

**'CA: Nothing Less'**

"CA: Nothing Less" is the message of a new ad campaign designed to enhance awareness of the Chartered Accounting profession, while reinforcing the integrity, independence, high standards and international recognition that distinguish CAs.

"The Institute of Chartered Accountants of Ontario has launched this campaign in Toronto to convey what makes the CA designation pre-eminent in the field of accounting in a way that is meaningful and yet simple," said Institute President and CEO Brian Hunt, FCA. "That meant differentiating ourselves with messages that are as bold and clear as the slogan 'CA: Nothing Less.'"

The campaign print ads and billboards offer simple statements, such as

"CAs speak many different languages, including bank" and "Only hindsight has better vision than a CA." The print and radio ads are available on the Institute website [www.icao.on.ca](http://www.icao.on.ca).

(Source: LA Times)

**JJ Irani Committee Moots Stiff Penalty for Defaulters**

Setting its sights firmly on improving corporate governance and freeing the entrepreneur from legal rigmarole, the JJ Irani Committee on Company Law has proposed a clutch of measures to speed up incorporation and liquidation of companies. It has also mooted steps to minimize government intervention in management of companies.

To safeguard minority shareholders' interests, the panel has brought in additional elements of accountability and liability of independent directors, besides unburdening auditors from promoters' undue influence.

In its report given to the Ministry of Company Affairs, the panel recommended strengthening of penal provisions and empowerment of Registrar of Companies (RoCs) to impose penalties sans imprisonment. Even while allowing corporates to operate with intricate structures involving any number of subsidiaries, the committee has prescribed consolidation of accounts of the holding company with subsidiaries to ensure verity.

It has suggested that mergers and acquisitions be approved by a single forum in a time-bound manner. Also, any corporate debt restructuring could be cleared – subject to liquidity test safeguards/security pool – if 75% of secured creditors give their consent, regardless of minority dissent.

Full text of the JJ Irani Committee report is available at the website of Ministry of Company Affairs on the weblink [http://dca.nic.in/report\\_expert\\_comt.htm](http://dca.nic.in/report_expert_comt.htm). (expressindia.com)

**Watchdog to Monitor Accountants in Australia**

Accountants in Australia could face fines of up to \$220,000 if they provide misleading advice on self-managed super funds (SMSF). The Australian Securities and Investments Commission's (ASIC) has warned that limitations applied to the licence exemptions on SMSFs for accountants, and that accountants would be subject to increased surveillance as a result of super choice.

Accountants who do not have an AFSL [Australian Financial Services Licence] are only allowed to advise a client on the establishment, operation, structuring and valuation of an SMSF, not about investment strategy or whether a client should switch their superannuation savings to one. The ASIC aims to protect consumers whose superannuation funds were insufficient to justify the costs associated with SMSFs, and those who lacked the time or skills to manage their own funds.

The maximum penalties would only apply in cases where accountants had repeatedly failed to meet their obligations, or misled and deceived their clients.

(Source: moneymanagement.com)

**Accounting Industry Backbone of Business**

The accounting industry came under global focus as more than 300 delegates from across the finance sector gathered in Dubai to take part in the first-ever World Accounting Summit recently.

The accounting industry is the "backbone of business," said Dubai Chamber of Commerce and Industry (DCCI) president Obeid Al Tayer in opening statement on the occasion. One of the main topics of discussion at this first meeting was the global alignment of International Financial Reporting Standards (IFRS) and their implications for improved corporate governance.

IFRS would go a long way in rebuilding the credibility of an industry that has still not fully recovered from the international corporate scandals of Enron, WorldCom, Parmalat and others, if it is properly developed and enforced. Noting that work remains in restoring public confidence, Talal Abu-Ghazaleh, President of the Arab Society of Certified Accountants, called for effective regulation of the accounting profession.

Speaking on the occasion, President of US-based International Federation of Accountants Mr. Graham Ward said having a multiplicity of accounting, auditing and other standards around the world is against the public interest.

(Source: Khaleej Times)

**IFAC Member Body Compliance Survey Results**

Over 50 responses to Phase 1 of the IFAC Member Body Compliance Program have been posted to IFAC's website. The responses provide insight into the regulatory and standard-setting frameworks in member body countries. The purpose of the Member Body Compliance Program, approved by the IFAC Board in July 2003, is to implement a process to monitor and assess compliance with IFAC's membership obligations. The program is being conducted in two parts:

Part 1 - Assessment of the Regulatory and Standard-Setting Framework (provides information about regulatory requirements and standard-setting processes in member body countries); and

Part 2 - Member Body Self-Assessment (provides information on compliance by member bodies with the Statements of Membership Obligations).

Part 1 was distributed in March 2004 with a response date of June 1, 2004.

**Enron accountants' conviction overturned**

America's Supreme Court has overturned the 2002 criminal conviction of Enron Corp.'s accounting firm, nullifying with a single stroke one of the government's biggest victories in the corporate scandals that climaxed the bull market of the 1990s.

The court ruled unanimously that the Houston jury that found Arthur Andersen LLP guilty of obstruction of justice had been given overly broad instructions from the federal judge who presided at the trial.

As a result of the faulty instructions, the justices ruled, the firm was convicted without proof that its document-shredding was deliberately intended to undermine a looming Securities and Exchange Commission inquiry in fall 2001.

Legal analysts said the decision is a major setback to the Justice Department's corporate crime prosecutions.

Although a rebuke to the government, the court's decision is little comfort for Andersen and its former employees. The Chicago-based firm has only a staff of 200 left out of the 28,000 people who once worked there.

(Source: USAtoday.com)