



Number 2 | September 2010

Credit Providers Circular

Credit providers circular on submission of the Assurance Engagement Report for Non-Audited Credit Providers

The purpose of this circular is to notify appointed professionals by non-audited credit providers of the availability of the Assurance Engagement Report Guideline 003/2010 in order for them to conduct an Assurance Engagement in terms of Regulation 68 of the Regulations made in terms of the National Credit Act, 34 of 2005 ("the Act").

Submission of the Assurance Engagement Report

Credit providers that are not audited must appoint an accounting officer, or a member of one of the following professional bodies as listed in Regulation 67, to perform an assurance engagement:

- Commercial and Financial Accountants (CFA) – Currently the South African Institute of Professional Accountants (SAIPA);
- South African Institute of Chartered Accountants (SAICA);
- South African Institute of Secretaries and Administrators (ICSA);
- Institute of Administration and Commerce (IAC);
- Chartered Institute of Management Accountants (CIMA).

The Assurance Engagement Report must be submitted within 6 months after the credit provider's financial year end in terms of Regulation 68.

The Guideline for conducting an Assurance Engagement by appointed accounting officers or members of professional bodies listed above is now available on our website: www.ncr.org.za.

Purpose of the Assurance Engagement Report

The purpose of the Assurance Engagement Report is to identify areas of non-compliance with the Act, Regulations and conditions of registration of the credit provider. The procedures provided in the guidelines are designed to assist the practitioner to issue a report on his / her findings with regard to the aforementioned.

Importance of the Assurance Engagement Report

Submission of the Assurance Engagement Report to NCR is essential to the effective supervision of compliance by credit providers. To this end, the NCR will focus on timely submission of the Assurance Engagement Report and on the contents thereof in discharging its responsibilities.

Please note that failure to submit the Assurance Engagement Report will be a contravention in terms of Regulation 68 and will be subject to enforcement action.

Effective date

Credit providers are required to submit the Assurance Engagement Report with effect from 1 January 2011. The report must be submitted by the credit provider to the NCR within 6 months of the credit provider's financial year-end for the financial year ending after 1 January 2011.

For more information

For enquiries relating to the contents of this Circular, please contact:

Mpho Ramapala on 011 554 2604 or mramapala@ncr.org.za; or

Ramabaka Abel Tshimole on 011 554 2761 or atshimole@ncr.org.za