciplinary processes that are fair and equitable; and holds members accountable to the Code of Professional Conduct.
4. **Make a difference to society** by being associated to the institute, given that SAICA enables the growth and transformation of the profession, which contributes to a positive economical contribution.

The full Member proposition has been communicated to members via SAICA's newsletters and ASA magazine and the full [Member Value Proposition](#) can also be found on the SAICA website.

## RELEVANCE AND REPUTATION

### BRAND REPUTATION MANAGEMENT

- **What are the strategies that SAICA has in place to ensure that it safeguards the credibility of its members beyond just the code of conduct? Is there a plan to increase public confidence in the profession which is at an all-time low? How will SAICA re-establish trust?**

SAICA implements on an annual basis an ongoing integrated relevance and reputation communications strategy. Since 2018, SAICA's marketing and communications priority has focused on protecting the reputation of the profession by rebuilding trust in the profession (#trustleadership) considering the ongoing revelations of alleged CA(SA) malfeasance in several widely published cases and several members implicated in the findings of the Zondo Commission. The strategy also aims to build the relevance of the profession by promoting it as a profession of national value (#aprofessionofnationalvalue).

During 2020 the Brand division prepared a ten-point SAICA relevance and reputation management and communication plan to pivot from a member only focus to a public interest focus which was fully implemented last year, with the recommendations ongoing in 2021 and 2022.

The trust reconstruction strategy positions the profession's leaders as brand ambassadors using the Difference Makers Campaign that was launched in 2021 through thought leadership and member profile articles. Regular updates on the outcome of SAICA's disciplinary processes are also critical in rebuilding trust in the reputation of the profession.

SAICA builds and maintains relationships with media, including regular meetings between prominent media editors and the SAICA CEO, to ensure balanced exposure in top-tier media such as print, broadcast (radio and television) and digital media. Further engagements include civil society organisations and communications include those with broader public interest, while retaining a member focus.

Social media remains a strong platform and SAICA is currently active on around 15 social media channels with engagement levels well above published industry averages.

SAICA monitors the market status of its designations through an annual independent brand survey conducted by Ask Afrika among business decision-makers across all sectors of the business market in South Africa. This provides insight into the impact of external market factors

on the profession as well as the effectiveness of SAICA's reputation management as well as the reputation of the CA(SA) designation.

	Stakeholder	2021	2020	2019	2018
<b>Attractiveness</b>					
- PHI <sup>1</sup> CA(SA) attractiveness Index	Learners, students and trainees	90%	87%	87%	84%
<b>Relevance and reputation</b>					
- PHI Brand Admiration Index	All stakeholders	79%	77%	95%	83%
<b>Brand strength of the CA(SA) designation</b>					
- Spontaneous Awareness Index	Business decision makers	94%	90%	87%	85%
- Preference in Employees Index		78%	74%	67%	68%
- Net Promotor Score <sup>2</sup>		29%	37%	36%	28%
- Trust Index		85%	84%	80%	75%
- Admiration Index		73%	68%	68%	66%

<sup>1</sup> Professional Health Index

<sup>2</sup> The rating of respondents who encourage their children to become CAs(SA)

The negative publicity around mainly the auditing profession that started in 2018 led to a decline in that year in all indicators, except spontaneous awareness. Since 2019 the lead indicators have recovered because of SAICA's Trust Restoration Strategy which is delivered through our reputation management activities despite ongoing and new negative revelations.

The important lead indicators of CA(SA) brand health have risen since 2019, despite ongoing historical and new negative publicity around the profession. The Brand Admiration Index, arguably the most important measure of the standing of the CA(SA) brand among business decision-makers, continues to be impacted by the ongoing negative publicity despite the positive trend in the other lead indicators and increased by 5% to 73% at the end of 2021. The only lead indicator that has declined in 2021 is the net promoter score which is the result of the unattractiveness of the audit profession given the ongoing negative publicity that the audit profession is subject to. The challenge SAICA had with the APC examination will also have contributed significantly to this.

Chartered Accountants Worldwide commissions surveys of global business leaders and key decision-makers to assess trust in Chartered Accountants. The 2021 Edelman Trust survey showed that trust in Chartered Accountants was more resilient than the profession more broadly and strengthened across most markets. Trust in CAs(SA) improved from 81% in 2019 to 85% and trust in SAICA improved strongly, remaining well above the global average for CA bodies.

Edelman DXI Survey	2021		2019*	
	South Africa	Global	South Africa	Global
Trust in Chartered Accountants	85%	78%	81%	75%
Trust in Chartered Accountancy bodies	86%	77%	78%	76%

\* The survey was not conducted in 2020

While we believe our trust reconstruction promotion activities are effective in improving brand admiration over time, recovery is likely to continue to be affected by ongoing negative publicity implicating holders of the CA(SA) designation as and when this arises.

Given the results from the surveys mentioned above, the perception that the CA Profession in South Africa is slowly but surely losing its prestige or at an 'all-time low' as one of the best professions in the world, is not accurate. Yes, the profession has attracted negative exposure over the last few years, but our efforts to manage the brand's reputation are proving to be successful.

- **Experienced chartered accountants are finding it increasingly difficult to get jobs. There appears to be an oversupply of Chartered Accountants in South Africa and indeed globally. What is the strategy to increase the demand for Chartered Accountants or reduce the supply? The perception and sadly the reality is that Chartered Accountants are no longer differentiated from other Professional Accountants based on superior ethics, skills and knowledge. Essentially, the value of a hard-earned professional designation has diminished. What is the strategy to incentivise skilled, experienced Chartered Accountants in the older age group (45 and older) to continue to contribute to the profession to rebuild the brand?**

The first part of the question above is answered in the question above. Currently, there is no strategy to incentivise skilled, experienced CAs(SA) over the age of 45.

All CAs(SA), including those in the older age groups, form part of the profession and therefore subscribe to the SAICA Code of Professional Conduct. The projection of excellence in terms of the value of the designation in the marketplace is a professional value that surely does not need to be incentivised.

SAICA's external activities and learning and development opportunities are aimed at improving the relevance and reputation of all members – SAICA's strategy does not focus on projecting the value of a certain age group of members only into the marketplace.

- **A number of key finance positions are being held by non-chartered accountants especially international corporates in South Africa, is the body aware of this and how is the designation being protected and lifted up?**

SAICA is aware of instances where non-CAs(SA) occupy financial positions in companies in South Africa. Our annual independent brand research amongst business decision-makers does find that over 25% of business decision-makers in leadership positions are still CAs(SA). The appointment of executives, however, is not directly in SAICA's control. Our efforts to promote the value of the designations have been described in the answers above.

- **Give an update on all the bad publicity of the Big 4 and what SAICA's plan is to counteract this in a timely manner? The delay in acting is seen by the public as admission of guilt. The brand is at risk.**

SAICA monitors the media daily to ensure that we stay abreast of any allegations against SAICA members. Even though SAICA is a Big 4 stakeholder, SAICA is only responsible for disciplining its individual members, and not firms. SAICA does not keep a registry of all the bad publicity of the Big 4, but we do keep a registry of the publicity pertaining to our individual members.

As mentioned in the answer to the question above, SAICA implements an annual integrated reputation and relevance communications plan. In 2021, SAICA achieved 1395 positive media exposures to the advertising value equivalent of R71,3 million in comparison to the 82 negative exposures (worth R3,7 million) in print, broadcast and online media platforms.

Although we agree that the brand remains at risk, it has to be noted that according to the research mentioned above, our efforts in managing the reputation of the brand are proving to be successful, given the increase in the Trust and Admiration indices, despite ongoing negative publicity.

SAICA will continue this important work.

## **THE DISCIPLINARY PROCESS AND THE ZONDO COMMISSION**

- **How is SAICA tracing members who are mentioned in the public domain and alleged to be involved in impropriety? For example, the Zondo Commission, SIU report, etc.? What are steps taken to deal with those members proactively as part of sustaining the profession's reputation? What is SAICA doing with regards to the findings of the Zondo Commission on State Capture? Are there timelines around this?**

SAICA's disciplinary processes are clearly described on the [SAICA website](#) and have been communicated to members and the public on multiple occasions.

Regarding 'tracing members' who are alleged to have been involved in impropriety, SAICA:

1. Has an official complaints line (accessible via the website) where members and the public can make complaints regarding SAICA members;
2. Monitors the media daily to ensure that we stay abreast of all members implicated in unethical behaviour. These media reports are shared with the SAICA Legal team, who have the necessary resources to ensure that members who are alleged to have contravened the [Code of Professional Conduct](#) are investigated and dealt with accordingly, and as prescribed in the SAICA by-laws.
3. follows the outcomes of Commissions and criminal or civil processes against members to obtain the requisite information to inform our disciplinary investigation processes.

Regarding the Zondo Commission Reports, [SAICA communicated to all members on 5 January 2022](#), that it is already investigating the allegations against members implicated in the Zondo reports.

SAICA understands that the chartered accountancy profession is undergoing a period of profound reflection encompassing debates on how to maintain professional independence as evidenced by SAICA's recent revisions to the Institute's by-laws which include enhancements to the disciplinary process. What we can all agree on, is that adherence to the highest standards of ethical conduct, professional integrity and avoidance of conflict of interest must remain the bedrock of the accountancy profession. SAICA expects all its members to uphold these values in all professional circumstances. All members who are found to have contravened SAICA's Code of Professional Conduct (the Code), will be held accountable without fear or favour including all members mentioned in the comprehensive, three-part Zondo Commission Report.

SAICA confirms that it takes allegations against all individual members seriously and is currently investigating all allegations against its members. The initial investigation phase, in which SAICA gathers factual evidence, testimony and conducts relevant due diligence, is confidential. In the interest of procedural fairness and as prescribed in the SAICA by-laws, SAICA cannot comment publicly, either in traditional media or on social media, on any member who is the subject of an investigation during this phase, unless otherwise provided for under the by-laws. This protects the reputation of the individual members involved (who may well be innocent) and also safeguards third parties who may be mentioned in a complaint but who have no opportunity, as non-members of SAICA, to explain themselves during the Institute's disciplinary process.

Once the investigation is concluded and there is sufficient evidence to suggest that a member may have breached the Code, that member will then be charged under the relevant section of the Code. At that point the process becomes public, should the CEO deem it appropriate. This is in line with the SAICA by-laws. The member will then have an opportunity to appear before an independent committee (either the Professional Conduct Committee or the Disciplinary Committee), chaired by a senior lawyer, generally an advocate or a retired judge. This, of course, takes time, as SAICA's independent disciplinary committees deal with proven facts, and not only media reports. Each case is also unique, and therefore there is no prescribed timeline to SAICA's various disciplinary cases.

All cases before the Disciplinary Committee are open to the public unless the independent chair finds there are extraordinary circumstances, requiring the case to be heard *in camera* (private). The findings of these committees are also published where there is a guilty finding. Details of past cases, findings and pending hearings can be accessed by following this [link](#).

A key responsibility of SAICA is the protection of the CA(SA) brand and it is also the responsibility of every CA(SA), as a holder of the designation and therefore as a brand ambassador, to uphold the principles as set out in the SAICA Code of Professional Conduct.

- **Kindly give an update on the process regarding Markus Jooste as well as all other CAs(SA) bringing the profession into disrepute.**

SAICA uploads a quarterly disciplinary update on the SAICA website, which is also communicated via the CA World Newsletter. The updates can be found [here](#).

### **Mr. Markus Jooste**

The charge sheet was communicated to Mr. Jooste in May 2021. The SAICA disciplinary hearing against Mr. Jooste was postponed at his request until the finalisation of the review of the FSCA finding, in order to avoid incurring additional legal costs. This course of action was supported by the CEO and the Executive Director: Legal and Governance.

The FSCA's Financial Services Tribunal has concluded hearing the appeal against the FSCA finding. SAICA is considering the finding and liaising with the FSCA to provide us with the technical documentation required.

### **Members involved in the Tongaat Hulett improper conduct**



After experiencing several months of delays in gaining access to investigation documentation, SAICA is currently in the advanced stages of finalising draft charge sheets for three of the members implicated.

In late November 2021, SAICA was allowed to peruse a report related to one other implicated member and SAICA have commenced drafting of the charge sheet against this member.

### **Eastern Cape Development Corporation (ECDC): Pamela Bosman**

This matter is part-heard before the Disciplinary Committee and will re-commence in March 2022.

### **South African Airways (SAA)**

A charge sheet is being drafted against one member implicated in the Zondo Commission Report.

Fit and Proper Enquiries have been ordered for two members arising from IRBA's Disciplinary action and the matters will commence in March 2022.

### **Transnet**

Mr. Anoj Singh's disciplinary hearing was completed in 2020 and the outcome was communicated to members and the media. SAICA is reaching out to the remaining members implicated in the Zondo Commission Report for responses and is investigating the matters further.

- **The discussion topics in the CEO's message include the Zondo Commission Report. Will there be any discussions in future about other Commissions like Seriti, Life Esidimeni, PIC and other SIU, NPA cases that affect the members? Considering that many SAICA members were implicated in these Commissions, either as victims or as perpetrators, and these implications got both sides to be alienated and companies not wanting to employ them or do business with them, even though cases were neither opened nor proved. This situation resulted in the affected CAs(SA) being destitute. The result is that they may have been role models to the communities, and they served the qualification, but are no longer sought-after. Would SAICA consider the victims mentioned as possible perpetrators but with no cases against them, to pool for employment/secondment/recommendation? And for those who have cases against them that have not been finalised to follow up on it and if proven 'not guilty', that they could also get employment/secondment/recommendations. If they are proven guilty, would SAICA consider a rehabilitation process?**

As communicated to members and the public, SAICA investigates all allegations against its members, without fear or favour.

Currently, SAICA does not lend support to members accused of wrongdoing, either by helping them to gain employment, or by offering rehabilitation programmes for those who have been found guilty.

If SAICA were to consider this approach, it would imply a change of policy, resulting in an additional expense to members and would further require Board consideration and approval. If members feel strongly that SAICA should offer support to those members accused of wrongdoing, whether they have been found guilty or proven innocent, proposals should be made to the CEO.

- **There are CAs(SA) who are auditors that were found to have enabled state capture, especially at SAA. Is anything being done to help train these members and ensure that they hold higher standards in future?**

The IRBA was responsible for the investigation into allegations of improper conduct by the auditors of SAA, given that they are the audit regulator. The matter has been concluded at the IRBA and SAICA is obliged to accept the disciplinary findings of the IRBA and to take no further action in respect of the disciplinary investigation. SAICA's Professional Conduct Committee (PCC) considered the IRBA finding and determined that the SAICA members who were found guilty were required to present themselves for a Fit and Proper Enquiry for the PCC to decide whether these members still meet the requirements for continued membership of SAICA. This Fit and Proper Enquiry is scheduled for March 2022 and will determine what competence and/or ethical gaps are present and need to be addressed. The same process will be followed by SAICA for all auditor/audit-related misconduct by our members. The IRBA will investigate the conduct, SAICA will be bound by the IRBA findings but will convene to determine if, considering the conduct, the member should remain a SAICA member.

Regarding training for these members, SAICA offers various training and learning opportunities, including ethics content and programmes, on a continuous basis as part of its Continuous Professional Development offering, and it remains the responsibility of the individual member to ensure that they uphold the standards and principles as is stipulated in the SAICA Code of Professional Conduct.

- **What is the likelihood that the outcome of the Zondo Commission will be regarded as fair and reliable, both locally and internationally and the impact it will have on investor confidence?**

The Zondo Commission report concluded by making recommendations to the National Prosecuting Authority (NPA) to undertake further investigation against the persons implicated. The Zondo Commission however did not prosecute any of the persons implicated and it is necessary for the NPA and other institutions such as SAICA where applicable, to finalise their processes and to apply sanctions against those individuals who have been found guilty in terms of said processes. It is assumed that action against implicated persons will restore investor confidence by demonstrating the rule of law principle.

- **We have CAs(SA) who were intricately involved in the state capture of RSA. I have followed the outcomes of Anoj Singh where he was found guilty, and his membership was withdrawn but I feel this is not enough. I am not sure if there are fines that are payable in the current code of conduct but if not then SAICA should look at this and link the fines as a percentage of the total corruption the member was involved in.**

As a point of departure, the independent SAICA Disciplinary process is aimed at protection of the designation by maintaining high standards of ethical conduct. Members who fail to comply with these standards are excluded from the profession. SAICA's Disciplinary Code does allow for sanctions falling short of membership terminations and here we find that fines are imposed on a member.

In cases of serious misconduct however, SAICA believes that suspension, exclusion and/or disqualification from membership is the appropriate sanction. Ultimately, it is the independent

committees (Professional Conduct Committee or Disciplinary Committee) who make the decision on what the appropriate sanction is.

The Disciplinary Code does allow the Disciplinary Committee to order the guilty party to pay a contribution towards SAICA's legal costs.

More information on possible sanctions can be found on the [SAICA website](#).

- **Why did SAICA take such a long time to discipline the members involved in state capture?**

SAICA is legally required to take the member through an administratively fair process when investigating any allegations of improper conduct. This legalistic process requires sufficient evidence to be lead for SAICA's independent disciplinary committees to reach a finding of guilt against the implicated member.

While SAICA does investigate matters arising from complaints lodged as well as from allegations from media articles, SAICA is in many cases required to await the conclusion of parallel legal processes before SAICA is provided with the evidence necessary to finalise the SAICA Disciplinary process and this has undoubtedly added to the amount of time taken to bring these disciplinary cases to finality.

Witnesses and/or documentary evidence are required to successfully prosecute these cases and, as SAICA does not have powers of subpoena, SAICA cannot force witness participation and the delivery of documentation. Our investigations are often frustrated by witnesses refusing to participate in the SAICA process and/or third parties refusing to provide documentation to SAICA until other civil and/or criminal processes have been finalised.

Regarding the State Capture report into Transnet and Mr. Anoj Singh, one of the CA(SA) members who was implicated, SAICA concluded its disciplinary case in 2020 and excluded Mr. Singh from membership of SAICA. SAICA was subsequently approached to provide our disciplinary investigation material to other bodies to assist in their processes which are still ongoing.

- **Why does SAICA not have an independent whistleblowing/anonymous ethics advice hotline? There is too much risk management around this topic and insufficient support for the people at the coal face.**

SAICA does have a tip-offs line where one is able to anonymously report matters to SAICA. The e-mail address is: [saica@tip-offs.com](mailto:saica@tip-offs.com) or alternatively please visit the SAICA website and report the matter [here](#).

It must be also noted that if you need to report a matter to SAICA anonymously, please be sure to provide sufficient alternative evidence, for example documents that SAICA could make use of in furthering our investigations. SAICA cannot take the investigative process further if insufficient documents are supplied by an anonymous complainant. The more we know to inform our processes, the better.

## **PUBLIC SECTOR**

- **The Ethics dilemma is seen largely in the public sector; what is SAICA's relationship with National Treasury on addressing the financial management space which includes dealing with red tape, creating an enabling environment, and tabling guidance on consequence management?**

SAICA has a strategic initiative, namely the Government Assistance Programme, which focuses on improving the public sector environment for our members, as well as in the public interest. Some of the key projects under this initiative include ethical dilemmas in the public sector and improved financial reporting frameworks. As part of this, SAICA has enhanced its partnership with National Treasury through the following:

**(a) Stakeholder engagements**

1. Regular meetings with key officials within the National Treasury to raise concerns on key issues identified in the public sector by members.
2. Increased stakeholder interactions with the National and Provincial Treasury. SAICA is a member of the National and some of the provincial treasury CFO Forums where we advocate for improved standards and legislation.
3. Regular stakeholder engagements are held with the Auditor General of South Africa, National Treasury, Standing Committee on Public Accounts and other key stakeholders on unpacking the audit outcomes and addressing the current challenges including consequence management, internal controls, compliance and ethics.

**(b) Submissions**

In addition to the regular engagements with National Treasury on improving public finance management, SAICA has made submissions to National Treasury on several issues including responding to the Modified Cash Standards, the Procurement Bill and the rates used by government to pay audit committee members.

SAICA also made a submission on the National Implementation Framework Towards the Professionalisation of the Public Services recommending the following amongst others:

(1) An enabling environment for professionals: "It is important that consideration is given to strengthening the public service environment to enable professionals to thrive and operate without fear. Professionalisation of the public service based on a professional qualification only will not be sufficient. For the implementation of the framework to succeed, the environment needs to be ready to enable professionals to function and abide by the Code of Ethics. This will assist in retaining and attracting professionals to the public service."

(2) The Ethical Code of Conduct for public servants

- **I am aware that there are SAICA and non-SAICA members in the public sector, but the financial accounting/management area should be led from an ethics point of view like it is on the auditing side. What is SAICA's role in influencing the ethical environment within the public sector, which may also guide SAICA's members in managing conflict of interest created by pressure from the political environment or by leadership? What measures is SAICA putting in place to ensure that its members are playing a critical role in the fight against corruption in South Africa, especially in the public sector?**

SAICA noted concerns on various platforms from members on ethical dilemmas and intimidation threats experienced by members working in the public sector and identified the importance of advocating for an enabling environment that allows for ethical decision-making by members and non-members to improve public finance management.

As part of SAICA's advocacy initiatives to improve the public sector environment for members and non-members in the public sector, SAICA made submissions to "A National Implementation Framework towards the Professionalisation of the Public Service" where it emphasised the need for an enabling environment for professionals.

Furthermore, projects on ethical dilemmas and whistleblowing in the public sector are included in SAICA's key projects, which have been approved by the Ethics Committee and the National Public Sector Committee. The purpose of this project is to support our members employed in the public sector with guidance when faced with ethical dilemmas and whistleblowing. Progress on these projects will be shared with members as it unfolds. We encourage members to read our communication in this regard.

- **How is SAICA proactively assisting with skills development and capacitating resources in the Public Sector? It is costly to get involved given the mess where unskilled people are deployed into strategic positions of finance. The country is all the poorer for being reactive rather than proactive.**

SAICA made a submission to the National Implementation Framework Towards the Professionalisation of the Public Services as part of its advocacy initiatives on skills development in the Public Sector. In addition, SAICA's CEO, Mr. Freeman Nomvalo, was appointed to the ministerial task team to finalise the development of the framework.

SAICA further had a number of stakeholder engagements with the provincial treasuries to assist with the professionalisation of staff through the AT(SA) and AGA(SA) designations.

In addition, on an annual basis, SAICA provides complimentary events to both members and non-members in the public sector on MFMA and PFMA updates, which includes updates on legislation and the financial reporting framework. Complimentary workshops are also held to assist officials in the public sector with preparation of financial statements and audit readiness to assist with skills development in the public sector with an aim of improving financial reporting and audit outcomes.

- **My question relates to the audit of public schools' Annual Financial Statements and the engagement of auditing firms with the school SGB. My daughter has just finished her primary schooling at a Pietermaritzburg School Athlone Primary and I have found that the school has employed the services of the same auditor for almost 9 years. The way in which information is disclosed in the school's AFS is rather limited and no details are provided. Parents also don't get a copy of these financials and are limited to only viewing them at the school's premises. This is rather annoying but when one looks at the possible reasons why this is done it may well be that the school in question has a huge cash balance and accumulated reserves which it doesn't want parents to know about. I read an article regarding SAICA's role with the Department of Education regarding the schools' AFS. Please share more information. In addition, can SAICA also look at the limited section in the SA Schools Act regarding the budgeting AFS and Annual reports for schools and engage with the Department of Education to ensure these are rectified to ensure that parents are aware of what is happening in the schools their children attend. As Mr Nomvalo has said previously, there must be accountability through transparency, and this is non-existent at most of the high fee-paying public schools.**

Section 42 of the South African Schools Act 84 of 1996 states:

“The governing body of a public school must-

- (a) keep records of funds received and spent by the public school and of its assets, liabilities and financial transactions; and
- (b) as soon as practicable, but not later than three months after the end of each financial year, draw up annual financial statements in accordance with the guidelines determined by the Member of the Executive Council.”

SAICA identified that the MEC of all provinces did not approve guidelines for the preparation of public-school financial statements which resulted in inconsistency with financial reporting by schools. SAICA therefore advocated for an improved and consistent framework for public schools and made a submission of a draft framework to the Department of Basic Education (DBE). The DBE engaged with various stakeholders on the framework and submitted it to National Treasury for approval, which was received. The DBE is now taking it through its final approval process within the department and thereafter it will be a national policy that will enforce that all public schools are required to prepare its financial statements in terms of the framework.

Regarding Public School budgets, Section 40 of the South African Schools Act 84 of 1996 states:

- “(1)A governing body of a public school must prepare a budget each year, according to guidelines as determined by the Member of the Executive Council, which shows the estimated income and expenditure of the school for the following financial year
- (2) Before a budget referred to in subsection (1) is approved by the governing body, it must be presented to a general meeting of parents convened on at least 30 days' notice, for consideration and approval by a majority of parents present and voting.”

Based on this, all parents have the right to view the budget and approve it at the general meeting, however the governing body is responsible for final approval of the financial statements. SAICA will follow up to confirm that the MEC of each province has determined guidelines for preparation of public schools' budgets and initiate further advocacy efforts based on the outcome.

## **GROWTH AND TRANSFORMATION**

### **ASSESSMENT OF PROFESSIONAL COMPETENCE (APC)**

- **What steps is SAICA taking to ensure that a repeat of the failures of the APC of 2021 does not occur? The latest debacle with the SAICA examinations was nothing short of a disaster - if SAICA could not get this right, how on earth are other bodies/institutions/individuals going to get this right? This is quite concerning to me as a fellow CA(SA).**

SAICA assures all its members that the organisation has taken the necessary steps to ensure the smooth running of the examination process for the rewrite sitting on 30 March 2022 and reiterates the organisation's previous communication that it will revert to its hybrid model of

eWriting as successfully utilised in previous APC sittings where candidates will be able to use their own or organization-provided laptops to write the APC.

- **Given how there is now an opportunity for candidates who were not successful in the APC exam, is SAICA considering giving rewrites in the future for all candidates, especially repeat candidates?**

Under normal circumstances, SAICA offers only one APC sitting a year. However, the 30 March 2022 APC 2021 rewrite is offered to address the challenges experienced by candidates during the 1 December 2021 assessment.

- **What is the APC process now going forward? Can students use their own laptops?**

SAICA has confirmed that it will revert to its hybrid model of eWriting as successfully utilised in previous APC sittings where candidates will be able to use their own or organisation-provided laptops to write the APC. SAICA will, however, hire laptops for those candidates who do not have access to laptops as done previously.

## ORGANISATIONAL SUSTAINABILITY

- **The staff at SAICA's Johannesburg office seem unsettled, what are you doing to restore stability?**

There is no basis to conclude that SAICA's staff in the Johannesburg office are 'unsettled'. There may be incidents from time to time that may impact on employee engagement and SAICA believes that employee engagement contributes to institutional stability, hence it is a priority for us. Employee engagement is tracked on the SAICA scorecard and measured by an annual employee engagement survey. Given the results from the annual engagement survey, we are also implementing a project to elevate and improve the SAICA culture.

We have further developed the Human Capital (HC) Strategy Framework in support of our strategic intent to "*Empower human capital to enhance innovation and engage employees to create an engaged organisation*". The HC Strategy Framework aims to enhance the employee value proposition on three (3) levels: employee engagement, employee experience, and employee enablement. This will be further enabled by specific outputs: HC processes, talent management, high-performance culture, learning and development, employee wellness, and organisational effectiveness. The three (3) elements, supported by the specific objectives, will help us to enhance the levels of employee stability and engagement.

- **As a member of SAICA purely looking at the recent events in the public arena, it sadly seems like SAICA is in a state of disarray internally. Amongst others, we have high profile scandals involving SAICA members at the time (e.g. Anoj Singh Markus Jooste and most recently Yakhe Kwinana) where the institute seemingly lacks any teeth in terms of appropriate action and on the other end the dismal mismanagement of the most recent APC examination in December 2021 where our future CAs(SA) were given a raw and rude awakening to the profession. What is SAICA management doing to address the internal inefficiencies?**

The questions related to the disciplinary matters and the APC matters have been addressed in the answers above.

Regarding internal efficiencies, SAICA works according to the core SAICA values: member centricity, integrity and professional behaviour, accountability, and responsibility and all SAICA's projects and programmes are implemented as guided by the SAICA strategy.

Internal inefficiencies are therefore dealt with accordingly.

- **Please expand on how the internal structures and people will be critically evaluated to ensure that SAICA achieves its mandate to the public and its members and has the right people and processes in place to do so?**

Organisational Sustainability is one of SAICA's four strategic pillars. The Organisational Sustainability pillar has the following objectives:

- Achieve financial sustainability
- Digitise operational processes to work quicker and qualitatively better and accelerate strategic benefits
- Empower human capital to enhance innovation and engage employees to create an engaged organisation
- Transform the organisation

As mentioned in the question above, the Human Capital Strategy Framework implementation will be focusing on several outputs in the areas of HC processes, talent management, high performance culture, learning and development, employee wellness and organisational effectiveness. One of the key deliverables will be to revamp the performance management system to ensure that there is alignment to the strategy and elevate the aspect of customer service and feedback.

Further to the implementation of the Human Capital Strategy Framework, SAICA will embark on an organisational review (work study) process that will commence during 2022. Among the envisaged initiatives of the organisational review process are (the list is not exhaustive):

- Review and alignment of the SAICA mandate through a consultative process;
- Defining the broad SAICA capabilities in line with the SAICA mandate and strategy;
- Development of the SAICA target operating model;
- Relooking at the purpose of each part of the organisational structure and aligning to the target operating model;
- Review of the various positions and reporting structures with the purpose of aligning to the target operating model;
- Review of the job descriptions/profiles to ensure fit for purpose in line with the capabilities within the target operating model;
- Where necessary, define the principles for placement into the redefined jobs/roles and other implications for various policies, processes, and practices;
- Conduct a skills audit to determine the skills gaps;
- Develop a targeted employee development plan with timelines to close the skills gaps;
- Review and realignment of the policies for employee engagement, experience, and enablement.