

a year of building on our reputation
annual review australia & new zealand
2005





A



B

ACCA's **reputation** around the world is a product of the hard work and talent of our thousands of members, past and present. This review details how we have worked together over the past year to build on that **reputation** – how we have promoted the profession and developed the knowledge and careers of those who work within it. We would like thank ACCA members, students and employers and also extend our gratitude to committee members, staff, sponsors and endorsers for their involvement and dedication to ACCA.

A
Richard Francis, Head of ACCA
Australia & New Zealand

B
Allan Drew, Chair of ACCA
Australia & New Zealand



C



D

Building on our reputation

FORGING PARTNERSHIPS AND ALLIANCES

The CFO Forum

The CFO Forum, a joint initiative of ACCA and IBM Business Consulting Services continued to raise its profile and activities during 2005. Five forums were held – three in Sydney and two in Melbourne. Speakers and moderators included Fraser MacKenzie, CFO, Coles Myer, Chris Powell, CFO, Zurich Insurance, Bob Pritchard, Dr John Laker, Chairman, Australian Prudential Regulation Authority (APRA), Nick Farr-Jones and Iain McCusker, ACCA's Managing Director – Strategy and Development.

ACCA was pleased to attract over 60 CFOs from Australia's largest listed, multinational and government organisations and would like to thank the involvement of our senior FCCA members.

Three issues reports were generated from the forums on the topics of business intelligence, risk and compliance and business transformation. Copies of these reports can be downloaded at www.accaglobal.com.

ACCA is committed to continuing the CFO Forum and other senior financial professional initiatives in 2006, as recent member research has confirmed that 20% of our Australian member base are CFOs and an additional 32% hold senior financial and/or executive positions.

Reputational risk

ACCA and Canon Australia co-hosted two forums to discuss and debate the findings of a whitepaper on the relationship between reputational risk and poor document management. The whitepaper titled "*Document risk and the fate of your organization*" was published by the University of New South Wales and sponsored by Canon Australia.

The forums involved 38 middle to senior financial professionals, who were predominantly ACCA members working across a diverse group of organisations. Guest speakers included Philip Argy, Partner, Intellectual Property and Technology Group, Mallesons Stephens Jaques and Professor Wai Fong Chua, Head of School, School of Accounting, University of New South Wales.

The views and key findings from the forums have been compiled into an issue report titled "*The dangers of digitization: managing the risks associated with electronic documents*". A copy of this report can be downloaded from www.accaglobal.com

IIA

The Institute of Internal Auditors (IIA) and ACCA have signed a global partnership agreement. Under the agreement, the two organisations will cooperate, collaborate and share resources across their global networks of offices and affiliate bodies.

Under this agreement, ACCA will strongly advise its members that any internal audit work they conduct should be performed in accordance with the IIA's International Standards for the Professional Practice of Internal Auditing and the IIA's Professional Practices Framework.

ENGAGING MEMBERS

CPD

ACCA held 37 CPD events across Australia and New Zealand during 2005, representing an increase of more than 25% in events and member

C
Fraser MacKenzie (FCCA), CFO, Coles Myer, talks with Julie Raffe, CFO, Village Roadshow, at the CFO Forum on business transformation

D
Nick Farr-Jones with Chris Campbell (FCCA), Senior Risk Manager, ING, at the CFO Forum on business transformation



A



B



C

Building on our reputation

attendance from 2004. A mixture of technical, business management and soft skills presentations were arranged to cater for the growing member and student base.

The events included presentations by:

- Dominic Moore and Daoud Edris, Senior Consultants from Hamilton James & Bruce on impressing the CFO
- Chris Gabriel, former Director, Finance for Optus Business on career planning and the skills required to become a finance director
- Tony Hallam, Partner, PricewaterhouseCoopers (PwC) on the skills sort and opportunities available within PwC
- John Judge, CEO, Ernst & Young New Zealand on key professional issues
- Peter Robinson, Vice President, Operations Planning for BlueScope Steel with Prof. John Gattorna and Prof. Phillip Scott, Co-Directors of the Centre for Supply Chain Research, The University of Wollongong on Supply Chain Management
- Rusty Donnell, Director, Recovery & Reorganisation, Grant Thornton Auckland Limited on wider accountancy issues

- Russell Bell, Executive Director, Aon New Zealand on risk management

In 2005, ACCA also started to negotiate special invitations for members to attend external events including the IBM Forum and short courses held at Sydney Business School.

Issue groups

In June 2005, ACCA launched its first issue group in conjunction with the Centre for Supply Chain Research on the topic of “building sustainability into the supply chain”. Subsequent issue groups have explored and debated emerging opportunities and concerns in the accountancy arena. Six issue groups are planned for 2006.

NURTURING STUDENT DEVELOPMENT

The number of ACCA students sitting exams in Australia and New Zealand in 2005 rose by approximately 15%.

ACCA exhibited at the Association of Finance and Accounting Academics in Australia and New Zealand (AFAANZ) in Melbourne on 3-5 July.

We also hosted stands at career fairs at the University of New South Wales, UTS, Sydney University and Macquarie University and we undertook ten university visits to leading universities in Sydney, Melbourne, Perth and Auckland.

The *accelerate* program has an ever-increasing student base and we are pleased to announce that a work experience program with multinational organisations will be launched in 2006.

OTEN, the distant learning arm of TAFE NSW, assisted many of our students with pre-examination preparation courses during 2005.

SUPPORTING SUSTAINABILITY AND CORPORATE RESPONSIBILITY

The ACCA Australia & New Zealand Sustainability Reporting Awards for 2004 attracted 34 entries with a strong representation from the utilities, mining and resources sectors. Awards were presented to Watercare, IAG, BHP Billiton and VicSuper at a ceremony held on 4 May 2005.

ACCA secured a high profile judging panel including representation from

A
Michael Bencsik (FCCA), CFO, HSBC, addresses the ACCA/Canon reputational risk forum

B
Philip Argy, Partner, Intellectual Property and Technology Group, Malletts Stephens Jaques, presents at the ACCA/Canon reputational risk forum

C
Allen Blewitt, Chief Executive, ACCA, with Allan Drew (FCCA), 2005 chair for the Australia & New Zealand committee, and David Mortlock (FCCA) at Allen Blewitt's CPD presentation to members

“Member research conducted in October 2005 shows that 20% of our Australian member base are CFOs and an additional 32% hold senior financial and/or executive positions.”



D

academia, NGOs, industry and commerce, and government. The judges praised the increased standard of reporting but conveyed their disappointment at the continued low rate of reporting across Australia and New Zealand. As such, they welcomed some baseline level of mandatory disclosure on environment and social issues.

CFO Magazine carried a cover story in its June issue on the topic of sustainability and the Awards program.

The ACCA Australia & New Zealand Sustainability Reporting Awards for 2005 were launched on 11 November by the Hon. Senator Grant Chapman, Parliament of Australia. The Awards launch, sponsored by KPMG also included a welcome from Allen Blewitt, ACCA Chief Executive and presentations from Charles Berger, Legal Advisor for the Australian Conservation Foundation and Stirling Habbitts, Senior Manager, KPMG Sustainability Services.

The Awards program has been sponsored by KPMG since its inaugural launch in 2001 and endorsed by the New Zealand Business Council for Sustainable Development (NZBCSD)

over the past two years. ACCA is pleased that KPMG and NZBCSD will continue to be the sponsor and endorser for the program in 2006.

In addition to our own Awards program, ACCA plays an active role in campaigning for the right regulatory environment for sustainability reporting. As part of this role, ACCA submitted a paper to the Joint Parliamentary Committee on Corporate Social Responsibility in October 2005.

TACKLING THE BIG ISSUES

Skills shortage

In 2004, ACCA raised the skill shortage issue in conjunction with the launch of the “World’s your Oyster” research report. This issue continued to be one of the most reported concerns for employers, recruitment consultants, financial media and the wider business community during 2005.

In response to this issue, ACCA embarked on a three-stage research project that will examine the experiences of migrant accountants in Australia and New Zealand and ultimately address the benefits of skilled migration. The final results of

the research program, sponsored by Hays recruitment, will be delivered in early 2006.

Corporate governance

Recent member research showed that 62% of our members believe acquiring technical skills in relation to corporate governance is still the number one priority.

ACCA regularly comments on the state of corporate governance in Australia and New Zealand via media, forums and government channels. As part of our efforts, ACCA has launched a joint research project with Canon Australia to see who is responsible for corporate governance across different industries.

Tax

Tax continues to be one of the top four issues facing accountants, with approximately 50% of our members indicating that tax reform and international taxation need to be placed back on the government’s agenda list.

In August 2005, ACCA welcomed senior partners for tax from Deloitte’s state offices to present and debate the latest trends in the Australian tax environment.

D

Iain McCusker, Managing Director – Strategy and Development, ACCA, presents to members in November



A



B

Building on our reputation

In December 2005, ACCA commissioned Professor Sinclair Davidson from RMIT University to prepare a paper on the benefits of a flat tax regime. The paper will be released in the near future.

Risk and compliance

Risk and compliance has become the fastest growing issue facing accountants. More than 55% of our members believed that further clarification of standards and education was required in this area.

Research has also shown that risk and compliance has moved from being the top priority of the financial services sector to a much wider priority for all industries.

SAFEGUARDING OUR REGULATORY RECOGNITION

ACCA maintains statutory recognition for audit and insolvency purposes in Australia, New Zealand, the United Kingdom and other countries around the world.

Statutory Recognition

Australia: The ACCA qualification is recognised as a prescribed body for insolvency purposes under the

Corporation Act 2001, section 1282 and for audit purposes by ASIC under Practice Statement 180 Auditor recognition, which reads

[PS 180.18] In particular, if you have overseas auditing experience and qualifications, you must give us evidence that you have at least three years of practical experience in company auditing in a country that we consider to have auditing standards that are equivalent to Australian standards. We will recognise as having auditing standards that are equivalent to Australian standards:

- the United States; and
- those countries whose professional accountancy bodies are members of the International Federation of Accountants (IFAC) and who apply all, or substantially all, of the International Standards on Auditing issued by the IFAC's International Auditing and Assurance Standards Board. We may require confirmation of this fact from your overseas professional body.

New Zealand: ACCA is recognised in New Zealand legislation for registration to perform statutory

audit work. ACCA is gazetted under the relevant act (Under Section 199 of the Companies Act 1993:

Qualifications of Auditors) in New Zealand. An ACCA member can practice as long as they hold an ACCA public practice certificate (with audit qualification) in their country of origin.

United Kingdom: ACCA has identical statutory recognition as the Institute of Chartered Accountants in England and Wales (ICAEW) by the Department of Trade and Industry (DTI) - 1989 Corporations Act - for the purposes of statutory auditing and receivership.

A
Hon. Senator Grant Chapman, Parliament of Australia, launches the ACCA Australia & New Zealand Awards for Sustainability Reporting 2005

B
Charles Berger, Legal Advisor for the Australian Conservation Foundation, presents at the Awards Launch

“ACCA maintains statutory recognition for audit and insolvency purposes in Australia, New Zealand, the United Kingdom and other countries around the world.”

Committee

ACCA AUSTRALIA & NEW ZEALAND COMMITTEE AS AT DECEMBER 2005

Chris Campbell
chriscam@dot.net.au
Chris.campbell@ing.com.au

Simon Coad
Simoncoad@broadwaymgt.com.au

Barry Cooper
barry.cooper@rmit.edu.au

Allan Drew, Chair
agdrew@ozemail.com.au

Malcolm Ferguson
Malcolm.Ferguson@BHPBilliton.com

Richard Francis
rdfrancis@optusnet.com.au

Martin Kelly
kelly@mngt.waikato.ac.nz

Janet Ha Le (Le Thi Thu Ha)
Ha.t.le@au.pwc.com

Isabelle (Muyuan) Li
isabelle.li@optus.com.au

Simon Morris
simon.morris@cdu.edu.au

Tony Naughton
Tony.naughton@rmit.edu.au

Jim Routledge
jim.routledge@aon.co.nz

James Woodward
James@InControlGroup.com

ACCA Australia & New Zealand

Suite 707 109 Pitt Street Sydney NSW 2000

tel: +61 2 9233 1242 / email: ausnz@au.accaglobal.com / www.accaglobal.com

© The Association of Chartered Certified Accountants, 2005

Print code: ACCA-100007