



Asociación Interamericana de Contabilidad
Interamerican Accounting Association
Asociação Interamericana de Contabilidade

Presentación para CILEA

(Basada en un trabajo del Presidente de AIC Juan A. Flores)

3 de Noviembre de 2010

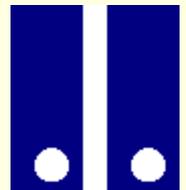
Marseille, France

Dr. Luis A. Werner-Wildner
Primer Vicepresidente de AIC



Agenda

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2. Institutional Strategic Plan
 - Background
 - SOWT Determination
 - Change in Operational Model
 - Six Strategic Goals
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4. Snapshot of Compliance
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6. Challenge for the Future
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8. Our Commitment

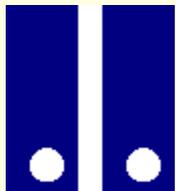


General Information About IAA

- Non-profit organization established in 1949
- Comprised of 29 member bodies from 21 countries
- Over 20 universities are associates
- Nine technical commissions with over 100 volunteer members
- IFAC and IAA have 15 common member bodies

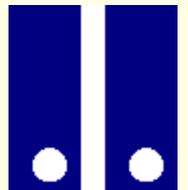
IAA Mission

"Our mission is the integration of all accountants of the Americas, to achieve their professional improvement and development and to reach a strong profession that perform ethically and with transparency before the society"



Institutional Strategic Plan- Background

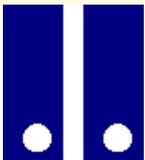
- President Action Plan rather than Institutional Strategic Plan
- Diagnosis and Strategic Planning Commission
- SOWT Analysis
- Became evident that a significant change has occurred as to what the IAA should be, therefore the operational model was changed



Strengths, Opportunities, Weaknesses and Threats (SOWT) Determination

I. Strengths

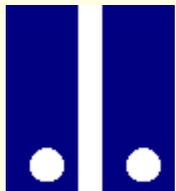
- The IAA gathers 29 member bodies representing almost one million professionals in the Americas.
- The IAA Public Accountants are well known and have extensive expertise in twenty-one (21) countries of the Americas.
- There has always been a great interest of joining the Executive Committee and Board of Directors of the IAA, as well as chairing the Technical Commissions.
- The IAA is the representative of the Americas in IFAC and might have access to various international organizations.
- The IAA might also have access to the Inter-American Development Bank and the World Bank.
- The IAA has close relationships with universities in several countries of the Americas.



Strengths, Opportunities, Weaknesses and Threats (SOWT) Determination

II. Opportunities

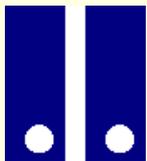
- The IAA has the opportunity of being the promoter and facilitator of our Member Bodies by implementing current changes that are arising in our accounting professional worldwide such as: the IFAC Compliance Program, Professional Certification, adoption of international standards, Implementation of a Quality Control Program, Adaptation of the IFAC Ethics Code.
- For the benefit of the accounting professional the IAA can perform strategic liaisons with international Organizations such as the World Bank, the Inter-American Development Bank, etc.



Strengths, Opportunities, Weaknesses and Threats (SOWT) Determination

III. Weaknesses

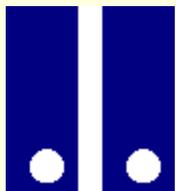
- Member Bodies not fully committed
- The value added of being a member of the IAA has not been recognized
- Lack of economical resources to comply with obligations
- Corporate and Administrative governance ineffective
- Reputation that everything at the IAA is arranged in close elite groups
- We have left the brand of the IAA to lower its profile
- Internal struggles of the Member Bodies have implications at the IAA
- International reputation of the IAA is deteriorating
- The IAA does not market itself properly. There is not an effective communication of what is being done at the IAA



Strengths, Opportunities, Weaknesses and Threats (SOWT) Determination

IV. Threats

- Some countries can lose interest in being members the IAA, worsening the economic situation due to the loss of dues.
- Professionals members might stop contributing to the IAA.
- Other accounting conference (for example CReCER) compete directly with our Interamerican Accounting Conference.
- Other organizations can be created to fill in the apparent gap left by the IAA.
- The IAA can disappear after being around for over sixty (60) years.



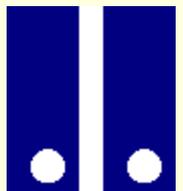
Institutional Strategic Plan-Change in Operation Model

■ Before

The IAA was focused of being the professional standard setting of the accounting profession in the Americas.

■ Now

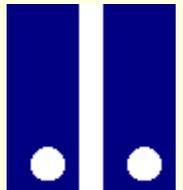
The IAA should act as a facilitator of the member bodies by assisting them with the faithful compliance of worldwide standards and the implementation process of the international accounting and auditing standards.



Strategic Goals

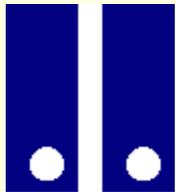
In the IAA Board Meeting held on October 27, 2009 in Cancún, México the following six Strategic Goals were unanimously approved:

1. Link the IAA with member bodies
2. Appropriate representation of member bodies before the international organizations
3. Management restructuring
4. Effectively serve member bodies
5. Improve the effectiveness of the technical commissions
6. Improve the financial position of the IAA



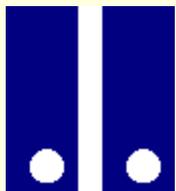
Actions or Activities undertaken in Support of IFAC Work Plan

- Actively participated in a one day meeting held in Panamá where IFAC compliance program was discussed before representatives of Panamá, Costa Rica, El Salvador, Nicaragua and the Dominican Republic.
- Along with Joseph Bryson participated in a one day meeting held in Perú with the Junta de Decanos de Colegio de Contadores Públicos de Perú in order to help them in developing the action plan to fulfill compliance with IFAC Program and avoid their expulsion from IFAC.
- Participated also in a one day meeting held in Guatemala with the Board of Directors of the Instituto Guatemalteco de Contadores Públicos to assist them in developing the action plan to fulfill compliance with IFAC Program. Guatemala is currently suspended from IFAC due to lack of compliance with IFAC Program.
- Met with government authorities in Colombia to discuss their status in implementing the IFRS for both private and government sector and how the IAA can help them.



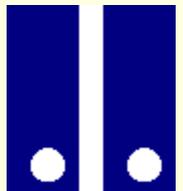
Actions or Activities undertaken in Support of IFAC Work Plan

- Began the IAA quality assurance review program in Honduras in April 2010.
- Nominated Ruben Helouani to the SMP Committee.
- Sponsored three Regional Seminar in Nicaragua, Panamá and Paraguay in which topics related to the IFAC and IASB standards were covered. In Nicaragua emphasis was placed to IFAC Compliance Program.
- A snapshot of the action plan status of the IFAC members bodies represented in our Association was discussed in both, the Executive Committee and the IAA Board Meetings held in Bogotá. Joseph Bryson from IFAC participated as an observer in those meetings.



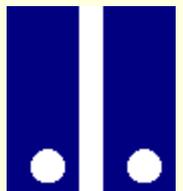
Actions or Activities undertaken in Support of IFAC Work Plan

- Gustavo Gil from Bolivia and Vice-President of Institutional Relationship was appointed to provide advice and assistance to our members' bodies in the preparation of Phase 3 of the Action Plan. Bolivia under the leadership of Mr. Gustavo Gil successfully completed Phase 3 of the Action Plan during February 2010.
- On March 2010 we confirmed our desire to undertake a more active role in CReCER 2010 and requested that the IAA be considered a co-sponsor of such event since we are IFAC Regional Organization in Las Américas. Also, we recommended that for 2011, CReCER be jointly conducted with the 2011 Interamerican Accounting Conference to be held in San Juan, Puerto Rico in August, 2011.
- Three IASB exposure drafts are being translated to Spanish in order to be referred to our Public Sector and Accounting Investigation Committees for their evaluations and comments.



Actions or Activities undertaken in Support of IFAC Work Plan

- In order to promote an effective communications between IFAC, IAA and our common member's bodies, I implemented the policy that an IFAC staff or representative be present in our Board of Directors Meeting as an observer. Joseph Bryson attended last meeting in Bogotá. Joseph Bryson, Gabriella Kusz and Manuel Sánchez y Madrid will attend the next meeting in San José, Costa Rica in August 2010.
- Finally, I have attended to all IFAC and Council Meeting since I took chair in October 2009 and have accepted all invitations to participate in IFAC Committee meetings, such as this one.

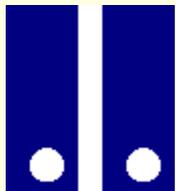


Snapshot of Compliance

- Only 4 common member bodies have published action plans
- A partial or draft action plan have been received from 6 common member bodies
- 2 common members bodies are working on action plans but no draft have been received
- 3 common member bodies are suspended due to failure to submit draft action plans

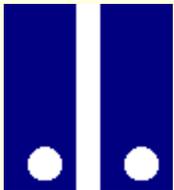
IAA Quality Assurance Regional Program

- Created on May 2003 by the International Peer Review Commission-IAA
- In agreement with the Quality Control Elements of IFAC and AICPA
- Currently in implementation process in Honduras and Paraguay
- Administered from Puerto Rico
- Quality Control Elements
 1. Leadership Responsibilities for Quality within the Firm
 2. Independence and integrity
 3. Acceptance and Continuance of Client Relationship
 4. Human Resources
 5. Engagement Performance
 6. Monitoring



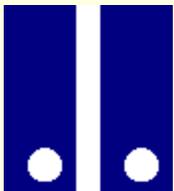
Challenge for the Future

- Assist 11 common member bodies in the completion of Phase III of IFAC Compliance Program with special emphasis on those suspended (Guatemala, Honduras and Perú)
- Promote the implementation of our Quality Assurance Regional Program in at least six (6) countries
- Begin the implementation of the Interamerican Professional Certification Program in 2011
- Re-admission of the United States and Brazil to the IAA



Challenge for the Future

- Jointly conduct CReCER and the Interamerican Accounting Conference in August 2011 in San Juan, PR
- Complete the Constitution approval process related the IAA Corporate Governance
- Eliminate the IAA deficit and become a self-sufficient institution
- Promote the nomination of candidate to IFAC Board and the following committees: DNC, CAP, SMP



Challenge of the Region

- Overcome the eternal dispute between the technicians and professional accountants, between international and national public accounting firms and between leaders fighting for power.
- Lack of governance and administrative structure as well as financial resources of most member bodies.
- Resolve the problem in approving effective financial legislative framework.

Challenge of the Region

- Design a strong education and certification programs.
- Develop a competent and capable accountancy profession.
- Improve the quality of financial reporting.
- Deal with the resistant to accept that we are in a process to become a global profession.
- In summary, we are a developing region

Our Commitment

- Our commitment is to become your ambassador in Las Américas working jointly as your partner for the benefits of our common members bodies and more important for the benefits of our profession
- What we can offer?: proximity to the member bodies, cultural understanding, mutual member interest and we speak the same language (spanish).