

**SAICA CEO ROADSHOWS
SOUTH AFRICA AND ASPAC REGION
30 August 2021**

The questions below were raised by members during the CEO Roadshow for members residing in South Africa and the ASPAC region, which took place on 30 August 2021. The answers were given by the relevant executives.

MEMBER VALUE

- 1. What is SAICA doing to address the misconception of what a professional accountant is? SAIPA members are referred to as PAs. SAICA also refers to CAs as PAs in literature. In the USA, a CPA is referred to as a PA. Everyone I speak to besides accountants do not know the difference and I am talking about Company CEOs.**

IFAC uses the term 'professional accountant' and this covers more than just chartered accountants. Given that we are affiliated with IFAC and that they bring together professional accountants across the world, SAICA cannot change this terminology.

This is why we also work with Chartered Accountants Worldwide, to ensure that the CA designation continues to enjoy the premium status that it does in the marketplace.

- 2. Are accounting firms prepared to disclose the number of non-disclosure agreements that they have signed with staff who have been bullied or sexually harassed over the last three years?**

Nobody has complained to SAICA about non-disclosure agreements, therefore we are not aware of any ongoing disciplinary matters in this regard. I encourage members to come forward with issues like this with the necessary evidence, so we can deal with these matters accordingly. SAICA strongly believes that violence should not be tolerated in any shape or form, and it is also mentioned in our by-laws that should a member be convicted of a violent crime, their SAICA membership will be terminated immediately.

- 3. Why was there no member input when SAICA decided to assist SARS? I did not even see a survey of how we feel about this, but I've seen surveys on all sorts of other nonsense. And worse is we get nothing concrete back that helps us practitioners who help fund this country. SARS blatantly disregards us, now SAICA is effectively helping to turn its members against its Tax Practitioner members. Also we desperately need 3 to 5 year rolling tax because 2020 was way better than 2021 in most cases and because tax is annual, most are severely prejudiced. They may never recoup the 2021 losses and YTD 2022 losses, if they manage to stay in business.**

The SAICA SARS MOU is part of the SAICA strategy. We must remain relevant in society and in an institution like SARS, given that they have been eroded of necessary skills due to ongoing corruption over the last 10-15 years. SAICA should play its part in ensuring that SARS is better managed to ensure they can do the work they need to do to the benefit of all SAICA members and the citizens of South Africa. This is important work because our members have the necessary skills to help turn things around.

SAICA is guided by its National Tax Committee and we are engaging with SARS regularly in this regard. All the issues that our members raise, we make an effort to meet with the SARS commissioners as well as National Treasury regarding all the issues our members raise. This work is important, because we need to collaborate to find better ways to address issues that plaque not only SAICA members, but also society at large.

SAICA engages SARS daily on behalf of our members so that they can focus on their work and don't have to engage SARS themselves. We call on our members to work with SARS to get their clients to adhere to the tax legislation. This type of advocacy and lobbying is done to really get SARS on our side for the benefit of our members.

4. What value-adds does SAICA provide for international CAs to make it worth staying a CA(SA)?

The premiership of the CA(SA) designation provides SAICA members the opportunity to work abroad, and CAs(SA) are currently based in almost 100 countries worldwide. SAICA has entered into various reciprocity and pathways agreements in jurisdictions that most of our international members are based in, which enable our members to fast track their membership of those institutes.

International members can, at no further cost, take advantage of the Global Accounting Alliance (GAA) Passport that applies to member-institutes of the GAA, which gives CAs(SA) access to local institute seminars at the same cost as those institutes' members, including access to journals and resources from the relevant institutes.

SAICA is also a member of Chartered Accountants Worldwide, which is the custodian of a collaboration forum of a host of CA institutes to coordinate the global marketing of the CA brand, and to provide support for CAs globally.

In addition, various international in-country committees have been, and are continuing to be, formed to address the specific needs of members in a particular country. This support includes seminars specific to that jurisdiction as well as networking opportunities for our members.

5. Can SAICA not set up an easy platform for SAICA members to raise specific SARS related issues that are frustrating us and therefore not disclosed by management who would include CAs(SA). I agree there is not enough done to prosecute SARS management.

SAICA does have a platform through the [Member Portal](#) where CA members can log their operational issues with SARS and we log that and escalate that to SARS. SAICA has communicated the functionalities of the Member Portal to members on various occasions and it can also be accessed via the SAICA website.

SAICA has no jurisdiction to prosecute SARS management, however, we will investigate and discipline, if needed, any SAICA member against whom we receive a complaint.

6. SAICA must insist that delinquent SARS staff are treated as harshly as delinquent tax payers/tax practitioners.

SAICA has advocated for this and will continue to do so. Since the inception of the Tax Administration Act, SAICA has insisted that SARS officials should be more accountable and that political accountability is limited in the broader public service.

It is important to note that SAICA can only discipline 'delinquent' SARS staff and tax practitioners that are also members of SAICA. SAICA does not have the jurisdiction to discipline SARS staff.

7. In your published answer to the question: Why does SAICA not have reciprocal membership with other institutes like the ACCA, you stated that SAICA only responds to requests from such bodies. Why does SAICA not approach them?

Reciprocal membership is driven by the countries in which our members reside. Reciprocity is a costly exercise and is always assessed based on the number of members in a particular country and the type of support they need. Reciprocity cannot be done for only one member to be recognised by an institute in a country where they may be working. SAICA has reciprocity with all the major accountancy bodies in the relevant countries where our members operate.

Reciprocity is a benefit to our members, and therefore we focus first on the CAs of the major institutes in the world.

Is it a benefit to our members, and what we focus on first is all the CAs of the major institutes in the world. CIMA, for example, approached us and we started the process with them.

SAICA cannot reach out to every accountancy institute for reciprocity, as it will be too costly. The member benefit needs to justify the investment.

8. With the instability in SA following the recent riots, converting the CA(SA) to a CPA is an option to make it viable to immigrate to the USA. Does SAICA offer any courses or preparatory information for CPA?

Members can find information on the [SAICA website](#) regarding the various states' rules and regulations. Regarding preparedness of the CPA exams, we do offer training to our members through our partnership with Chartered Accountants Worldwide Network USA (CAWNUSA).

9. If this is not already done, can SAICA initiate a collaboration with professional bodies in other professions forming a SA Institute of Professionals? This could be an organisation with huge leverage.

SAICA is not opposed to this idea, and we regularly engage with various professional institutes, but if there is a specific need for people to come together on one single issue, they would need to commit to it, set up terms of reference and only start such an institute if there is a sustainable future for it. One also has to think of the financial implication and the resources that will ensure the success of something like this.

10. To whom in SAICA can we write in order to get help to solve a problem where SARS has been inefficient, and they will not solve it.

There are two ways in which a member can raise SARS matters. If it is a legislative or policy proposal, then the matter must be sent to taxcomments@saica.co.za. If it is assistance with the tax operational issue, the member must log the issue through the [Member Portal](#).

11. It has been almost two years since the new CPD policy came into effect; what is SAICA's assessment of the policy – does the subjective approach meet the objective?

SAICA is not the only institute who has adopted this approach to CPD; a number of professional bodies around the world follow the same principle.

We are positive about the change, given that we are engaging with members on CPD a lot more and reflecting on realistic learning and development is proving to be effective, instead of just acquiring a certain number of hours which does not necessarily equate to having learnt anything. If there are members who are still struggling with the new approach, they can get guidance material on the [SAICA website](#).

12. Why have you decided to also use Telegram to communicate with members? None of my clients or colleagues use it.

Telegram allows for data privacy given that all members in the group can only see each other's names and not each other's phone numbers, unlike WhatsApp. Other benefits include that the group size on Telegram allows for 200 000 individuals to join each group, while WhatsApp group chats and broadcasts only allow for a small number of people per group. Considering that SAICA has approximately 50 000 members, Telegram was chosen as a suitable platform for member only engagement.

In addition, you can create sub-groups and sub-channels within one Telegram group, which enables multiple conversations and topics within one group.

If members want to join the Telegram group, they need to do the following:

Download the Telegram Messenger application on your mobile device.

- Add the SAICA number 074 990 5307 as a contact on your phone.
- Sign up to join the group by following this [link](#).
- Your SAICA membership status will be verified before you will gain access to the group.
- Ensure that you read the group's terms and conditions as well as the POPIA disclaimer on the sign-up page before joining the group.

13. How's SAICA's relationship with the East Rand members district crew and Jari Cerny developing, and is there co-operation?

SAICA as a body respects all its members and want to ensure positive relationships with all members. There are formal SAICA structures, and the East Rand Members District is not a formal SAICA structure, but we do engage with them, as we respect all our members.

RELEVANCE AND REPUTATION

14. Is there an update on CAs(SA) who have been deregistered?

We note our members' concern that we do not always react immediately and/or publicly to allegations against our members but rest assured that SAICA takes all allegations or revelations relating to potential misconduct extremely seriously.

As communicated to members, over the last two years we have invested heavily in our capacity to investigate complex cases and conduct a professional disciplinary process. We can assure

you that SAICA follows due process and investigates all cases without fear or favour and in line with South African legislation rules.

The initial investigation phase, in which SAICA gathers factual evidence, testimony and conducts relevant due diligence, is confidential. In the interests of procedural fairness and as prescribed in the SAICA by-laws, SAICA does not comment publicly, either in traditional media or on social media, on any member who is the subject of an investigation or media commentary during this phase. 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, to explain themselves during our disciplinary process.

If an investigation concludes and there is sufficient evidence to suggest that a member may have breached the SAICA 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 have the 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. All cases before the Disciplinary Committee are open to the public unless the independent chair finds extraordinary circumstances that require the case to be heard in camera (private). The findings of these committees are also published where there is a guilty finding.

SAICA releases a quarterly disciplinary hearings outcomes report, which is communicated to members via the CA World newsletter and also on the SAICA website. Details of past cases, findings and pending hearings can be found in the Governance and Discipline section on the [SAICA website](#).

15. SAICA has been silent throughout the Zondo Commission and does little publicly about SARS corruption and inefficiencies.

As a general principle, SAICA monitors the media daily, and we specifically look out for matters where our members may be involved. SAICA also receives official complaints from members and the public about the specific matters reported on in the media. Therefore, SAICA is aware of all matters reported on in the media, including those of individual members who appear in front of the Zondo Commission.

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 a 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. As a matter of course, SAICA investigates all allegations against individual 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 does not comment publicly, in the 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.

SAICA supports the Zondo Commission in the work it is doing and regarding relevant cases, we have also provided evidence to the Commission. In the event where members appear before

the Commission or where they participate in any way or form, we also attend to issues that may arise from these appearances.

16. My concern is that registered auditors (RAs) are highly regulated and fined, whereas CA members in public practice can act contrary to accepted norms and there is no accountability by SAICA. This brings the profession into disrepute.

We agree that the profession has been brought into disrepute over the last few years, given the alleged malfeasance of a small number of SAICA members. However, the statement that CAs(SA) can act contrary to accepted norms with no accountability, is not correct.

SAICA continues to take the ethical standing of all its members seriously as it is core to the profession and what it stands for. In this regard, SAICA investigates all allegations against its members without fear or favour, and all members found to have contravened the SAICA Code of Professional Conduct, will be held to account. As communicated, you may have seen that SAICA also improved the disciplinary processes and enhanced sanctions since the revised By-laws came into effect in June 2020.

We further follow an Integrated Reputation Management and Communications plan, which includes an Integrated Ethics Plan that addresses ethics from the beginning of our member value chain of students and trainees to current members. It includes education, CPD interventions, compelled reflection for CPD compliance purposes, professional self-reflection events like Courageous Conversations. It also includes the implementation of ethical standards prescribed by standard setters like IESBA and SARS which have significantly expanded ethical requirements.

The global profession has also sought to address this problem when it introduced the NOCLAR (Noncompliance of laws and regulations) in 2017, which SAICA also adopted and communicated to all members at the time. NOCLAR is an escalation framework built on the principle that members of the profession cannot turn a blind eye or just walk away when they notice wrongdoing, but must take active steps as set out in the framework to address non-compliance. This obligation is on all professional accountants, therefore all SAICA members, and requires members to document what steps they took when they became aware of NOCLAR. Non-compliance with the framework is in itself a contravention of the SAICA Code of Professional Conduct. You can find more information and guidance on NOCLAR [here](#).

17. Trust in RAs is at 74% whereas trust in CAs(SA) is 80%+ - when auditors get their information from CAs - how can trust in CAs in practice be greater than trust in RAs when RAs obtain their information on audits from CAs?

Trust in RAs is lower than trust in CAs(SA), due to the ongoing negative media reports regarding auditors. SAICA strongly promotes the positive reputation of CAs(SA) in the media and as such, there is a differentiation in trust in auditors versus trust in CAs(SA).

It is also important to note that no two designations will have exactly the same market standing and reputation. Market perceptions are real, irrespective of whether these perceptions are accurate or not.

18. State Capture involves 2 parties (at least), so the beneficiary companies should be being audited and yet these potentially illegal transactions appear not to have been reported by the audit firms

SAICA expects all its members to uphold its 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. As a matter of course, SAICA investigates all allegations against individual members.

SAICA also urges members who are aware of other members' alleged malfeasance, to follow our official complaints process. We can only investigate matters if we are aware of them.

As mentioned, SAICA monitors the media daily to ensure that we remain aware of all allegations against our members that are being reported in the media. But for those matters who do not reach the media, we rely on the rest of our members and members of the public to do the right thing and report malfeasance via the appropriate channels.

Information on SAICA's complaints process can be found [here](#).

19. I feel SAICA is very responsive rather than being proactive and taking the first steps. SAICA only responds, it does not act.

If this question relates to disciplinary matters, SAICA can only act on allegations when they are aware of them. As mentioned in the answer to the previous question, SAICA monitors the media daily to ensure we stay abreast of allegations against our members that the media is reporting on, but we can only rely on the public and fellow members to lodge complaints should they become aware of any wrongdoing by a SAICA member.

If this question relates to other matters, for example, ensuring that our members have the competencies and skills to do the right thing, then SAICA is proactive.

We encourage our members to read our regular communication to stay aware of the advocacy work SAICA is involved in as well as the seminars and events offerings which form part of the greater member value proposition.

20. Can complaints against members be made anonymously?

Yes, you can file a complaint anonymously, however, keep in mind that we need to engage with the complainant to obtain the necessary evidence, so complete anonymity is sometimes difficult. SAICA does not receive many anonymous complaints.

21. I believe the RA profession is in a difficult position. So much red tape necessitates big resources then if you qualify you lose a big audit? Can SAICA's executive comment on this?

We understand the challenges faced by our members in the assurance space. Our role as SAICA is to engage with the regulator around some of the regulatory issues and find solutions to those. We will continue communicating to our members in this regard. We encourage our members to read the ASA magazine and SAICA newsletters to stay abreast of the most recent information and updates.

GROWTH AND TRANSFORMATION

22. The number of students studying BCom has greatly decreased in the last few years. What is SAICA doing to encourage students to study BCom and ultimately qualify as CAs(SA)?

We have not seen a great decrease in the number of learners studying BCom degrees. SAICA has actually seen an increase in this regard.

We expected a huge decrease in numbers in 2020/2021 due to the pandemic, however, there is no decrease.

The issues on the intake we do perceive, is in our pipeline. We are seeing a decrease in the number of school students who are taking maths or are achieving at least 60% in maths.

We are partnering with the Department of Basic Education to support learners with maths at a basic education level. We are further working with universities to raise the profile of the profession to ensure there is an interest from learners to study BCom.

We already have a significant number of students in the pipeline, and we further need to ensure we improve the pass rates of our students. We engage regularly with universities to ensure better initiatives are run to improve on the overall success of our students.

23. It is onerous for small businesses to get accredited as trainee offices and I see many opting to set up trainee offices in the SAIPA space as it is less onerous. What is SAICA doing to address this?

At the end of the day, we are chartered accountants, which means we have certain criteria for our accreditation. Our CAs(SA) can more than hold their own anywhere in the world, and that is why we spend a lot of time and resources on looking after the quality of our training environment, the qualifications standards, the accreditation criteria, and that is why our CAs(SA) are properly prepared to work anywhere in the world.

We further have a dedicated team who help small businesses to set themselves up as training offices. Ultimately, quality is paramount to SAICA and we will not compromise on quality. We are there to help, but we will remain proud of the fact that we have high expectations.

24. I find the 'partnership' between SAICA and training offices hugely onerous on the training office assessor / training officer. What is SAICA's role in the partnership?

Please also refer to the answer to question 23. Our members can compare with the world's best professional accountants, and in many instances they are sought after. This is thanks to a premier designation and top-quality training.

We offer a lot of guidance and free training for all the training offices, but we can only assist with specific matters if these are reported to us and brought to our attention.

When training offices need SAICA's guidance, they are welcome to get in contact with our dedicated team who will help them find a solution to a specific challenge they may be facing.

25. With the COVID-19 pandemic, how is SAICA adjusting the training program and ratings to adapt to the future of work as more work will be done remotely?

SAICA works according to a collaborative approach:

We have been engaging with the training offices regarding the CA2025 framework to ensure training offices are adequately prepared. A number of the training offices have already requested to start implementing the CA2025 program.

Many people are currently working remotely, which brings challenges of supervision, mentoring and guidance because training offices are not seeing their trainees face-to-face on a daily basis.

Therefore, even the way trainees are managed has changed.

We have brought a number of CEOs of these training offices together to talk about how they are dealing with the challenges brought about by the pandemic, as well as how they are preparing themselves and their trainees for the future and how SAICA can assist them.

SAICA is deliberate in its purpose to help trainees grow, because it ensures that we deliver well-rounded CAs(SA) who can compare and compete with the world's best.

You may already know that we updated our training regulations last year due to the pandemic, but it remains the training office's prerogative on how best they supervise and manage their staff. We're working closely with training offices to ensure that their approach works and that it's done according to SAICA's standards.

ORGANISATIONAL SUSTAINABILITY

26. Where do you see the profession and SAICA as a governing body in 5 years' time?

SAICA has to ensure that decision-makers / policy makers understand what the profession can do and that we take action on issues that serve the public interest, while ensuring that our members are served properly.

The environment is changing quickly regarding the way in which we need to do things and where our focus needs to lie, for example with CPD and the CA2025 program that introduced a competency framework to ensure our members remain relevant for the future.

We will also focus on showcasing to the business decision-makers, our members and the public at large the importance of our profession.