



F A S S E T

*Make the future count*



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA

# Learnership & Workplace Based Learning Programme Agreement

## Learning programme details

*Please complete the details of the Learnership if it is a non-Fasset registered Learnership OR select the Fasset registered Learnership (X):*

### Non-Fasset Learnerships

X	No	Title	NQF Level	Learnership Code	Qualification SAQA ID
	34	<b>Diploma: Management (IAC Accounting Officer)</b>	6 Pre 2009	01/Q010029/00/420/6	67694
SETA responsible for Learnership:		FASSET	Quality Assurance Body responsible for qualification:	The Institute of Accounting and Commerce	

### Fasset registered Learnerships

X	No	Title	NQF Level	Learnership Code	NLRD No	Professional Body
	34	<b>Diploma: Management (IAC Accounting Officer)</b>	6	01/Q010029/00/420/6	67694	<b>Prakash Singh</b> (021) 761-6211 / 082 321 4860 ceo@iacsa.co.za

Department of Labour



Republic of South Africa

## LEARNERSHIP REGISTRATION CERTIFICATE

Learnership Registration Number: 01Q01 00290 04206

Title: Diploma: Management (IAC Accounting Officer) Level 6

Awarded to

**FASSET**

**(Financial and Accounting Services SETA)**

This is to certify that the above mentioned Learnership is registered with  
the Department of Labour, effective Wednesday, 10 June 2009  
and that it complies with the Regulations in terms of Sections 36, 16(d), 17(3) and 17(6)  
of the Skills Development Act 1998 (Act No. 97 of 1998)

A handwritten signature in black ink, appearing to be 'S. J. M.', written over a horizontal line.

Director General: Department of Labour

Certificate No. 01413



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Non Profit Company (NPC)    Reg. No. 1981/011981/08

## INTRODUCTION TO THE INSTITUTE OF ACCOUNTING AND COMMERCE

(formerly The Institute of Administration and Commerce)

The Institute of Administration and Commerce (IAC) was established in 1927 as a provider of distance learning education and a professional management institute.

The objectives of the founders were mainly to establish a South African Institute with a national character, which would be able to grant its members, qualifications in the various branches of administration and commerce and which would ultimately obtain recognition as a guarantee for thorough theoretical knowledge and practical experience.

During the years of its existence, the Institute has made a considerable contribution towards the attainment of greater efficiency in the economic life of Southern Africans.

In 2005 the Institute ceased with the provision of education, as it could no longer obtain registration with the Department of Higher Education (DOHE) and the Council for Higher Education (CHE) and operated as a professional accounting and management institute. (It must be stated that no professional membership body is licensed by DOHE or CHE at this moment).

On 25 May 2010 the IAC changed its name to the Institute of Accounting and Commerce to become a professional accounting institute, specialising in the registration of Accounting Officers in terms of section 60 of the Close Corporations Act no.69 of 1984.

### **The IAC is accredited by the following statutory bodies as a Recognised Controlling Body (RCB):**

- |   |                                       |
|---|---------------------------------------|
| • South African Qualifications Authority (SAQA)         | Professional Membership Body          |
| • South African Revenue Services (SARS)                 | RCB for Tax Practitioners             |
| • Companies and Intellectual Property Commission (CIPC) | RCB for Accounting Officers           |
| • Companies and Intellectual Property Commission (CIPC) | RCB for Business Rescue Practitioners |

### **The vision and mission of the IAC are as follows:**

#### **Vision:**

- To be a dynamic world class professional accounting and tax Institute.



Directors: A.W.Bezuidenhout (President), S.T.Cupido (Vice-President), D.M.Johnstone, J.M.J. Lubbe, M.S.Tassiem, T.Mzwakali, D.W.Swanepoel, C.P.Alberts

**Mission:**

- To promote formal learning and the highest professional standards of competence and integrity of its members.
- To take a lead in the assessment and practice of business and public management in Africa.

**The IAC offers the following categories of membership:**

- Independent Accounting Professional (Reviewer)
- Financial Accountant in Practice (Registered Accounting Officer)
- Financial Accountant in Commerce
- Technical Accountant
- Certified Tax Practitioner
- Associate Tax Practitioner
- Business Rescue Practitioner
- Students on Learner-ship
- Students

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INSTITUTE OF ACCOUNTING & COMMERCE

*your future secured*

## **PRACTICAL TRAINING LOG BOOK**

**Trainee Name:**

**Tertiary Institution:**

**Year of study:**

**Student No:**

**Postal Address:**

**Date of registration:**

**Training Officer:**

**Mentor:**

**ATC No:**

**Read the important information inside this logbook.**

## **SUPPLEMENT TO THE LOGBOOK**

### **INTRODUCTION**

The objective of the “Supplement to the logbook” is to provide explanatory information regarding the IAC Practical Training Programme.

Requirements for IAC membership include the completion of the Academic and Practical component:

### **ACADEMIC REQUIREMENTS**

A person must have completed an IAC diploma in Accounting, Cost and Management Accounting and Company Secretaries.

**OR**

A person who have completed an Accounting qualification with a minimum **SAQA rated NQF Level 6 (pre 2009) and NQF Level 7 (post 2009)**.

The qualification must contain the following core subjects:

- Financial Accounting 3.
- Taxation
- Company Law
- Auditing 1 or Internal Auditing 2.

The subject names will differ depending on the Professional Institution.  
The remainder of this document explains the practical requirements in detail.

### **PRACTICAL REQUIREMENTS**

- The training period must be supervised by an Accounting Officer (a member of IAC, SAIPA, SAICA).
- The duration is a minimum of 3 years.
- 80% of the sections listed in the logbook must be completed to the Supervisory level (explained in detail later).

### **GENERAL GUIDELINES**

1. Constitution: Trainees are advised to read the Institute’s Constitution and By-Laws.
2. The Professional Rules and Code of Conduct of IAC is also fully binding on students.
3. Requirements for IAC membership is dependent on the completion of both the Academic and practical component and an entry evaluation.
4. Self-assessment: The student should use the logbook on a regular basis to assess any shortfalls (sections that need attention).

5. Joint assessment: It is advisable for the student and the supervisor to meet Periodically to discuss the programme in the logbook jointly. This will ensure that they are both aware of the sections that need attention.
6. Monitoring visit: A monitoring visit has to take place at least once in the 3 years.
7. Change of employment
  - If a student changes employment during the course of the 3-year training period, the logbook should be updated and the “Employer’s Authentication” section completed before leaving.
  - As far as possible, the student must arrange a monitoring visit before the change of employer takes place.
  - The student and the new supervisor/employer would need to complete a Registration Update Form to notify the IAC of the change in details.

### **PURPOSE OF THE LOGBOOK:**

#### **ON TARGET**

- The training logbook assists in keeping the training programme on target. It clearly outlines the training requirements and thus streamlines the functioning of the training programme.
- If necessary, the logbook can be customised to suit the particular needs of the organisation while still ensuring that accounting standards are met.

#### **JOB DESCRIPTION**

- It presents itself as a detailed and precise job description that could also be used for the induction of new trainees/employees.
- In fact, it would assist with the facilitation of any staff changes e.g. rotation, staff on leave.

#### **COMPETENCY**

- The levels of competency ensure that the focus of the training is on **competency**, that is, that the trainees can perform the work and add value to the work environment.
- These levels are assessed, evaluated and recorded in the logbook during the monitoring visits.

#### **REGULAR REVISION**

- There is regular revision of the content and structure of the logbook to ensure that it remains relevant with regards to the changing needs of the profession (including updates in accounting policies and procedures) and any structural changes that may take place in an organisation.
- Together with the monitoring visits, it ensures that there is regular revision of and on the spot progress assessments of the training programme.

## **STRUCTURED FORMAT**

- Due to the structured format, the logbook itself serves as an on-the-spot and up-to-date progress report for the trainee and supervisor/mentor.
- It therefore assists with the student's rotation schedule and ensures overall exposure to functions.

## **MONITORING**

The unique feature of the IAC Training Programme is that an IAC Training Officer and the student's supervisor in conjunction with the logbook personally monitor students at their place of work.

## **WHAT DOES "MONITORING" MEAN?**

A monitoring visit entails the practical assessment of the progress of the student. The logbook is completed during a monitoring visit with the student, supervisor and the IAC Training Officer present. The student's practical experience is assessed on three levels of competence:

Assist	:	the trainee will be involved in work that requires initial instruction and ongoing supervision.
Perform	:	the trainee will be involved in work operating with a degree of independence but after initial instruction will still be subjected to supervision.
Supervision	:	the opportunity to supervise staff may not always be possible due to the employment structure or circumstances in an organisation. A trainee is therefore deemed to have reached the level if adjudged to be competent, and would be able to do so if the opportunity was to present itself.

These competency levels are determined in a combination of ways:

- Firstly, based on the practical answers of the student
- Secondly, according to the supervisor's observations and perusal of the trainee's work on a day-to-day basis.
- Thirdly, work products (examples prepared) of the student are also evaluated and examined.

The monitoring visit and the completed logbook serve as an on-the-spot report of the student's progress. It immediately indicates the areas of work that need more attention. Some organisations also use the monitoring visit and the logbook as part of the performance appraisal process.

## **MAKING AN APPOINTMENT**

1. It is the student's responsibility to arrange the monitoring visits.
2. Please allow at least 6 weeks for an appointment.
3. At least one monitoring visit in the 3 years should be arranged.
4. It is advisable to check with your supervisor when an appointment would be convenient because the supervisor must be present during the monitoring visits.



## **HOW SHOULD THE STUDENT PREPARE FOR A MONITORING VISIT?**

### **The student should:**

1. Read this document and be familiar with policies and procedures with regard to the practical training programme.
2. Read textbooks, technical guidelines, recent changes in Acts/Laws etc. to keep up to date with the theoretical aspects.
3. Discuss the progress in the logbook with his/her supervisor before the monitoring visits
4. Ensure that the supervisor will be available for the monitoring visit. It may be necessary to remind the supervisor the day before the appointment.

## **FINAL ASSESSMENT**

1. In order to complete the practical training component, the student must have a final assessment/monitoring visit.
2. The student must present actual work products, case studies and/or simulations during this visit.
3. These actual work products, case studies and/or simulations will be evaluated and assessed through discussion, explanation and questioning related to all the sections in this logbook.
4. On completion of the 80% requirement, the supervisor and a representative from the IAC will ratify and sign-off the practical training component by completing the relevant sections of the logbook.

## **HOW SHOULD THE STUDENT COMPILE A SET OF WORK SAMPLES?**

This is not prescriptive. The student may present work samples in any format. The following are merely some options:

1. Actual files of various clients (this normally provides samples of all the logbook sections).
2. A composite file with samples as related to the logbook (section for auditing, for taxation, (etc)
3. Case studies/simulated exercised/projects (particularly for sections not covered in the workplace e.g. budgets).
4. A combination of the above.

## **CONFIDENTIALITY**

1. The assessment of work products is for the purposes of assessing the practical experience of the student only. The assessment is conducted in the presence of the supervisor.
2. All information communicated will be treated with the utmost confidentiality. Such information will not be divulged outside of the monitoring visit ambit.
3. If the aspect of confidentiality is of concern, the real names of clients may be omitted from the work products.

## **ACCOUNTING PRACTICE LOGBOOK**

### **EXAMPLES OF TYPICAL WORK PRODUCTS**

Please note: This list is not all-inclusive. Students may add work products as is necessary for the final assessment.

- Working papers
- Financial statements on different entities
- Presentation on computerised accounting e.g. trial balances
- Disclosure
- Interim statements
- Illustration of topics under auditing, e.g. systems documentation, analytical review
- Lead schedules
- All the taxation forms, reconciliations
- Calculations for taxation
- CK forms, letters used for clients
- Association agreements, engagement letter
- Accounting records of CC's/other entities
- Appointment letters/procedures for other entities
- Cash flow forecasts, budgets, actual and variance
- Calculation for capital, finance leases
- Costing calculations (if not possible for actual client – case study)
- Business plan of the practice, organ grams (can be completed as a project)
- Time sheets and link to fee calculation (also as a project if seen as confidential)

### **BRIEF EXPLANATION OF EACH SECTION OF THE LOGBOOK**

The logbook outlines details on the type of work the student is expected to gain experience in and is thus self-explanatory.

#### **AUDITING**

- The alternative heading for the Auditing section could be Internal Auditing.
- It should not be omitted despite the fact that a particular Accounting practice does not have statutory audit clients.
- The areas can be correlated with the work that students are involved in with monthly and year-end clients.

The following is a summary and will also be discussed during the monitoring visit.

LOGBOOK	CORRELATION
PLANNING AND PREPARATION	Similar issues are discussed with new clients
<ul style="list-style-type: none"> <li>• Permanent Notes</li> <li>• Engagement Letter</li> </ul>	<ul style="list-style-type: none"> <li>• All clients files have a section for statutory / permanent documents which differs from working papers</li> <li>• Recommended for all clients</li> </ul>
TRANSACTION TESTING AND VERIFICATION	
<ul style="list-style-type: none"> <li>• Vouching, system based, compliance</li> <li>• Control Objective testing</li> <li>• Review of Financial Statements</li> <li>• Statutory audit checks</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly work/year and vouching e.g. VAT reconciliation</li> <li>• Verification procedures, cross references, supporting documentation</li> <li>• Does not have to be formal/structured ratio analysis only – discussion on statements</li> <li>• Applicable for all clients, particularly with new clients</li> </ul>
REPORTING	Not always formally set out in formal letters but is discussed with client
INTERNAL CONTROL	Continuous function particularly with monthly clients, VAT clients

## TAXATION

The logbook outlines details on the type of work the student is expected to gain experience in and is thus self-explanatory.

## CORPORATE LAW

The background of this section is based on theoretical knowledge of the Close Corporations Act and the Companies Act 71 of 2008 and Regulations (as dealt with in various textbooks and Commercial Law subjects). The IAC working paper file also provides all the relevant information.

Despite having the theoretical background, it is necessary to apply this in practice. In other words, you need to be aware of how the various laws, procedures, duties and responsibilities are interpreted and dealt with in practice.

## **MANAGEMENT ACCOUNTING**

These sections may not be applicable in terms of the additional services offered to clients. The onus rests on the student to prepare for this section in the form of a case study/simulated work samples based on the actual information of clients. For instance, prepare a cash flow forecast, break-even analysis, ratios etc even if the client has not requested these services (in own time).

## **PRACTICE MANAGEMENT**

In order to maximise exposure in these sections, it is recommended that the student attend all staff meetings, in-house workshops and client interviews (initial engagement, review of financial statements, etc.). In view of the confidentiality aspect regarding some of the sections (for instance, fee calculation, staff appointments etc.) the onus is on the student to prepare case study/simulated work samples based on the necessary information available in the Accounting Practice.

## **COMMERCE & INDUSTRY LOGBOOK**

### **EXAMPLES OF TYPICAL WORK PRODUCTS**

The accounting policies and procedures are different at the various corporates. In view of this, the logbook and typical work products will be discussed and explained during the monitoring visits.

Therefore, this list is not all-inclusive. Students may add work products as is necessary for the Final Assessment.

- Budgets
- Variance Analysis Calculations
- Overhead Cost Schedule
- Fixed Asset Register
- Weekly/monthly/quarterly packs
- Cash Books
- Reconciliations: Bank, Creditors
- Policies and Procedures for the various sections
- Purchasing routines
- Internal Audit file/procedures
- Cost reports/schedules/summaries
- VAT invoices/reconciliations
- Monthly/Annual accounts
- Audit Pack
- Tax Pack

## 1. FINANCIAL ACCOUNTING

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE
<b>Basic Accounting Records</b>	Cash Book & bank reconciliation			
	Petty Cash, inventory, control accounts			
	Journals (general, purchases, sales)			
	Ledgers (general, accounts payable, accounts receivable)			
	Trial Balance			
	Writing up books from insufficient records and correction of errors			
	Maintaining fixed asset register & depreciation calculation			
	Computerised accounting			
<b>Financial Statements  (in accordance with IFRS)</b>	Sole Proprietor			
	Partnerships			
	Companies			
	Close Corporations			
	Associations not for gain (clubs)			
	Sectional titles, schools			
	Trusts, Estates			
	Consolidations			
	Deferred Tax			
	Interim reports			
<b>Disclosure</b>	Accounting Officer's reports			
	Compilation / Review Report			
	Notes to the financial statements			
	Notes to the cash flow statements			
	Formulating accounting policies			

## 2. AUDITING AND REVIEW ENGAGEMENTS (ISRE 2400)

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE
<b>Planning &amp; Preparation</b>	Permanent notes			
	Pre-engagement procedures			
	Systems documentation			
	Internal control procedures			
	Authority & signing powers			
	Engagement letter (for audit assignments)			
	Audit risks and materiality			

<b>Transaction Testing &amp; Verification</b>	Vouching tests			
	System based tests			
	Solvency & liquidity tests (going concerns)			
	Association Agreements			
	Appointment Letter			
	Compliance procedures			
	Analytical review			
	Control objective testing: Completeness & existence, accuracy, valuation, ownership, presentation			
	Post balance sheet events			
	Overall review of financial statements			
	Statutory audit checks (share certificate, memo of assoc/articles)			
<b>Reporting</b>	Evaluating systems & weaknesses			
	Representation letter			
	Management letter			
	Audit report (where authorised by legislation)			
	Qualification Report			
<b>Internal Control</b>	Control objectives (general, specific & computer)			
	Methods to determine strengths & weaknesses			
	Routine auditing & verification of existence, ownership, valuation, completeness, accuracy, presentation, etc			
	Reliance on specialists / other professionals			

### 3. TAXATION

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE
<b>VAT</b>	Registration			
	Maintaining monthly records			
	Completion of returns			
	Calculation of penalties and interest			
	Reconciliations			

	Deregistration			
	Audit from SARS			
<b>Income Tax</b>	<b>Registration</b>			
	<ul style="list-style-type: none"> <li>• Individuals</li> <li>• Companies &amp; Close Corporations</li> </ul>			
	<b>Returns</b>			
	<ul style="list-style-type: none"> <li>• Yearly returns (IT14)</li> <li>• Provisional tax (IRP6)</li> <li>• VAT</li> </ul>			
	Review of assessments			
	Objection to assessments			
	Lodge appeal			
	Arrange payment by instalments			
	Deferred taxation			
	<b>Tax Planning</b>			
<ul style="list-style-type: none"> <li>• Fringe benefits &amp; allowances</li> <li>• Tax avoidance</li> <li>• Donations tax</li> <li>• Estate Duty</li> <li>• Residency Tax</li> <li>• Dividends tax</li> <li>• Capital Gains Tax</li> <li>• Turnover Tax</li> <li>• Small Business Corporation</li> </ul>				
<b>Employees Taxation</b>	Registration (PAYE, UIF, Skills, etc)			
	Maintaining monthly records			
	Completion of returns (EMP 201)			
	Calculation of penalties & interest			
	Calculation of PAYE & SITE			
	Reconciliations (EMP 501)			
	Issuing of IRP5's & IT3's			
	Deregistration			

4. **COMPANY OR CORPORATE LAW AND COMPANY SECRETARIAL FUNCTIONS**

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE	
Close Corporations	The CC concept & characteristics and Companies				
	Advantages & disadvantages of a CC vs. Companies e.g., other business entities				
	Steps to form a CC and Companies				
	Completion of all CK forms and COR Forms				
	Membership & member's interest / Share Holding				
	Acquisition of member's interest, administration procedures + Shares (Ordinary and Preference)				
	Conversion from a CC to a Company; practical steps				
	Statutory registration and returns (PAYE, VAT, UIF, WCA, Pension, Industrial Council, Trade Unions etc.				
	Internal relationships between members of a CC (including association of agreement)				
	Meeting of members of a CC				
	Loans by CC to members				
	Powers of members to bind the CC				
	External relationships, and fiduciary position of members				
	Personal liability of members to CC and to others				
	Accounting records to be maintained by CC and Companies				
	Non-resident considerations: founding statement				
	Accounting Officer	The duties of the accounting officer			
		Removal, resignation & vacancy			
		Rights			
		Duties towards Registrar			
Engagements Letters					



		Annual FS, IFRS, reports			
		Deregistration procedures			
		Liquidation procedures			
Other entities (trusts, clubs)		Appointment procedures			
		Duties			
		Financial Statements			
		Report			
		Taxation			
Credit Agreements, insurance contracts, lease conditions, etc.					

### 5. MANAGEMENT ACCOUNTING

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE
Reporting	Management reports (Statement of Financial Position / Statement of Comprehensive Income)			
	Valuations			
	Cash Flow			
	Ratio Analysis			
	Management of costs & overheads			
Budgeting	Forecasting			
	Scenario planning			
	Controlling			
Costing	Capital			
	Finance			
	Product			
	Inventory (FIFO etc.)			
	Cost volume profit analysis			
	Break even analysis			

### 6. PRACTICE MANAGEMENT

		ASSISTING INIT & DATE	PERFORMING INIT & DATE	SUPERVISING INIT & DATE
Planning	Location, client base, PI insurance, business plan			
	Break even, staff appointments			
Implementing	Conduct of meetings, resolutions, assessing clients' needs			
	Pre-engagement activities, procedures of appointments, resignation			

Controlling	Conflict resolution, preservation & maintenance of records			
	Time records, fee calculation, debt management			

**TRAINEE:**

**DATE:**

**MENTOR:**

**TRAINING OFFICER:**

**ASSESSOR:**

## TECHNICAL EXPECTATION ON ANNUAL REVIEW OF THE STUDENT ON LEARNERSHIP

By \_\_\_\_\_

- “Assisting” in Financial Accounting, Independent Reviews, Taxation, Corporate Law / Commercial Law, Management Accounting and Practice Management as per IACSA Log Book.
- “Performing” more than 30 % of the tasks notes in Taxation within the IACSA Log Book.
- IACSA Monitor Visit satisfactory with no outstanding deficiencies

By \_\_\_\_\_

- “Assisting and Performing” in Financial Accounting, Independent Reviews, Taxation, Corporate Law / Commercial Law, Management Accounting and Practice Management as per IACSA Log Book.
- “Performing” more than 60% of the tasks notes in Taxation within the IACSA Log Book.
- IACSA Monitor Visit satisfactory with no outstanding deficiencies

By \_\_\_\_\_

- “Performing” in Financial Accounting, Independent Reviews, Taxation, Corporate Law / Commercial Law, Management Accounting and Practice Management as per IACSA Log Book.
- “Performing” more than 100% of the tasks notes in Taxation within the IACSA Log Book.
- IACSA Monitor Visit satisfactory with no outstanding deficiencies

## Annexure B

### Professional Designation Details

[Please note that the designation information provided underneath will be posted on the SAQA website as is]



<b>Name of Professional Body</b>	Institute of Accounting and Commerce
<b>Designation Title</b>	Financial Accountant in Practice (FAP)

#### Short Description of the Designation:

The Financial Accountant in Practice (FAP) performs duties as an Accounting Officer and provides a number of accountancy related services to companies, close corporations, partnerships, sole proprietors, trusts and various other types of small business and non-corporate undertakings. The Financial Accountant in Practice (FAP) must have acquired knowledge of and demonstrate competence in areas such as Financial Accounting, Internal and External Auditing, Taxation, Company Law, Management Accounting and Practice Management.

Some of the FAP's key duties and responsibilities are to:

- Prepare and sign off Financial Statements for Close Corporations and Companies who's PIS score is below 100 or is owner managed.
- Do an independent compilation or review of Annual Financial Statement for Companies and Incorporates who's PIS score is under 100. The Financial Statements for both Companies and CC needs to comply with IFRS or IFRS for SME's.
- Prepare and sign off Financial Statements for NPO's and PBO's – as long as the organization's constitution and PIS score allows it.
- Can prepare and sign off Financial Statements for a Body Corporate under the Sectional Titles Act 95 of 1986 as long as the number of units is below 10 units, and if there are 10 or more units, the rules must be amended.
- Can prepare and sign off Financial Statement for Trusts if the trust deed allows it.
- Can prepare and sign off Financial Statements for a Sole Proprietor, Partnership and Money Lenders.
- Be allowed to accept the audits of Schools, but this needs to be understood in terms of the School's Act 84 of 1996 as well as the requirements of the Schools Act in the various Provinces.

## Criteria for obtaining the Professional Designation

The following persons are eligible to apply for membership as a Financial Accountant in Practice (FAP) referred to as Accounting Officer:

A person who has completed an IAC diploma in Accounting, Cost and Management Accounting and Company Secretaries.

**OR**

A person who have completed an Accounting qualification with a minimum **SAQA rated NQF Level 6 (pre 2009) and NQF Level 7 (post 2009)**.

**Members of the following Institutes are also eligible for professional membership of the IAC.**

- South African Inst. of Professional Accountants (SAIPA)
- South African Inst. of Chartered Accountants (CA) (SA)
- Accounting Officers of CIMA, CSSA, ACCA

Please note that Members from Zimbabwe who want to register as an Accounting Officer with the IAC in South Africa will have to ensure that in addition to the normal criteria they pass:

- Company Law (in terms of South African Legislation)
- Taxation (in terms of South African Legislation)

The applicant must be compliant with the Institute's code of conduct

All practicing IAC members, who provide a service to the public, are compelled to have professional indemnity insurance.

## Academic Component

For the Professional Designation to be awarded, professionals must comply with the following minimum academic requirements:

Have completed an Accounting qualification with a minimum **SAQA rated NQF Level 6 (pre 2009) and NQF Level 7 (post 2009)**.

The qualification must contain the following core subjects:

- Financial Accounting 3.
- Taxation
- Company Law
- Auditing 1 or Internal Auditing 2.

## Practical / Workplace Experience

To have gained a **MINIMUM** of three years, supervised training (per IAC logbook), under the guidance of a registered Accounting Officer.

**OR**

To have gained a **MINIMUM** of six years relevant, practical accounting experience at a management or supervisory level.

The application must be supported by an affidavit, stamped and signed by a Commissioner of Oaths, verifying the applicant's practical experience, as well as a comprehensive job description.

## Board Examination/Competency Assessment

Once the academic and practical component has been met, an applicant would need to undergo a 3 hour written evaluation followed by a 2 hour oral evaluation, conducted by a registered IAC assessor, covering the following:

- Accounting
- Auditing
- Company Law
- Taxation
- Practice Management

The pass mark for the assessment evaluation is as follows:

- Accounting 80%
- All other subjects 75%.

### **Criteria for retaining the professional designation**

*In order to ensure the currency of professional knowledge and to retain the Professional Designation, the professional must comply with the following minimum requirements*

### **Continuing Professional Development (CPD)**

#### **CPD Requirement for the Accounting Officer:**

Must complete 40 CPD hours per annum (20 structured + 20 unstructured) comprising of at least 4 categories, viz, Accounting (i.e. IFRS), Taxation, Company Law, Auditing & Review Engagements, and any other area in which the applicant specialises in.

### **Code of Conduct**

The code of conduct of IAC members are set out in the Institutes By-Laws. In addition to that, all IAC members are required to sign the IAC covenant, and keep it displayed in their office or practice.

#### **Covenant of an IAC Member**

#### **An IAC Member Shall:**

- 1) Strive to the best of their ability to serve the needs of their clients efficiently and professionally
- 2) Conduct themselves in a manner consistent with the high standards and good reputation of Accountants and the Institute. They shall act with fairness and integrity towards all persons with whom their work is connected, towards other members and in compliance with the letter and the spirit of current statutory and other legal requirements.
- 3) In regard to the affairs of the client, act and perform their professional functions in good faith, honestly and diligently
- 4) Always maintain objective, professional standards and ensure that the legitimate interest of the client being advised is paramount in any recommendations and advice given. Always ensure that the clients' interest will rank ahead of any other business pressure on or business commitment they may have.
- 5) Not attempt to sway the clients judgments to obtain commercial or pecuniary benefit for their employer, associates or themselves
- 6) Only accept that number of clients as an Accounting or partnership of Accounting Officers, may effectively and professionally service

- 7) When requested or by law required to do so, to advise a client on the financial management of a close corporation, company or business entity;
- 8) Not act recklessly or maliciously injure, or attempt to injure, whether directly or indirectly, the professional reputation of another person or company
- 9) Not disclose any aspect of the business affairs of a client to a third party except as required by law or underwritten authority granted by the client
- 10) Ensure that any privileged information from my clients or other relevant source in the course of any assignment is kept confidential
- 11) Report to the client any dishonest or criminal activity discovered in the course of their professional duties
- 12) Have proper regard for the professional standards expected of them and shall not continue in work for which they are not competent without first obtaining such or assistance as is necessary to enable the work to be carried out competently
- 13) Maintain professional independence at all times without control of influence from others and, in event of any potential or current conflict of interest arising, inform all interested parties and offer to withdraw
- 14) Not allow any person to use their practice number even if they are in partnership with such a person;
- 15) Only charge a client for professional services rendered or charge a client fees for professional services at a rate markedly higher than the average rate of fees charged by Professional Accountants for such services;
- 16) Not use any information gained during the provision of professional services to a client, for personal gain either for themselves or for any other person whatsoever;
- 17) Improperly obtain or attempt to obtain work; including failing to send a letter of professional courtesy to the previous accountant of any new or prospective client I may engage.
- 18) Not discriminate against any client, or any employee or contractor of a client, on the basis of race, gender, sex, medical status, marital status, ethnic or social origin, colour, age, disability, religion, culture or language
- 19) I will uphold the honour and integrity of the IAC as a professional body and in so doing undertake to pay my membership subscriptions within 14 days of being invoiced or by no later than 31 December each year, for the ensuing year
- 20) Return my certificate, which always remains the property of IAC, within 21 days, should my membership lapse or be terminated for any reason and will no longer display any certificate in my possession or be entitled to use any designatory letters.

### **Membership Fees**

Membership fees are determined by the IAC Board annually. Fees are payable for the period 1 January to 31 December in each year. Membership fees include professional indemnity insurance and are due and payable on 1 January in each year. If a new member joins during the year, the subscription fees are apportioned from the date joined to 31 December (based on a full month).

**Professional designation progression pathway**

*List from the lowest to the highest*

<b>SEQUENCE</b>	<b>DESIGNATION ID</b>	<b>DESIGNATION TITLE</b>
<b>Accounting</b>		
1.	450	TA- Technical Accountant
2.	451	FAC – Financial Accountant in Commerce
3.	452	FAP – Financial Accountant in Practice
4.	453	IAP – Independent Accounting Professional
<b>Taxation</b>		
5.		ATP - Associate Tax Practitioner
6.		CTP - Certified Tax Practitioner

For more information on this Professional Designation, please visit our website at [www.iacsa.co.za](http://www.iacsa.co.za)