

Global Focus on Challenges Facing SMPs and SMEs

The IFAC's first global forum has identified the "need for appropriate financial reporting standards" as the biggest challenge facing SMEs and SMPs. The forum stressed that in an increasingly globalised economy, SMPs should continue to explore new ways to support the growth and accountability of SMEs. The financial reporting standards for SMEs and SMPs will have to focus on reducing the associated cost of compliance, the forum observed.

More than 130 people attended the forum organised in New York recently. Chairing the forum, the IFAC SMP Committee chairman Sylvie Voghel said the Committee is taking a two-pronged approach to helping SMEs and SMPs converge and comply with international auditing and accounting standards. Current projects include publishing an International Standards on Auditing Guide for SMEs and developing a web-based knowledge resource for SMPs. Additionally, IFAC regularly responds to exposure drafts of international standard setters where an SMP or SME focus is needed.

IFAC Member Body Compliance Survey: Part 2 Results Out

Over 95 IFAC members and associates submitted responses to Part 2 of the Member Body Compliance Program, indicating the activities that meet the requirements of IFAC's Statements of Membership Obligations. Finalised reports containing information about the professional standards, quality assurance and investigation and discipline programs in place for professional accountants are in the process of being posted to the IFAC website and are accessible to the public. Over 150 member and associate responses to Part 1 of the Compliance Program can also be viewed.

(www.ifac.org)

17th World Congress of Accountants in November 2006

The stage is set for the 17th World Congress of Accountants that will be held in Istanbul, Turkey, during November 13-17 this year. Organised around the theme, 'Accountants: Generating Economic Growth and Stability Worldwide', the Congress will feature plenary sessions and workshops on a wide range of accounting, auditing, ethics and financial management issues. Information about the list of internationally recognised speakers, or about registration for attending the Congress, is available at the website <http://www.wcoa2006istanbul.org.tr>. About 5000 delegates from all over the world are expected to attend the WCOA 2006 Congress.

(www.wcoa2006istanbul.org)

Forensic Accounting Fast-Growing Field in the US

Forensic accounting is one of the fastest growing fields in the United States today. According to the US News and World Report, The Association of Certified Fraud Examiners, a related specialty, grew to 25,000 in 2002 from 5,500 members in 1992. With billions of dollars lost each year to fraud, businesses are changing their approach from detection to prevention. Forensic Accountants are now being seen as a new breed of crime scene investigator — detectives with a difference, tracing everything from hidden revenues to the financing of 9/11.

(<http://thechronicleherald.ca>)

NY Board Tightens Rules for CPAs

The New York State Board of Regents has with effect from July 13, 2006 revised the definition of "unprofessional conduct" for CPAs licensed by the state to include disciplinary actions taken by the Securities and Exchange Commission (SEC) and its Public Company Accounting Oversight Board (PCAOB). This means that accountants or accounting firms disciplined by either of these bodies can now be subject to censure, reprimand and revocation of their licences. The board has also expanded the definition of unprofessional conduct to include any settlement with those agencies where a CPA admits no wrongdoing but is still stripped of the right to practise at a public company. The new provision apparently resolves a disciplinary anomaly. Without the added state-level regulatory teeth, accountants punished by the SEC for public company wrongdoing have been free to provide services to private companies and other organisations. The need for the state to oversee CPAs more tightly and punish them for wrongdoing came to light in the wake of Enron's activities in 2002, when 'Crain's New York Business' reported that out of New York State's approximately 50,000 licensed accountants, only 16 were disciplined by the state in 2001, and only one was reprimanded on professional grounds.

(www.accountingweb.com)

British Accountants Denied Easy Access to Europe

British accountants will be denied previously proposed European Union (EU) rights to freely provide services in all 25 EU member states. On July 24, 2006, the EU Council of Ministers for competition formally approved a watered-down services directive, initially designed to allow EU accountants and other service providers to work across the Union, under their home country's regulations. This proposal generated protest from countries such as France, which jealously guard their professions' prerogatives. So, as a result, a less liberal directive has now received its first reading from the Council and the European Parliament. As well as abandoning mutual recognition of foreign EU controls, the amended directive explicitly excludes all financial services from the remaining rights it underpins, such as the freedom to offer services, though under the host country's control.

(www.accountancyage.com)

UK Firms Anticipate Shortage of Skilled Accountants

A third of the United Kingdom's commerce and public practice organisations are planning to recruit for accountancy roles over the next 12 months. According to a research, about a quarter (23%) of the 690 firms surveyed said they were implementing new recruitment initiatives. However, just under half (45%) expected to struggle to find accountancy professionals in the next few months. The research shows that there has been a strong growth in finance jobs over the past 12 months. This underlying confidence in the accountancy recruitment market is further demonstrated by the fact that 21% of accountants intend to change jobs.

(www.personneltoday.com)