

### **IFAC Backs SMPs-SMEs; to hold 2010 World Congress of Accountants in KL**

The Board of the International Federation of Accountants (IFAC), at its first meeting in Beijing recently, has taken several initiatives to support small and medium enterprises, and has approved Malaysian capital Kuala Lumpur as the venue for the 2010 World Congress of Accountants. Recognizing the challenges faced by small and medium practices (SMPs) in applying ISAs to the audits of small and medium enterprises (SMEs), the IFAC Board has approved a project to develop guidance materials on ISAs for use in SME audit engagements. This new guidance will be based on ISAs effective as of December 31, 2006 and is scheduled for publication in early 2007. The Board also expressed support for 'development of a new web-based resource, the IFAC KnowledgeNet for Professional Accountants in Business, which will be launched on 2<sup>nd</sup> October 2006.

**Paper on Developing Business Plans for SMEs:** The IFAC's Professional Accountants in Business (PAIB) Committee has released a new information paper titled *Business Planning Guide: Practical Application for SMEs* that provides guidance on developing a business plan for small and medium entities (SMEs), including how to develop a corporate values statement and manage business risks. For details visit <http://www.ifac.org/store>.

### **Demand for International Accounting Expertise Soaring in China**

Demand for international accounting expertise is soaring in China as giant state-owned enterprises seek listings overseas, smaller domestic companies prepare to adopt new accounting standards and the Chinese subsidiaries of foreign companies continue to grow. This has led to the big four accountancy firms planning to boost their staff numbers in China by more than 20 per cent this year as they grapple with staff shortages that threaten the government's attempts to boost investor confidence in the domestic stock market by promoting accurate accounting and independent auditing. Even after the launch of economic reforms in 1978, accountants continued to use a Soviet book keeping system designed for a centrally planned economy. This has resulted in a severe shortage of accountants with seniority and knowledge relevant to its modern economy.

([www.theaustralian.news.com](http://www.theaustralian.news.com))

### **Number of Female Accountants Rising in the US**

Women now make up more than 60 per cent of all accountants and auditors in the United States, according to a report by Clarion-Ledger. That is an estimated 843,000 women in the accounting and auditing work force. By 1951, there were only some 500 female certified public accountants. The predictions made in a 1984 report by the AICPA Future Issues Committee have come true for the most part. The report made a point that women would probably constitute more than half of the accounting profession in 20 years, according to the June 1989 CPA Journal Online. In the same direction, BusinessWeek reports that women-owned businesses have grown at 28 percent between 1997 and 2004, according to the Center for Women's Business Research. This number is three times the growth rate for all U.S. businesses. The study has also found that women ran their companies more efficiently using advanced technology, such as technology tools and accounting software.

([www.accountingweb.com](http://www.accountingweb.com))

**'To Be Good To Yourself Is Good For Nothing'**

### **2005 Annual Report of IFAC Lists Achievements**

The IFAC has issued its 2005 annual report which lists a series of achievements of the IFAC its independent standard-setting boards, including the 'strengthening of standard-setting processes; development of good practice guidance to help developing nations build accounting capacity; and the release of an updated international Code of Ethics for Professional Accountants. The Code, which becomes effective June 30, 2006, applies to all professional accountants, including those in public practice, business, industry, and the public sector. As per the Report, one of the most significant events of 2005 was the formal establishment of the Public Interest Oversight Board (PIOB), whose works are detailed in its first public report that may be downloaded from <http://www.ipiob.org>. The full report can be accessed at <http://www.ifac.org/about>.

### **One in three Future Accountants in Australia Overseas Bound**

Australian businesses wanting to recruit and retain talented accounting staff are preparing for the emergence of generation Y, who are driven by a desire for greater work life balance rather than personal wealth, a survey by Australian Institute of Chartered Accountants has revealed. The Institute's national survey of 960 accounting students from universities across Australia shows that up to one in three accounting students would prefer to move overseas in the next three to five years in order to progress their future careers. Some 75.5% of respondents indicated career opportunities and diversification as the reasons why they studied accounting. Only 4.4% agree that salary is a primary motive for their career choice. To stem the flow, the Institute has been actively lobbying the federal government and has recommended that the government make it easier for foreign students to stay and work in Australia once they have finished their degrees. It has also recommended that the Government make Australia a more attractive place for professionals to work.

*(www.qbr.com)*

### **More and More Accountants Seek Jobs Online**

The online job search in the United Kingdom has emerged a hit among the accountants in United Kingdom. In the area of accountancy, 74% of people looking for work have applied for a job they found online, with 68% obtaining an interview and 50% getting the job. As in other professions, it highlights a transformation in how firms fill vacancies, according to the National Online Recruitment Audience Survey 2006 by Accountancy Age, in which 18,724 online jobseekers revealed their tactics. As many as 12 million people in the UK are now searching the web for work. Online recruitment has been going for just over ten years and is now worth approximately £200m in the UK, a year-on-year increase of 50%. In banking and financial services, for instance, 86% of people looking for work have applied for a job they found online. Just 6% of respondents put a hard copy of their CV in the post.

*(www.accountancyage.com)*