



*ACTE SA*  
*Integrated Report*

01.08.2022-31.07.2023

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# ABOUT THE *Integrated Report*

The Association of Certified Fraud Examiners (ACFE SA) is committed to transparent reporting and aims to provide information to its stakeholders that will allow them to make informed decisions about the organisation's ability to create value by following best practices and international standards when compiling our Integrated Report.

Integrated reporting is a process founded on integrated thinking that results in a periodic integrated report by an organisation about value creation over time and related communications regarding aspects of value creation. An integrated report is a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term. (IR Framework, 2021).

The objective of the report is to provide a comprehensive and accurate analysis of the creation, retention and erosion of value in relation to our strategy, performance and risks, opportunities, compromises and future prospects in relation to significant financial, economic, societal and governance challenges. The primary focus of the report is on how we generate value in the short-, medium- and long-term, demonstrating the impacts on the six capitals (i.e., outcomes) to enable our stakeholders to gain a comprehensive and transparent understanding of our business operations.

## *Scope* OF THE REPORT

The scope of this report is to illustrate the ACFE SA's value creation process and strategic thinking for the period 1 August 2022 to 31 July 2023. It covers the risks, opportunities and outcomes attributable to the ACFE SA and its stakeholders that have a significant effect on the ability of the ACFE SA and its service offering.



# Preparation

## OF THE INTEGRATED REPORT

The following reporting requirements, guidelines and frameworks were considered when preparing this report:

- The Companies Act of South Africa;
- The principles of the King IV Report on Corporate Governance™ or King IV™ (King IV)\*; and
- International Financial Reporting Standards (IFRS).

The ACFE SA continues to progress on the journey outlined by King IV, while ensuring increased integration of reported financial, social, governance and environmental information. The ACFE SA uses the concepts, guiding principles and content elements contained in the Framework as a platform for this integrated report.

# Materiality

The ACFE SA's integrated report focuses on information that is material to ACFE SA. It provides a concise overview of the ACFE SA's performance, prospects and ability to provide sustainable value for all its stakeholders. The legitimate interests of all stakeholders have been taken into account and all material information has been included in this report.

### IN SUMMARY, OUR MATERIALITY DETERMINATION PROCESS IS AS FOLLOWS:



The board ensures that the organisation's resources (financial, human, technological, etc.) are allocated in a manner that supports the execution of the established strategies, maximising value creation and preservation.

# Assurance

The ACFE SA is on a journey of maturity with regards to combined assurance and is in its infancy of having a mature combined assurance model. The Board of Directors of the ACFE SA (the Board), assisted by the Finance and Audit Committee, is responsible for ensuring the integrity of the integrated report and validation of the financial statements. Accordingly, the ACFE SA applies a combined assurance model which incorporates and optimises all assurance services and functions to enable an effective control environment, to support the integrity of information used for internal decision making by management, the governing body and its committees and also supports the integrity of the organisation's external reports. The ACFE SA's financial, operating, compliance and risk management controls are assessed by the ACFE SA's Finance and Audit Committee. The audit opinion expressed by the external auditors is included in this report as part of the Consolidated Annual Financial Statements.

# Forward-looking STATEMENTS

This report contains forward-looking statements which are based on assumptions and management's view of the ACFE SA's future performance. Such statements are, by their nature, estimates, subject to risks and uncertainties, which may result in ACFE SA's actual performance being different from that expressed or implied in any forward-looking statements. These statements have not been audited by ACFE SA's external auditors.

# Board RESPONSIBILITY

The Board acknowledges overall responsibility and accountability for the integrity of this report and has applied its collective mind to the preparation and presentation of this report. The Board believes that this report is a balanced and appropriate representation of the financial and operational performance of the ACFE SA. Upon recommendation from the finance and audit committee, the Board approved this report on 8 September 2023.

Throughout the report, we use the following icons to indicate the elements of our business model in terms of the integrated reporting framework: Together or separately, these components have the potential to significantly influence (both positively and negatively) our ability to create and preserve value in the short, mid and long term.

# NAVIGATION



# STRATEGIC PILLARS & REF.

Member Value & Development  
SP1

Governance & Transformation  
SP2

Growth & Sustainability  
SP3

Brand Trust & Influence  
SP4

Ref. & CAPITALS	KEY CONSIDERATIONS AND FOCUS IN 2022
<p><b>C1</b> <i>Financial Capital</i></p>	<p>Our revenue is made up of sponsorship and donations, membership dues, the annual ACFE Africa Conference &amp; Exhibition, and webinars for continuous professional development.</p>
<p><b>C2</b> <i>Manufactured Capital</i></p>	<p>Our foundation of how we conduct business and create value is provided by our organisational structure and operational procedures, which include our rented office space, equipment, infrastructure for educational and training programmes, and IT.</p>
<p><b>C3</b> <i>Intellectual Capital</i></p>	<p>Our influence, the trust we instil on the community, our professional designation, thought leadership, continues professional development and our tacit knowledge, systems, and procedure.</p>
<p><b>C4</b> <i>Human Capital</i></p>	<p>Our employees are the heartbeat of the ACFE SA, contributing to its growth, innovation, and sustainability. Our employees possess a wealth of knowledge and skills acquired through experience, training, and continuous professional development. Our employees support the ACFE SA's governance framework, risk management approach, and ethical values. With more than 40% of our employees holding the CFE designation, we understand the expectations and demands from our members and stakeholders.</p>
<p><b>C5</b> <i>Social &amp; Relationship Capital</i></p>	<p>Our strong member and stakeholder relationships, including the African countries we administer, are central to the environment in which we operate. We recognise the role that we need to play in building a thriving society as well as a strong financial ecosystem and the importance to collaborate with others to create awareness, participation, and a stronger footprint.</p>
<p><b>C6</b> <i>Natural Capital</i></p>	<p>Our part in reducing and mitigating the direct environmental impact of the ACFE SA, we influence our members and other stakeholders to work towards a future that is environmentally and sustainably friendly.</p>

REF. MATERIAL MATTERS	KEY CONSIDERATIONS
MM1 <i>Political</i>	<ul style="list-style-type: none"> <li>Political unrest/instability</li> </ul>
MM2 <i>Economic</i>	<ul style="list-style-type: none"> <li>General economic status of the country and it's infrastructures</li> </ul>
MM3 <i>Social</i>	<ul style="list-style-type: none"> <li>Member engagement and satisfaction</li> <li>Infrastructure of public services decline</li> </ul>
MM4 <i>Technology</i>	<ul style="list-style-type: none"> <li>Pace of Technological advances and risks associated with progress</li> </ul>
MM5 <i>Environmental</i>	<ul style="list-style-type: none"> <li>Environmental deterioration, challenges, and the environmental footprint we leave behind as an organisation</li> </ul>
MM6 <i>Legal</i>	<ul style="list-style-type: none"> <li>Changes in the regulatory environment / increasing regulatory requirements - Disciplinary cases, Code of Ethics and Professional Standards and Chapter By-Laws</li> <li>Conduct of Members</li> </ul>

VALUE CREATION	VALUE PRESERVATION	VALUE EROSION
+	√	-

Ref.	TOP 5 RISKS
R1	Loss of revenue due to adverse economic conditions
R2	Inability to retain and grow membership
R3	Loss of professional body recognition with qualification authorities
R4	Inadequate and ineffective internal control framework
R5	Inadequate IT security measures

## OUR GUIDING PRINCIPLES AND CONSIDERATIONS:



**KING IV™**

**TOP RISKS**

REFER TO PAGE: 89

**ESG**

ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REFER TO PAGE: 53

**SDG**

REFER TO PAGE: 56



# ABOUT THE *ACFE*

The Association of Certified Fraud Examiners (ACFE) is the world's largest anti-fraud organisation. By delivering best-in-class training, offering the CFE credential and fostering a dynamic, global community of anti-fraud professionals, the ACFE is reducing fraud and corruption worldwide. Together with more than 95,000 members, the ACFE is reducing business fraud worldwide and inspiring public confidence in the integrity and objectivity within the profession.

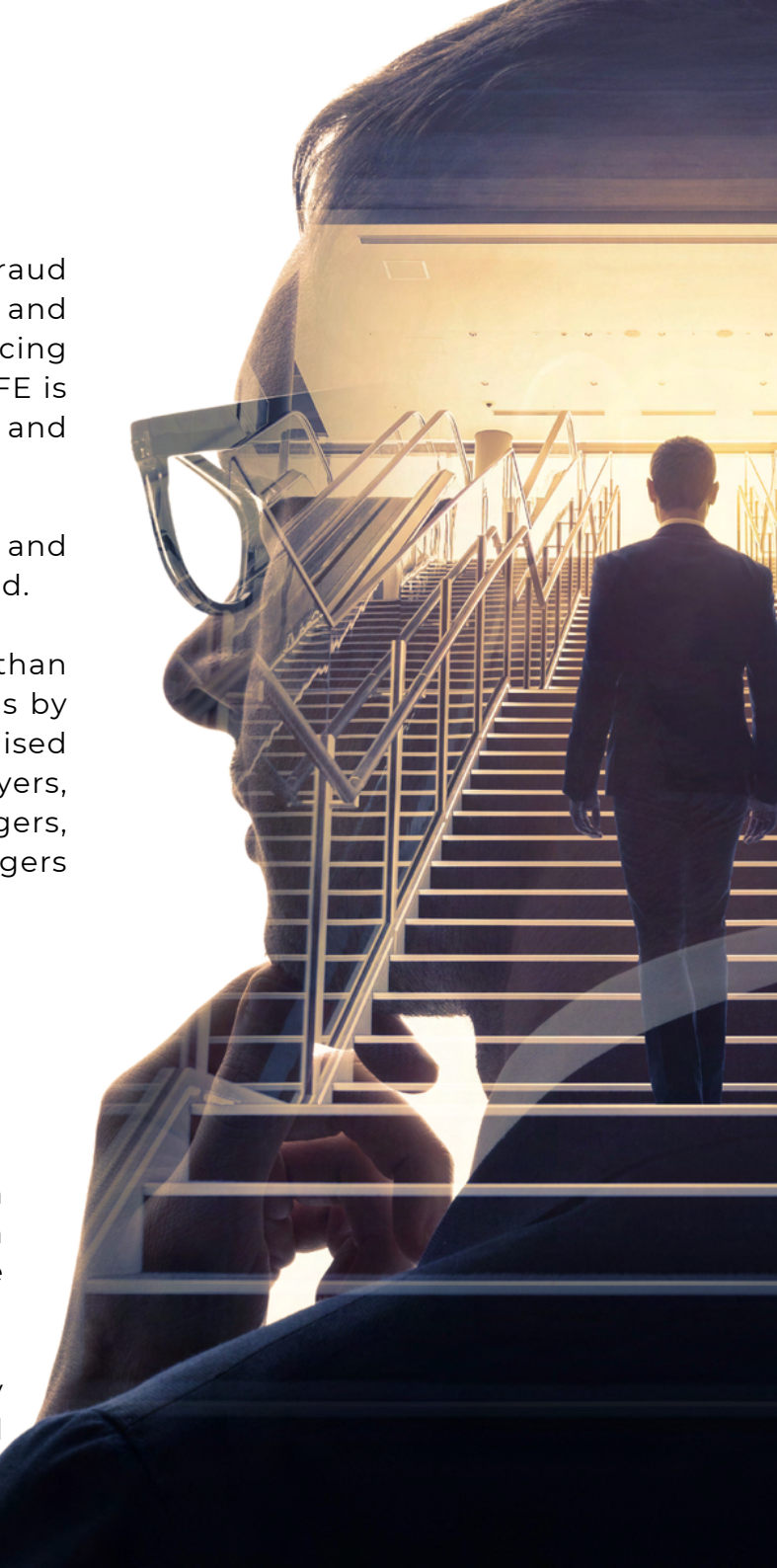
The ACFE is home to nearly 60,000 CFEs who come from diverse professional and personal backgrounds, and serve in nearly every sector and industry around the world.

Still based out of its original headquarters in Austin, Texas, the ACFE supports more than 90,000 members in over 180 countries. Since the launch of the ACFE in Austin Texas by Dr Joseph T Wells in 1988, the ACFE and CFE designation have been globally recognised in more than 180 countries. Members include accountants, auditors, lawyers, investigators, law enforcement officers, security professionals, academia, risk managers, ethics officers, compliance officers, internal auditors, directors, executives, managers and anyone whose job involves preventing, detecting or deterring fraud.

# ABOUT THE *ACFE SA*

The ACFE SA is a recognised non-statutory professional body with the South African Qualifications Authority (SAQA), that represents fraud examination professionals in South Africa. The ACFE SA was recognised as an ACFE Chapter in 1998 and has since been tasked with upholding ethical and professional standards in South Africa.

With more than 16,000 individuals on our database, the ACFE SA is home to nearly 7,000 members in good standing who come from diverse professional and personal backgrounds and serve in nearly every sector and industry around the world.





## NON-PROFIT COMPANY WITH MEMBERS

- Profit not distributed for financial gain, but used towards reducing incidence of fraud and white-collar crime.
- SAQA recognised non-statutory professional body and regulated in terms of the National Qualifications Framework Act (NQF Act).
- Professional designations: Certified Fraud Examiner (CFE).
- Main sources of revenue are membership and conference fees.
- Level 2 BBBEE Contributor.

# *Fighting Fraud* BY THE NUMBERS

## ACFE GLOBAL

**MORE THAN 95,000 MEMBERS  
WORLDWIDE**

**MORE THAN 190 ACFE CHAPTERS  
WORLDWIDE**

**MORE THAN 320,000 CPE  
PROVIDED ANNUALLY**

## ACFE SA

**NEARLY 7,000 NATIONAL  
MEMBERS**

**MORE THAN 89 CORPORATE  
SPONSORS**

**MORE THAN 8 ACFE AFRICA  
CHAPTERS SUPPORTED**



# ACFE

## *Mission & Goals*

The mission of the ACFE SA is to reduce the incidence of fraud and white-collar crime and to assist the members in fraud detection and deterrence. This ACFE SA's mission is to provide a community environment in which local fraud examination professionals can associate. Our goal is to help, encourage and create an ethical, value-driven environment in reducing the incidence of fraud and white-collar crime in our daily working environment.

### **OUR IMMEDIATE, SPECIFIC GOALS INCLUDE:**



- Networking opportunities
- Continuous Professional Education/Development
- Technical updates
- Ongoing updates of what is happening in the forensic industry and the situation we are currently facing
- Regulation of the Fraud Examination Professionals
- The setting of ethical and professional standards

### **TO ACCOMPLISH OUR MISSION, THE ACFE:**

- Provides bona fide qualifications for Certified Fraud Examiners through administration of the CFE Exam.
- Sets high standards for admission, including demonstrated competence through mandatory continuing professional education.
- Requires Certified Fraud Examiners to adhere to a strict code of ethics and professional standards.
- Serves as the international representative for Certified Fraud Examiners to business, government and academic institutions.
- Provides leadership to inspire public confidence in the integrity, objectivity and professionalism of Certified Fraud Examiners.
- The ACFE SA provides preferred rates to its members with the respective Credit Bureaus, offering them access to various services such as a Profiling System.

# OUR Strategic Plans & Objectives

The Board establishes the organisation's strategic direction and provides continuous oversight of material matters, risks, opportunities, and the strategic allocation of resources. The Board is the custodian of good corporate governance and encourages an ethical and cohesive organisational culture, effective control, compliance, accountability, and responsive and transparent stakeholder engagement. Despite a challenging year, the ACFE SA has made significant strides toward building a sustainable organisation while navigating the negative impact of the pandemic since establishing its strategy in 2019.

STRATEGIC PILLAR	STRATEGIC OBJECTIVE	ACTIVITIES AND OUTPUT	INTO THE FUTURE
<p>THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS (SDGS) ALIGN WITH OUR STRATEGIC PILLARS AND OBJECTIVES:</p> 	<p><b>MEMBERSHIP DEVELOPMENT</b> We prioritise member development</p>	<ul style="list-style-type: none"> <li>• Underlying qualification and professional designation recognised by SAQA</li> <li>• Designation awarded</li> <li>• Membership subscriptions</li> <li>• Quality training and required CPE points awarded</li> <li>• Ex Officio Commissioner of Oath status for CFEs</li> </ul>	<ul style="list-style-type: none"> <li>• Allocate time and resources to the youth</li> <li>• Create an entry-level qualifications/ progression path to enable school leavers to ultimately become CFEs</li> <li>• Strengthening the disciplinary and sanctions processes</li> </ul>
	<p><b>SUSTAINABLE FUNDING MODEL</b> We create new funding models to assist and ensure we minimise membership and training fees increases while retaining a high professional standard in service deliverance</p>	<ul style="list-style-type: none"> <li>• Negotiated a one-fee structure with the ACFE International</li> <li>• Created a new funding model to assist in reducing membership and training fees</li> </ul>	<ul style="list-style-type: none"> <li>• Optimise the funding and human resources capacity of the ACFE SA</li> <li>• Apply for funding from the SETAs</li> <li>• Apply for funding from international sponsors to assist other African countries to train CFEs</li> </ul>
	<p><b>TRAINING</b> We provide quality and appropriate training</p>	<ul style="list-style-type: none"> <li>• Hosted quality and appropriate training that meets international standard</li> <li>• Ensured that trainers and content meet international standards</li> <li>• Vetted all service providers and ensured that those appointed meet and adhere to the Standards set by the ACFE, ACFE SA, SAQA and QCTO</li> <li>• Developed new material and programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that the value proposition relates to the needs and expectations of our members and the general public</li> <li>• Uphold a high, international standard of pre- and post-qualification education</li> <li>• CPE that ensures focus on developmental opportunities that will equip members</li> <li>• Benchmarked training events that meet the highest local and international standards</li> </ul>
	<p><b>ANNUAL CONFERENCE</b> We ensure that the event meets international standards and member expectations</p>	<ul style="list-style-type: none"> <li>• Selected quality/high calibre speakers for the conference, to ensure value for money and quality training relevant to our profession</li> <li>• Hosted the third virtual conference attracting more than 1,200 registrations</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure global attendance with attendees from Africa, Europe and America</li> <li>• Ensure speaker representation and participation from other Africa countries</li> </ul>



# SP2 Governance & Transformation



## REGULATORY

We ensure that we comply with legislation as well as the requirements set by ACFE International

### Establish / Endorse Standards

Having recognised the need to ensure a future for our profession, specific skills development and growth the ACFE SA started a process endorsing and creating standards thereby protecting our members, stakeholders, and the public

- ACFE SA members receive an exemption from paying PSIRA membership fees
- ACFE SA disciplinary procedure has been amended and ensures that the ACFE SA complies with legislation as well as the requirements set by the ACFE International
- Commentary on proposed amendments to various legislations

- Act in the public interest and safeguard the fraud examination profession
- Continue to engage with stakeholders on the framework for comprehensive regulation
- Advocate for the amendment of the PSIRA Act
- Create awareness of members legal responsibilities
- Recognition as a regulatory body for the forensic industry

# SP3 Growth & Sustainability



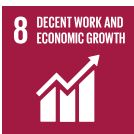
## GOVERNANCE AND TRANSFORMATION

We ensure long-term sustainability through proper governance structures and the continued transformation of the ACFE SA

- Ensured long-term sustainability through governance framework, structure and succession planning
- Focused on the overall diversity of the ACFE SA

- Create a comprehensive stakeholder engagement model that focuses on alliance and fosters collaboration without compromising independence
- Transformation of the profession
- Facilitate board evaluations

# SP4 Brand Trust & Influence



## MARKETING

We create awareness about the ACFE and our profession throughout Africa

- Expand the ACFE footprint
- Media exposure
- Media releases produced
- Monthly newsletters and/or Veritas Magazines

- Allocate time and resources to the Africa Countries

## ADVOCACY

We influence industry standards and legislation

- Stakeholder engagement – establishing and maintaining partnerships
- Founding and executive members of the AEPF forum
- Sits on various committees such as the ISO and King Committee
- Issued and endorsed industry standards

- Create a cohesive voice for the profession
- Create a community of prestigious and valued professionals that is respected, recognised and relevant, that is held to high ethical standards and making a difference in society
- Strengthen the ACFE brand to ensure it becomes standard practice to appoint
- CFes

# THE *CFE* CREDENTIAL

The Certified Fraud Examiner (CFE) credential denotes proven expertise in fraud prevention, detection and deterrence. CFEs are trained to identify the warning signs and red flags that indicate evidence of fraud and fraud risk. CFEs around the world help protect the global economy by uncovering fraud and implementing processes to prevent fraud from occurring in the first place. CFEs have a unique set of skills that are not found in any other career field or discipline; they combine knowledge of complex financial transactions with an understanding of methods, law, and how to resolve allegations of fraud.



## SETTING *High Standards* FOR THE ANTI-FRAUD PROFESSION

To become a CFE, an individual must pass a rigorous test on the four major disciplines that comprise the fraud examination body of knowledge:

- Fraud Prevention and Deterrence
- Financial Transactions and Fraud Schemes
- Investigation
- Law

Prospective CFEs must also meet high professional, educational and ethical standards, as well as continuing professional education requirements.

# RECOGNISED AS THE

## 'Gold Standard'

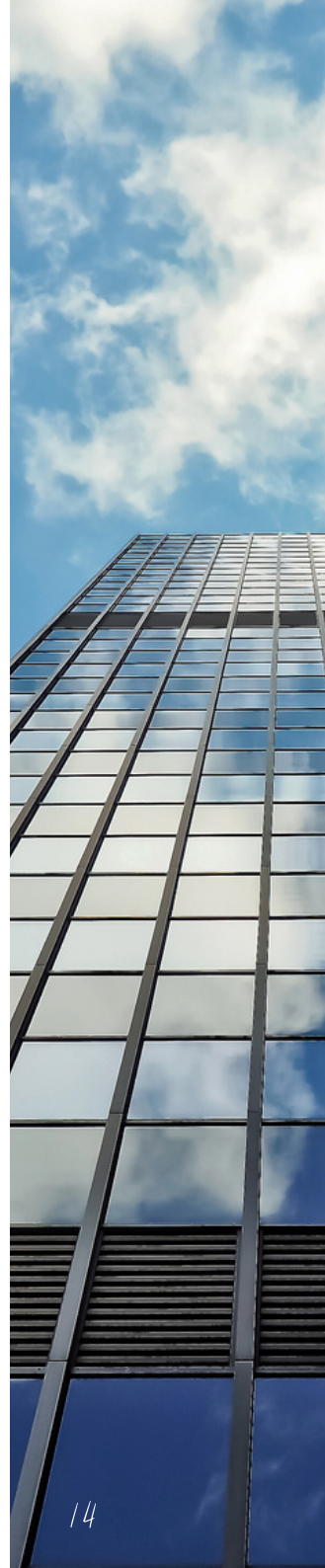
According to the 2020 Compensation Guide for Anti-Fraud Professionals, CFEs earn 34 percent more than their non-certified colleagues. In a recent study by Robert Half International, a leading specialist in financial staffing, the CFE is listed as one of the most marketable credentials today. ACFE research indicates that organisations with CFEs on staff uncover fraud 50 percent sooner and experience fraud losses that are 62 percent smaller than organisations that do not have CFEs on staff.

"Bringing staff with the CFE on board enables employers to develop a more skilled workforce. Professionals who earn and maintain this accreditation establish themselves as leaders in their field and gain insight into industry trends and best practices in the process," said DeLynn Senna, executive director of Finance & Accounting at Robert Half International.

AE Feldman, a leading executive search firm, states, "...the CFE has emerged as the gold standard in the area of fraud."

The CFE credential is recognised in the hiring and promotion policies of leading organisations, including the FBI, the U.S. Department of Defense, and the Forensic Audits and Special Investigations Units of the U.S. Government Accountability Office.

"CFEs Are Leading the Fight Against Fraud Worldwide"



# ACFE Code of Ethics & Professional Standards

The ACFE's Research and Knowledge base is of the highest standards and is continually being updated. The ACFE Code of Ethics and Professional Standards are internationally accepted, and all members are obligated to adhere to these standards. Chapter participation allows members to meet other anti-fraud professionals in their area who are facing the same challenges. Sharing insights, techniques and experience, in addition to promoting fraud awareness, is invaluable to the global fight against fraud.

All ACFE Members must meet the rigorous criteria for admission to the ACFE. Thereafter, they must exemplify the highest moral and ethical standards and must agree to abide by the bylaws of the ACFE and the ACFE Code of Professional Ethics.



# FROM THE DESK OF THE *CEO*

**BY JACO DE JAGER, CFE**

Dear Stakeholders,

I am delighted to address you through this annual letter, as we reflect on the past year's accomplishments and set our course for the exciting times ahead. Our value creation is enabled by our unwavering dedication to enhancing our member services. Our stakeholders' dedication, resilience, and innovative spirit have been the cornerstone of our success over the past 25 years, even in the face of unprecedented challenges.

At the core of our mission is a deep commitment to sustainability and responsible corporate citizenship. Over the past year, we have made significant strides in aligning our operations with the United Nations Sustainable Development Goals (SDGs). These goals serve as a roadmap for creating a better world for current and future generations in the anti-fraud industry.

## **ENVIRONMENTAL STEWARDSHIP:**

We recognise the urgent need to address climate change and environmental degradation. Our efforts to reduce our carbon footprint, minimise waste, and promote eco-friendly practices are gaining momentum. By incorporating sustainability into every aspect of our operations, we help mitigate and reduce the direct environmental impact of the ACFE SA. Our main goal is to influence our stakeholders while also leading by example.

True sustainability extends beyond our organisation's walls. We have deepened our stakeholder engagement initiatives, working hand in hand with local communities to support education and economic development projects. Together, through learnership programmes, student-upliftment initiatives, and regional committee mentorship programmes we are building a brighter future for those who need it most. CFEs play a crucial role in helping to achieve this common goal. We are proud to have witnessed how several CFEs have excelled in becoming specialists in more than one of the 17 goals set out by the UN thereby not only helping, through fraud investigations and audits, to save the environment and the world, but also providing a better future for us all. If each entity and person do their part, I believe we will see a different tomorrow.

## **ENHANCING MEMBER SERVICES:**

Our members are the foundation of the ACFE SA, and we continue seeking ways to enhance your experience. Over the past year, we have listened to your feedback and invested in technological advancements that streamline our services and provide you with more personalised solutions.



This includes the brand-new ACFE SA website, which features a "My Community" section where members can interact, a phone application to stay in contact any time and from anywhere, and regular social media updates that keep you up to date with global trends and news. We understand that each member's needs are unique. Our approach to member services has evolved to provide more tailored offerings that cater to member's specific goals and aspirations. We are here to empower our members on their journey to reduce the incidence of fraud and white-collar crime providing access to carefully designed professional anti-fraud resources.

We awarded a total of 83 CPE points during the 2022/2023 financial year, which equates to 83 hours of CPD. Our annual ACFE Africa Conference accounted for 22 CPE points, regional events in South Africa accounted for 23 CPE points, regional events in Africa accounted 19 CPE points, and other activities, such as cyber and national law enforcement training, accounted for 19 CPE points. We have seen an overall membership growth of 7.45%, welcoming more than 454 new members to our community. This is a clear indicator of how our profession has grown, the demand for CFEs has increased, and more and more people are seeing the need to specialise and continue with their own professional development.

In the realm of operations, this year has been a testament to my team's commitment to excellence. We have continued to streamline processes, optimise resource allocation, and foster a culture of continuous professional development. We now have a new CFE in our midst, Katleho Seqapotsa, who initially came on board as part of the FASSET SETA Learnership Programme. Congratulations Katleho! I further would like to extend a special note of congratulations to Melanie Venter for being named ACFE SA Employee of the Year.

Where many similar professional bodies manage their operations with 40+ staff, our dedicated staff complement still sits at 12 employees who continue to provide professional, prompt, and efficient advice and services to our constituency. Our operational achievements are a reflection of the collective effort of the team to enhance efficiency, reduce costs, and deliver services that exceed member expectations.

#### **PESTEL LANDSCAPE:**

Navigating the external environment is equally critical, and our vigilance in assessing the PESTEL factors (Political, Economic, Sociocultural, Technological, Environmental, and Legal) has enabled us to make informed decisions.

#### **POLITICAL AND LEGAL:**

Changes in regulations and policies have presented us with both challenges and opportunities. By upholding the highest ethical standards and ensuring compliance, we have not only mitigated risks but also positioned ourselves as a responsible industry leader. We are actively advocating for amendments to laws and regulations where it may have an impact on our members and invested and introduced a POPIA Compliance Guideline for the anti-fraud industry.

#### **ECONOMIC:**

Fluctuations in the global economy have tested our financial resilience. We've responded by diversifying our revenue streams, implementing prudent cost management strategies, and remaining adaptable to market dynamics. Our strong financial position is a testament to our strategic foresight.

**SOCIOCULTURAL:**

Understanding shifting member preferences and values is paramount. We have continued to invest in market research, fostering member engagement, and tailoring our offerings to align with evolving member needs. Our commitment to corporate social responsibility remains unwavering, further solidifying our brand's reputation. With the celebration of our 25 years of existence, we also celebrated our first International Women's Day event, bringing together strong and resilient women from the anti-fraud industry.

**TECHNOLOGICAL:**

The rapid pace of technological advancement demands our unwavering attention. Embracing digital transformation has enabled us to enhance member experiences, optimise internal processes, and innovate to ensure value creation in the short and long term. Our investment in cutting-edge technologies that will help us to work smarter while reducing our expenses will remain a driving force behind our competitive edge.

**ENVIRONMENTAL:**

Our dedication to sustainability extends beyond rhetoric. As mentioned above, we've embarked on eco-friendly initiatives, reducing our carbon footprint, minimising waste, and actively contributing to the well-being of our planet. Environmental stewardship is a non-negotiable aspect of our ethos.

**LOOKING AHEAD:**

As we stand on the cusp of a new financial year, our strategic vision remains unwaveringly apparent. Together, we will continue to foster a culture of collaboration, diversity, and inclusivity.

We will harness our collective creativity to pioneer new solutions, explore untapped markets, and exceed member expectations. In closing, I extend my heartfelt gratitude to each one of you. Our achievements are a testament to your dedication, passion, and relentless pursuit of excellence. Let us continue to embrace change, leverage our strengths, and remain agile as we march forward into the future.

To Yvette Botha, Jonathan le Roux and Raj Dhanlall stepping down as non-executive directors this year, thank you for your hard work and dedication. Your valuable insight these last three years and strategic initiatives helped steer the ACFE SA in a direction that will benefit the profession as a whole. A special thank you also goes out to De Wet Ferreira who will be stepping down as Chair of the ACFE SA Board. I have seen the long hours you have spent in order to ensure that we write that one extra standard thereby acknowledging and endorsing the different specialisation practices and practitioners, creating new specialisation fields and occupations for youngsters interested in becoming fraud fighters, and to guide and protect the public. Often De Wet flew to far off places representing the ACFE SA at International Fraud Awareness events, as a speaker at local and international events, or stay up late to deal with a member complaint or write closing remarks in a disciplinary case where he had to deal with a disciplinary case appeal. Under his guidance, we saw several changes and he helped me steer this "ship" during difficult Covid times. To the entire board, I want to thank you for your support, trust, guidance, and for believing in us. We have taken on new strategic initiatives and each time you took the challenge on with excitement. Thank you!



To the staff, you have excelled as always. Compliments have been coming in during the year and many could not believe what we have managed to achieve being such a small team. The ACFE International indicated that they are unable to provide us with a chapter of the year award during this year's ACFE International Conference because they have no other chapter in the world to compare us with. We sit in the "Super Chapter Category" as was stated by Bruce Dorris and John Warren. Well done in doing each day more than what is expected from you! Thanks for your support and hard work. With more than 1,100 registrations for this year's conference, it will be the biggest face-to-face conference ever and it is thanks to the entire team.

To those who laid the foundation for self-regulation, this profession, and the ACFE SA, THANK YOU!

This includes past board members, Susan Swart, and many of our active members who spent many hours without compensation to grow our profession many who still are involved and continuing doing so.

Lastly, I want to thank our Lord for the opportunity he has given me to work for the ACFE SA, His guidance and His wisdom. No organisation can prosper the way ours have without influence from above.

Here's to another 25 years of growth, innovation, and shared success!

Sincerely, *Jaco de Jager*





# LETTER FROM THE *President*

BY DE WET FERREIRA, CFE

My fellow ACFE, ACFE SA members, colleagues, sponsors, partners and friends.

This year we are celebrating the 25th anniversary of the ACFE SA Chapter and the 16th Annual Africa Anti-Fraud Conference hosted by the ACFE SA at the Sandton Convention Center Johannesburg. We look forward to another successful conference with more than 1,000 delegates in attendance from 23 countries, and speakers from 6 countries; again pushing boundaries and lifting standards on all levels from presentations, and exhibitions to a number of delegates setting the bar for the second biggest anti-Fraud Conference in the world.

As President of the Chapter and Chairman of the Board, I had the opportunity to be on the frontline witnessing and experiencing the 2022 online conference and appreciating the effort, time, frustration, load shedding, internet

connection failures and successes, new milestones and achievements, and taking part in the workings behind the scenes.

What Jaco and the team achieved was immense and to up it another couple of levels from the previous year was truly special and a massive achievement. The Board, staff, sponsors, and delegates who commented and provided feedback on the conference agreed that it was one for the books and really well done. It could not have been done without our sponsors. Leading the way with our Platinum sponsors, BDO and Hosi Technologies as well as all the other sponsors, exhibitors, staff, helpers, and members, thank you, and again well done. After a couple of years of not being able to have in-person events, I am personally very pleased to be back at the Sandton Convention Centre, and having the opportunity to engage with our members in person, on a professional and social level, getting to know new members, seeing old friends and making new ones and most of all learning from all the different presentations and exhibitors. What makes 2023 so special is the fact that for the past 25 years, the ACFE SA had the privilege to teach, guide, contribute, and assist in the fight against fraud and corruption in this beautiful country of ours. The theme being the past 25 years will certainly take a lot of our members back down memory lane, and at the same time showcase the difference we as fraud fighters have made, are making, and will make going forward. The path followed by the ACFE SA and how it grew from 2 temporary staff members to where we are as the largest ACFE Chapter in the world and setting the standard for the rest to follow is truly a testament to the dedication of the Board Members, staff and members under the great leadership and guidance from Jaco De Jager, our CEO.

The past year we embarked on several initiatives to enhance our footprint in the industry as leaders and pushing for the CFE designation to be the qualification of choice in SA, and also the benchmark for forensic Investigations in SA and government work, ensuring the standard is higher than expected at all times. This year we have unfortunately lost a couple of industry leaders who made a massive impact over the years as well as some of our newer members, and they will be surely missed. We appreciate the legacy they left behind big or small, and the difference made. With that said, we also managed to add on almost 100 new CFEs in the past year who will fight the fight against fraud and corruption going forward, and we welcome them with open arms. We have to thank the AFRICA Training Academy for their hard work and commitment as well. Without them, this would not have been possible.

This year we again embarked on a couple of key and industry-leading initiatives to drive professionalisation and the CFE qualification and designation in the highest regard, and continuously offer more to our members as professionals.

The most important initiative we addressed this past year was taking from the decision made by our members during the 2022 and 2023 Imbizo where we continued with the compilation of the POPIA Compliance Guideline for the anti-fraud industry. We engaged with various stakeholders and the key role players in our industry to ensure we have buy-in from everybody to finalise the guideline. Other role players were invited to participate and had the opportunity to share our guideline with their members to provide input to ensure and not just the ACFE SA view even though we are driving the process and also funding it.

The guideline was sent out for comments and approved by the public and will be launched at the conference. This is again another initiative where we are leading the way as a chapter.

During the 2021 AGM, the new Memorandum of Incorporation was approved and we initiated the implementation in 2022. I can confirm that it again re-affirms our stance to committing to good corporate governance and ethical and effective leadership following the guidance set in the Mol. The process also guides the Board on appointments, terms, and co-opting members onto and off the Board, and as a result, we had to appoint new members and say goodbye for now to some of our Board Members. I will be stepping down as I have come to the end of my term and will be passing the torch. The same would be for Yvette Botha who served with me for the past couple of years, Jonathan le Roux, and Raj Dhanlall as well, but Raj will stay on to hand over the finance and treasury responsibilities for the next year. The new Board and appointment will be announced during the AGM, but I need to say thank you to all for their support and guidance through the years. It's been an incredible journey, thank you.

This year the ACFE SA appointed a Head of Operation manager in Roxane Ferreira to take the load off Jaco and also to provide him the time to engage with our stakeholders, MOU partners, and other organisations and committees to grow the organisation in SA and enhance our footprint within Africa as well. This decision has bore fruit already with the African partners and members significantly growing and engaging with SA.

The professional bodies and associations in Africa have really come on board the last year in collaborating and contributing on different levels, with education and training being one of the key drivers for the future.

In the year under review, the ACFE SA undertook a deep-dive and calibration of the current and emerging risks as contained within the Risk Registers. The adoption and maturing use of our GRC software (CURA) has allowed the ACFE SA to improve its view of the risk and control environment and determine the assurance levels associated with the ACFE SA's risk tolerance and appetite. Whilst other Governance structures and assurance providers are in place, a formal approach to the management of fraud risk early in the growth phase is expected to minimize the risks of fraud within the organization. When we reviewed our risk we also looked at the next generation and the now settled Shadow committee we implemented a few years ago is bearing fruit in setting the next generation of leaders up to take over in leading this phenomenal organisation. What also came from this is the Student Chapter where we have a special membership for students, and do a lot of work to get more students involved in the industry, which is another first for the ACFE.

Some of our other achievements on the African continent include the assistance offered to the Public Accountants and Auditors Board (PAAB) in Namibia working on passing legislation to regulate the financial industry, which might have a direct impact on CFEs' employability. The majority of African countries within our midst have signed MoUs with the ACFE SA Chapter in order to support and assist them in their growth. These MoUs come with additional obligations, ACFE Chapter Bylaws, and expectations.

With the assistance of Eswatini and Lesotho, it was possible to sign MoUs with other organisations such as the IIA Lesotho and IoD Lesotho, and as such, these organisations collaborate and train each other in other professions.

With Covid 19 taking its toll on the way we operate on a daily basis, it also contributed to our success as some of the industry leaders, academics, professional bodies and members took the time to draft and finalize the Forensic Accountant Standard. We want to recognise the time and effort these passionate volunteers took to pave the way for future Forensic Accountants. A special thanks goes to Robert Cameron-Ellis for chairing this forum and ensuring its success. The details were widely shared, and I can only commend everybody involved in the success of it and thank them for getting such a difficult standard in place with all the stakeholders involved. Truly amazing.

Another first for the ACFE SA was the Woman's Day event hosted by fellow Board member Annemari Krugel from BDO, at BDO together with the ACFE SA Staff and other ladies on the 8th of March 2023. The prestigious guests included Professor Thuli Madonsela, and women from various sectors, including some CEOs, CFOs, and senior executives from the private and public sectors. The event was very well attended and received.

I can continue to add on to all the achievements of the year gone by, and the time ahead but it is too much to pen down. My message is that we as members of the ACFE and ACFE SA can be proud and honoured to be part of it, and in the next 25 years, we will hopefully look back at this time and the past year and celebrate the legacy, basis and groundwork for what is to come in the future.



Il thank you for being part of the organisation with an amazing board and the staff of the ACFE for the past couple of years, and I will be looking forward to the next 25 years.

Thank you.

*De Wet Ferreira*

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NELSON

**What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead**

MANDELA

”

ACFE SA

# Governance



The ACFS SA is committed to the highest governance standards, ensuring the organisation and the profession's long-term sustainability and creating long-term value.

The Board enables the creation of value for ACFE SA stakeholders on a fair and equitable basis by instilling a positive culture of ethics and values.

The Board is the core of our governance structure and aligns with our organisation's unique value proposition and addresses relevant issues while embracing opportunities to protect the public interest, advance the ACFE SA membership and meet the profession's needs.

The ACFE SA's governance framework arises from the fiduciary obligations and responsibilities of Board as defined in the Companies Act and King IV best practice principles of oversight and control. It is based on the accountability and line of authority to ensure the governance objectives are met. The pillars of ACFE SA's governance framework represent the key processes or mechanisms applied to effectively uphold, sustain, defend and enforce the ethical values of good governance throughout the organisation.

The ACFE SA upholds the principles of the King IV and strives, through ethical and effective leadership, to achieve the governance outcomes of an ethical culture, good performance, effective control and legitimacy. We feel that by adopting the King IV principles and practice suggestions while taking into account proportionality in terms of our size, resources, and the complexity of our activities, we are able to preserve the ideals of King IV and achieve the needed governance objectives.

The Board is composed of 11 leaders representing the diverse perspectives and expertise of the membership and stakeholders we serve. They extensively monitor the external environment and key trends that hold significant implications for the profession and organisation. With that insight, they help shape and ultimately oversee the development and approval of the ACFE SA's 3-year strategic plan and budget, monitor performance against goals and provide overall enterprise risk management. The collaboration between our diligent Board members, co-opted Board Members, skilled CEO, and engaged stakeholders forms the basis of our governance system that steers the ACFE SA toward excellence and sustainable growth.



*Board of Directors*



*Co-opted*

# MEET OUR *Board of Directors*

<b>ANNEMARI KRÜGEL</b>	<b>DE WET FERREIRA</b> <b>PRESIDENT</b>	<b>JACO DE JAGER</b> <b>CHIEF EXECUTIVE OFFICER</b>	<b>JONATHAN LE ROUX</b> <b>PAST PRESIDENT</b>	<b>LEN COETZEE</b> <b>VICE-PRESIDENT</b>	<b>RAJ DHANLALL</b> <b>FINANCE DIRECTOR</b>	<b>THANDI MAZIBUKO</b>	<b>YVETTE BOTHA</b>
Independent Non-executive director	Independent Non-executive director	Executive director	Independent Non-executive director	Independent Non-executive director	Independent Non-executive director	Independent Non-executive director	Independent Non-executive director
<b>BOARD EXPERIENCE</b> 20 years	<b>BOARD EXPERIENCE</b> 10 years	<b>BOARD EXPERIENCE</b> 15 years	<b>BOARD EXPERIENCE</b> 9 years	<b>BOARD EXPERIENCE</b> 18 years	<b>BOARD EXPERIENCE</b> 25 years	<b>BOARD EXPERIENCE</b> 5 years	<b>BOARD EXPERIENCE</b> 5 years
<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Member of the Disciplinary Committee</li> <li>• Member of the Legal Committee</li> </ul>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Chair of the Board of Directors</li> <li>• Chair of the Nominations Committee</li> <li>• Chair of the Remuneration Committee</li> </ul>	<b>BOARD COMMITTEES</b>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Chair of the General Counsel Committee</li> <li>• Chair of the Disciplinary Committee</li> <li>• Chair of the Governance, Risk and Compliance Committee</li> <li>• Member of the Nominations Committee</li> <li>• Member of the Conference and Awards Committee</li> </ul>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Member of the Nominations Committee</li> <li>• Member of the Remuneration Committee</li> </ul>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Chair of the Audit Committee</li> <li>• Chair of the Governance, Risk and Compliance Committee</li> <li>• Member of the Remuneration Committee</li> </ul>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Chair of the Africa Chapters Audit Committee</li> <li>• Member of the Governance, Risk and Compliance Committee</li> <li>• Member of the Remuneration Committee</li> <li>• Chair of the Central Regional Committee</li> </ul>	<b>BOARD COMMITTEES</b>  <ul style="list-style-type: none"> <li>• Member of the Disciplinary Committee</li> <li>• Member of the Audit Committee</li> <li>• Member of the Governance, Risk and Compliance Committee</li> </ul>



<b>DESIGNATION AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• B. Juris Degree</li> <li>• Postgraduate Diploma in Human Rights</li> <li>• Postgraduate Diploma in Labour Law</li> <li>• Masters in Labour Law (Cum Laude Dissertation)</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• Certificate Programme in Fraud Examination</li> <li>• Certificate Programme in Advanced Fraud Examination</li> <li>• B-Tech Forensic Investigation (Hon)</li> <li>• M-Tech Forensic Investigation (Master's Degree)</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• BCom Law</li> <li>• Post Grad in Forensic Accounting and Investigation</li> <li>• Higher Diploma in Fraud Investigations</li> <li>• Moderation of Outcome-Based Assessment</li> <li>• Outcome-Based Assessment</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• Certified Ethics Officer</li> <li>• Post Graduate Diploma in Management Practices</li> <li>• National Diploma Internal Auditing</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• National Diploma Police Management</li> <li>• Management Advancement Programme</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• CA (SA)</li> <li>• CIA</li> <li>• Bachelor of Accounting (UKZN)</li> <li>• Certificate in Forensic Accounting</li> <li>• Fraud Examination (UP)</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• BCom</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b> <ul style="list-style-type: none"> <li>• CFE</li> <li>• PIA</li> <li>• BCom Internal Audit</li> </ul>
<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b> <ul style="list-style-type: none"> <li>• IOD</li> <li>• SAIIA</li> </ul>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b> <ul style="list-style-type: none"> <li>• EPA</li> <li>• IoD SA</li> <li>• SAPFED</li> </ul>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b> <ul style="list-style-type: none"> <li>• BCI</li> <li>• IRMSA</li> <li>• TEI</li> </ul>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b> <ul style="list-style-type: none"> <li>• IRBA</li> <li>• SAICA</li> <li>• IIA SA</li> </ul>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b>	<b>OTHER PROFESSIONAL BODY MEMBERSHIP</b> <ul style="list-style-type: none"> <li>• IIA SA</li> <li>• CISA</li> </ul>
<b>ATTENDANCE BOARD MEETINGS</b>  6 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  6 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  6 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  5 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  6 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  5 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  4 out of 6	<b>ATTENDANCE BOARD MEETINGS</b>  6 out of 6



# Co-opted members

<b>ADV. ANDY MOTHIBI</b> <b>CO-OPTED MEMBER</b>	<b>LT. GEN CHARLES MOSIPI</b> <b>CO-OPTED MEMBER</b>	<b>SELVAN NAIDU</b> <b>CO-OPTED MEMBER</b>
<b>BOARD EXPERIENCE</b>  4 years	<b>BOARD EXPERIENCE</b>  N/A	<b>BOARD EXPERIENCE</b>  14 years
<b>DESIGNATIONS AND QUALIFICATIONS</b>  <ul style="list-style-type: none"> <li>• B.Proc</li> <li>• LLB</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b>  <ul style="list-style-type: none"> <li>• CFE</li> <li>• ND: Pol Admin</li> <li>• Bluris, LLB</li> <li>• GradCert AppMan (AIPM, Australia)</li> </ul>	<b>DESIGNATIONS AND QUALIFICATIONS</b>  <ul style="list-style-type: none"> <li>• CFE</li> <li>• PGD Henley</li> <li>• MBA Henley</li> <li>• PPM UP</li> <li>• PRINCE 2 Practitioner</li> <li>• Leading Digital Transformation -</li> <li>• MIT</li> </ul>

One crucial aspect of our transformation strategy is the diversification of our Board, with specific reference to race and gender representation. We believe that diverse perspectives bring about fresh ideas and solutions that can drive innovation which ultimately benefits the organisation.

Due to the fact that our Board Members don't receive any remuneration, other benefits from their position, and their involvement is purely based on volunteer participation, we don't receive many nominations with the necessary skills and experience to serve on the Board.

With that said, our transformational objectives have been advanced significantly in this financial year which is in line with our revised Mol:

**Female: 3 [FY2022: 2]**

**Male: 8 [FY2022: 5]**

**African: 3 [FY2022: 1]**

**Indian: 2 [FY2022: 1]**

**White: 6 [FY2022: 5]**



## STATE OF GOVERNANCE

The Board started to explore new avenues for the organisation and approached independent consultants to review the ACFE SA Governance framework, structure and Mol in 2021. After an independent facilitated review in 2021, key changes to the ACFE SA's Governance framework, structure and Mol were made to ensure efficiency, objectivity and independence of the Board.

## BOARD ACCOUNTABILITY AND RESPONSIBILITIES

The Board's accountability includes four overarching responsibilities:

- Steering the organisation and setting its strategic direction;
- Approving policy and planning that give effect to the direction provided;
- Overseeing and monitoring implementation and execution by management; and
- Ensuring accountability for performance by means of, among others, reporting and disclosure.

The Board aims to achieve the following beneficial governance outcomes for the organisation:

- An ethical culture;
- Sustainable development and performance - value-creation;
- Adequate and effective control of the organisation by the Board; and
- Protecting and building trust in the organisation, its reputation and legitimacy.

## RESPONSIBILITIES OF THE BOARD

In addition to the Board's overarching responsibilities, the Board assumes the responsibilities to:

- Act in the best interests of the organisation;
- Serve as the focal point and custodian for corporate governance in the organisation;
- In fulfilling its function, at all times apply the 16 principles of the King IV Code;
- Oversee the establishment and implementation of a Corporate Governance Framework and review the effectiveness of its implementation;
- Approve and annually review a Delegation of Authority Framework that articulates and sets direction on reservation and delegation of power;
- Oversee that key management functions are headed by individuals with the necessary competence, that authority and responsibilities are effectively delegated and that the functions are adequately resourced;
- Appoint the CEO;
- Formally evaluate the performance of the CEO annually against agreed performance measures and targets; and
- Ensure that a suitable succession plan is in place for the CEO and periodically review this plan;
- Adopt a Remuneration Policy which is fair, responsible and aligned with the objectives and purpose of the organisation while linked to individual performance; and
- Ensure that the solvency and liquidity of the organisation is continuously monitored and reported.

## RESPONSIBILITIES OF THE DIRECTORS

In addition to fulfilling their responsibility to the organisation, the Director will at all times:

- Act in the best interest of the organisation, in good faith and with integrity and adhere to all relevant legal standards of conduct;
- Conduct themselves in a professional manner;
- Disclose real or perceived conflicts of interests to the Board and deal with them accordingly;
- Disclose any information that they may be aware of that is material to the organisation and of which the Board is not aware, unless bound by ethical or contractual obligations of non-disclosure;
- Only use their powers for the purposes for which they were conferred upon them and not gain advantage for themselves or a third party or to harm the organisation in any way;
- Only act within their powers as formally delegated by the Board;
- Keep all information learned in their capacity as a Director, strictly confidential;
- Use their best endeavours to attend Board meetings where at all possible and devote appropriate preparation time ahead of each meeting to ensure that they are in a position to contribute to discussions and to make informed decisions on matters before the Board;
- Exhibit the degree of skill and care as may be reasonably expected of a person of their skill and experience, but also exercise both the care and skill any reasonable person would be expected to show in looking after their own affairs;
- Actively participate in and contribute to Board deliberations in a constructive and frank manner under the leadership and guidance of the Chairman; and



- Exercise their right to have access, at reasonable times, to all relevant information and to management, where such access is arranged through the Chairman or the CEO.

## CORPORATE GOVERNANCE FRAMEWORK

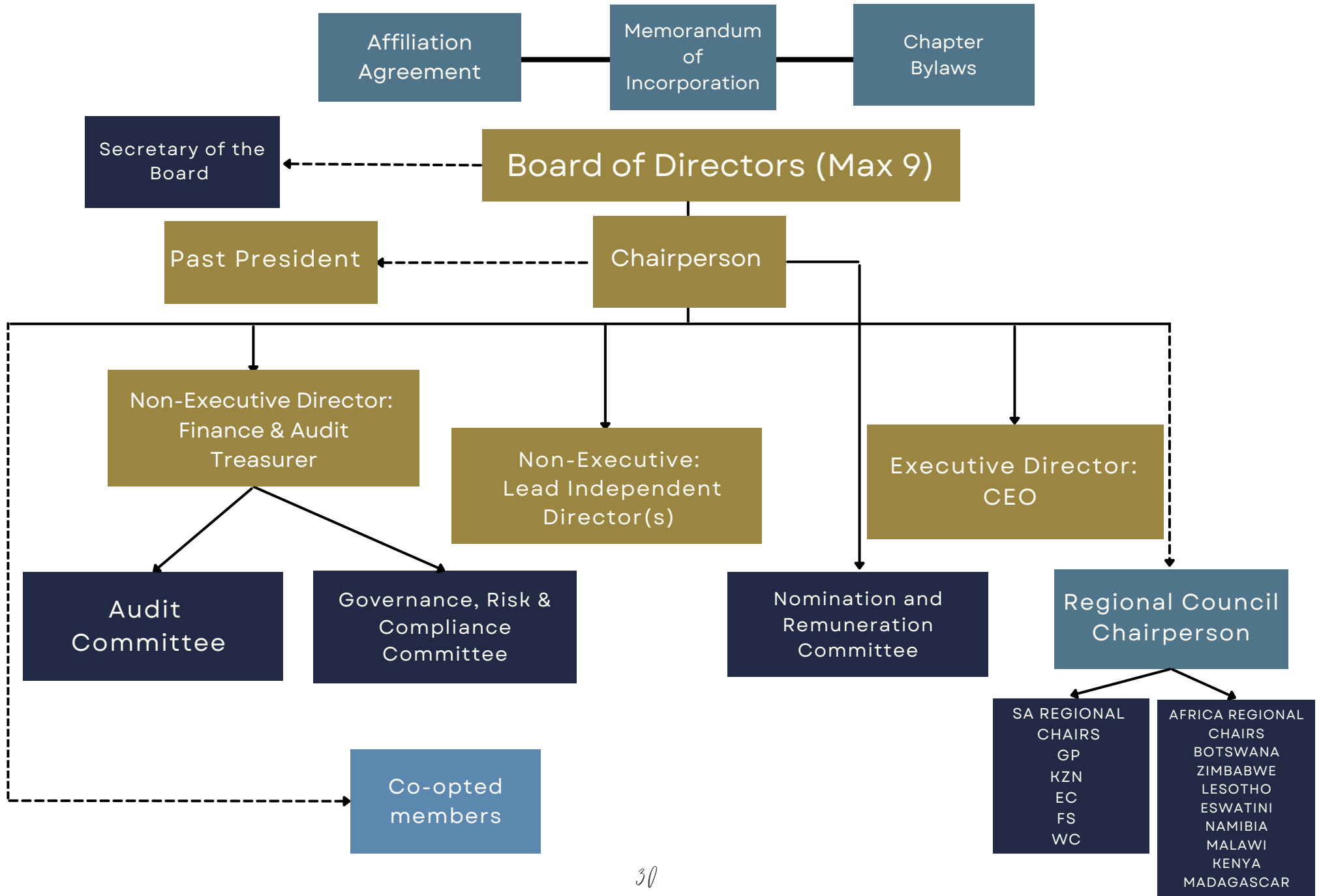
The ACFE SA is an autonomous legal entity, incorporated in South Africa, which has entered into an Affiliation Agreement with the ACFE International, a legal entity incorporated in the state of Texas, United States of America. In terms of this Affiliation Agreement, the ACFE SA not only complies with the South African Companies Act 71 of 2008 as amended, but also complies with the ACFE Bylaws, Chapter Handbook and other applicable requirements.

Within this context, the Board determines what is required to effectively govern the ACFE SA in the context within which it operates. This framework is further based on the principles and practices detailed in King IV™ and ISO 31000.



# FRAMEWORK

The design for the corporate governance of the ACFE SA is depicted:



<b>AUDIT COMMITTEE</b>	<b>REMUNERATION COMMITTEE</b>	<b>NOMINATIONS COMMITTEE</b>	<b>GOVERNANCE RISK AND COMPLIANCE COMMITTEE</b>
<p>The Committee assists the Board in ensuring the continued independence of the independent auditor, overseeing the external audit process, overseeing of the integrated reporting, determining the mandate of the external accountant and ensuring their ongoing independence, applying the combined assurance model, overseeing the internal audit function, internal controls, financial reporting, and risk assessment.</p>	<p>The Committee assists the Board with overseeing remuneration governance, with particular focus on ensuring that the ACFE SA remunerates executive member(s) and employees fairly and responsibly and that the disclosure of director's, and other applicable remuneration, is accurate and transparent as required by applicable laws and governance guidelines. The Committee assists with overseeing the establishment and implementation of a remuneration policy that articulates and gives effect to its direction on fair, responsible and transparent remuneration.</p>	<p>The Committee assists the Board by ensuring the appropriate composition of the Board, succession planning of the Board and management, the basis for re-election of the Board members, (a process for nominating, electing and appointing members to the Board), the evaluation of the performance of the Board (including committees and individual members) and the induction and ongoing training and development of the Committee.</p>	<p>The Committee assists the Board by assessing the ACFE SA's dependence on resources and relationships in the various capitals it uses and affects. The Committee assists with overseeing the risk policy creation, risk management policy, business continuity arrangements, integrating and embedding risk management in business activities, evaluating and agreeing on the nature and extent of the risks the ACFE SA would be willing to take in pursuit of its strategic objectives, by determining and recommending to the Board for approval the ACFE SA's: a) risk appetite; and b) risk tolerance.</p>

### **IMPLEMENTATION, MONITORING AND REVIEW**

The President is accountable for the implementation of this Corporate Governance Framework. The Board supports the President in the implementation of this framework and authorises the CEO to assist in this regard. The Board reviews this Corporate Governance Framework, its Board Terms of Reference, Governance Policies, Committee Terms of References and the CEO's documented and agreed responsibilities at least every second year, making use of independent assistance when deemed necessary.

### **BOARD REPORT SUMMARY**

As part of the ongoing process of ensuring governance through all our interactions, the following serves as a summary of the initiatives, guidance and associated actions that continue to enhance the roles and responsibilities required from the Board.

## RECURRING ITEMS ON THE BOARD'S AGENDA

- Consideration of Board composition and succession.
- Approval of candidates for board vacancies and AGM notice
- Approval of Board Committees, including re-structuring and discontinuation of certain existing Committees.
- Approval of each Board Committee's terms of references.
- Approval of the CEO's Committee's terms of references.
- Approval of Corporate Governance Framework.
- Approval of delegation of authority.
- Actual, potential and/or perceived conflict of interest.
- Consideration of legal/reputational matters
- Informal discussion on Board performance and attendance for 2022.
- Approval of Integrated Report and Annual Financial Statements.
- Approval of 2022 business plan and budget.
- Oversight of tax exemption status.
- Approval of relevant policies.
- Overview of key stakeholder relationships.
- Review of CEO's performance.
- Ratification of designation awards.
- Member disciplinary sanctions.
- Risk register updates of the ACFE SA and overall performance.

## WE, AS A BOARD, ARE SATISFIED:

- That good corporate governance is appropriately applied.
- That the ACFE SA's Governance framework and structure aligns with the Companies Act, King IV and best practice.
- With the quality of key strategic relationships.
- With the level of integrity and ethics within the organisation.
- That we ensured access to strategic resources needed to achieve the organisation's strategic objectives.
- That we have promoted an enabling environment for the organisation, under the leadership of the CEO.
- That we have fulfilled our fiduciary duties and responsibilities in accordance with the ACFE Chapter Bylaws, Board Terms of Reference and Mol.
- That the Board and each Board Committee has the necessary knowledge, skills, experience and capacity to execute its duties effectively.





## **ADDITIONAL CONTRIBUTIONS BY THE BOARD**

- Raised awareness of the fraud examination profession and the ACFE SA as a professional body.
- Contributed to the overall increase of membership and CFEs in South Africa and other African countries.
- Ensured that members received relevant and appropriate training.
- Active members of several international forums, where we have participated in knowledge-sharing and global standard-setting.
- Implemented strategies within the organisation to ensure that ACFE SA employees receive the necessary training for detecting and preventing fraud.
- Provided a forum for professionals from all sectors to share ideas and network.

- Ensured continuous engagement and dialogue between key strategic stakeholders.
- Promoted collaboration with other institutions in all sectors to raise awareness to ultimately achieve the goal of a corruption-free environment.
- Ensured the successful execution of the International Fraud Awareness Week (“IFAW”) and to use own initiatives to further create awareness within their own industries and companies.
- Mentored and advised upcoming youth who have shown an interest in the fraud examination profession.
- Established the Junior CFE of the Year Award for CFEs under 35 and Investigative Journalist of the Year Award.
- Ensured the successful execution of Regional Events.

## **MATERIAL PRE-IDENTIFIED BOARD FOCUS AREAS FOR 2022/2023 ARE:**

- Acquiring Board Members with skills/experience
- Board succession planning
- Continued oversight of innovation and technological disruption
- Market trends
- Brand management
- Sustainable Development Goals
- Upliftment and education of youth
- Job security and development of new work opportunities for members locally and internationally

## **BOARD COMMITTEES**

The Board Committees are constituted in the context of the ACFE SA Corporate Governance Framework. The Committees assist the Board in fulfilling its responsibilities in line with the Companies Act, as amended, King IV and ACFE Chapter Bylaws. The Committees monitor and provide guidance and makes decisions within the context of the ACFE SA’s limits of authority consisting out of Board Members, co-opted Board Members, and CFEs in good standing.

The Committee has an independent role with direct accountability to the Board. The Committee does and shall not assume the functions of management, which remain the responsibility of the executive member(s), and staff of the ACFE SA.

# KEY STAKEHOLDERS & PARTNERS

*Micro-  
Environment  
Factors*

**IN SHAPING OUR  
VALUE CREATION**

## **STAKEHOLDER ENGAGEMENTS**

In today's dynamic business landscape, we are no longer confined to serving our immediate members. The concept of stakeholders has expanded to encompass a diverse range of individuals and groups who have a vested interest in the ACFE SA's activities, decisions, and outcomes. Effective stakeholder engagement and relationship management have emerged as crucial components of the ACFE SA's success, impacting everything from reputation management to value creation and sustainability in the long-term. The ACFE SA focusses on building enduring relationships that drive positive outcomes.

Each stakeholder group brings a unique perspective, needs, and expectations to the table, making it essential for the ACFE SA to adopt a tailored approach for engagement. Our stakeholders often offer valuable insights and suggestions that drive innovation. The ACFE SA engagement strategy is tailored to each stakeholder group's preferences. Some prefer in-person meetings, while others prefer to engage through digital platforms or surveys. Our main focus is to serve our stakeholders in the environment wherein we operate by creating and preserving value. We aim to provide for the needs of our stakeholders, and at the same time manage the associated risks and optimise the opportunities.

VALUE CREATION	VALUE PRESERVATION	VALUE EROSION
+	√	-

OUR STAKEHOLDERS	STRATEGIC PILLAR AFFECTED	CAPITALS AFFECTED	MATERIAL MATTERS AFFECTED	TOP 10 RISKS AFFECTED	VALUE CREATION, PRESERVATION AND EROSION
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**Members**

As a professional body and aligned to our mission to reduce the incidence of fraud and white-collar crime, we have a responsibility and an opportunity to make a valuable contribution to the global challenge of fighting fraud in our communities.

<p>Their needs and expectations:</p>	<ul style="list-style-type: none"> <li>Professionalisation of CFEs in the anti-fraud industry</li> <li>CFE training and maintenance of professional designation through provision of training to obtain CPE points</li> <li>Networking opportunities to share challenges and lessons learned in the industry</li> <li>Reliable quality and value for money whilst maintaining excellent customer service</li> <li>Provision of industry standards and guidelines</li> <li>Awareness of opportunities (job portal and available training)</li> <li>Tangible member benefits</li> <li>Members are held accountable to protect the reputation of the ACFE and its members</li> </ul>	<p><i>SP1</i> Member Value &amp; Development</p> <p><i>SP2</i> Governance &amp; Transformation</p> <p><i>SP4</i> Brand Trust &amp; Influence</p>	<p><i>C1</i> Financial Capital</p> <p><i>C3</i> Intellectual Capital</p> <p><i>C5</i> Social &amp; Relationship Capital</p>	<p><i>MM1</i> Political</p> <p><i>MM2</i> Economic</p> <p><i>MM3</i> Social</p>	<p><b>R2</b></p> <p><b>R3</b></p> <p><b>R7</b></p> <p><b>R8</b></p> <p><b>R9</b></p> <p><b>R10</b></p> <p><b>R11</b></p>	<ul style="list-style-type: none"> <li>+ We provided our members with a POPIA Compliance Guideline for the anti-fraud industry</li> <li>+ We set Forensic Practice Standards to support our members business activities. We published the Forensic Accounting Practice Standards on 30 June 2023</li> <li>✓ Our members are exempted from paying PSIRA membership dues</li> <li>+ Our BBBEE level improved from level 4 to level 2, based on membership demographics</li> <li>+ Member satisfaction has grown as seen in the significant increase in likes and followers on various social media platforms and increase in attendance numbers at regional events</li> <li>+ Our focus is on the youth and our interaction with scholars and students resulted in a 966,67% increase in student members</li> <li>+ All SAPS members join ACFE SA free of charge</li> <li>✓ We maintenance our strategic and global alliances</li> </ul>
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## Employees

ACFE SA is continuously investing in human capital development and training. To deliver on our mandate, we have to attract, develop and retain employees who are the best at what they do. Employees received an average salary increase of 7% in line with inflation as well as short-term and long-term incentives. One of the five students who was appointed on the FASSET SETA learnership programme in 2021 was retained whilst ensuring that the other four were placed in lucrative positions. An additional position of Head of Operations was created and Roxane Ferreira was appointed after going through a rigorous vetting and interview process.

<p>Their needs and expectations:</p>	<p>A safe and healthy work environment where employees are treated with respect</p> <ul style="list-style-type: none"> <li>Fair and competitive remuneration and other benefits</li> <li>Effective performance management and recognition</li> <li>Job security</li> <li>Job satisfaction</li> <li>Adequate equipment</li> <li>Challenging work</li> </ul>	<p><i>SP2</i> Governance &amp; Transformation</p>	<p><i>C3</i> Intellectual Capital</p> <p><i>C4</i> Human Capital</p> <p><i>C5</i> Social &amp; Relationship Capital</p>	<p><i>MM4</i> Technology</p>	<p><i>R1</i></p> <p><i>R4</i></p> <p><i>R5</i></p> <p><i>R10</i></p> <p><i>R12</i></p> <p><i>R13</i></p>	<ul style="list-style-type: none"> <li>+ We pay our employees' market-related salaries determined by an independent HR consultant firm</li> <li>+ 75% of our employees are female</li> <li>+ Transformation in terms of employment equity is taking place with 33,3% Black African employees</li> <li>+ Our focus on employee wellness has improved with the development of an employee wellness programme in process</li> <li>✓ We value the professional development of our employees and offer bursaries for relevant studies</li> </ul>
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## Community


With the anti-fraud industry being multi-disciplinary in nature, we created and maintained strong relationships with the communities that we serve. We cemented strong relations with various civil society organisations with the objective of creating a sustainable environment where fraud is minimised.

<p>Their needs and expectations:</p>	<ul style="list-style-type: none"> <li>Responsible environmental use</li> <li>Anti-fraud actions and training</li> <li>Improve reputation as fraud-fighters</li> <li>Thought leadership</li> </ul>	<p><i>SP4</i> Brand Trust &amp; Influence</p>	<p><i>C3</i> Intellectual Capital</p> <p><i>C5</i> Social &amp; Relationship Capital</p> <p><i>C6</i> Natural Capital</p>	<p><i>MM1</i> Political</p> <p><i>MM2</i> Economic</p> <p><i>MM3</i> Social</p>	<p><i>R8</i></p> <p><i>R9</i></p> <p><i>R10</i></p> <p><i>R13</i></p>	<ul style="list-style-type: none"> <li>+ We provided IFAW events in South Africa's largest provinces as well as on the African continent to upskill the community in the identification of fraud.</li> <li>✓ We continuously provide society with fraud-related information and training opportunities</li> <li>- Our reach in the general society can still improve</li> </ul>
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## Regulatory and Governance

Various legislation and regulations impact the environment in which the ACFE SA functions. We participate in the regulatory development and contributing to the development of legislation, regulations and guidelines. We fully complied with regulatory requirements and no fines were issued.

<p>Their needs and expectations:</p>	<ul style="list-style-type: none"> <li>• Operate legally</li> <li>• BBBEE compliant</li> <li>• Inputs on prospective legislation</li> <li>• Good governance and board oversight</li> <li>• Administrative and other support to internal forums and Committees</li> </ul>		<p><b>C3</b> <i>Intellectual Capital</i></p> <p><b>C5</b> <i>Social &amp; Relationship Capital</i></p>	<p><b>MM1</b> <i>Political</i></p> <p><b>MM2</b> <i>Economic</i></p> <p><b>MM3</b> <i>Social</i></p> <p><b>MM5</b> <i>Environmental</i></p> <p><b>MM6</b> <i>Legal</i></p>	<p><b>R3</b></p> <p><b>R4</b></p> <p><b>R5</b></p> <p><b>R6</b></p> <p><b>R7</b></p> <p><b>R8</b></p> <p><b>R11</b></p>	<ul style="list-style-type: none"> <li>+ We continue to give input to government, regulators and other professional bodies to ensure that our members receive the best possible legislative support</li> <li>+ We provided our members with a POPIA Compliance Guideline to assist them with the interpretation and implementation of this legislation</li> <li>✓ We ensure that we align with ACFE International's regulations and prescripts and holding members accountable where necessary</li> <li>+ We were 100% compliant with the Health and Safety Act</li> <li>✓ We remain having a seat on the ISO and King Committees and ensure hereby that our members' needs are addressed and kept updated with the latest development</li> <li>- We are in the process of negotiating with Government to allow CFEs to submit subpoena applications in terms of Section 205 of the Criminal Procedure Act directly to the public prosecutor for addressing it to the relevant magistrate/judge while being appointed as Peace Officers</li> </ul>
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## Sponsors and suppliers

Being a non-profit company with the main focus of providing the best possible quality products and services to our members, the ACFE SA relies heavily on sponsorships. We developed and maintain an excellent relationship with our suppliers

<p>Their needs and expectations:</p>	<ul style="list-style-type: none"> <li>• Value for money</li> <li>• Return on investment</li> <li>• Prompt payment</li> <li>• Fair procurement processes</li> </ul>	<p><i>SD4</i> Brand Trust &amp; Influence</p>	<p><i>C1</i> Financial Capital</p> <p><i>C2</i> Manufactured Capital</p> <p><i>C5</i> Social &amp; Relationship Capital</p>	<p><i>MM1</i> Political</p> <p><i>MM2</i> Economic</p>	<p><i>R1</i></p> <p><i>R7</i></p> <p><i>R9t</i></p> <p><i>R11</i></p>	<p>+ We received various sponsors for the annual conference, training events etc.</p> <p>✓ We continue to ensure prompt payment to our suppliers.</p> <p>✓ We made a donation to the Thuli Madonsela Foundation for her contribution during ACFE SA Women's Day Event</p> <p>✓ We continue to ensure that fair procurement processes are followed at all times.</p>
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# Regional COMMITTEES

The act of crafting and applying to be considered as a nominee for a Regional Committee role takes one's commitment to fellow CFEs to new heights. Accepting the appointment is an honour, for it means the privilege of representing a multitude of CFEs, each with their own aspirations, in a specific region.

To be part of a Regional Committee is not merely to add another experience to your CV; it is a mantle of trust and responsibility. As stewards of influence, Committee Members shape decisions, plan and organise training for our fellow members across the region. The growth and expansion of one's professional network has exceeded all expectations, creating a sense of unity and shared purpose among a remarkable group of like-minded individuals, bound by common values and a resolute commitment to serve the ACFE SA community.



Attending Regional Committee meetings and training events provided Committee Members with new opportunities for personal growth and expanding their horizons. Enthusiastically engaging in every event, Committee Members stand as advocates of ACFE SA, fostering connections and promoting its objectives. Regional Committees, in collaboration with the Training and Development Department, have diligently surveyed the training needs of the regions and organised insightful presentations on the identified needs.

Closer collaboration with the government, the establishment of student chapters at universities, and improved ties with law enforcement were some of the objectives set and accomplished by the regional Committees. The Committees' aspirations for the future are to set higher standards of integrity and accountability in the anti-fraud industry. The Committees hope to make a significant difference by promoting strong anti-fraud policies among our stakeholders.

The camaraderie that blossoms amongst the Committee Members is a testament to the collective passion and unwavering resolve to serve the ACFE SA community. The respective Regional Committees' contributions resonate deeply, extending towards the sustainability of ACFE SA's legacy, fortified by their commitment to its growth and evolution.

# *Shadow* COMMITTEES





Uplifting students is not just a noble aspiration; it is imperative for the betterment of society. The ACFE SA's future is shaped by the young minds we nurture today and addresses the need to ensure continuation of the profession for years to come. The initiative of Shadow Committees was first introduced in 2020 and the Gauteng Shadow Committee was established with the Western Cape Regional Committee following shortly thereafter.

Our guiding principles are as follows:

- **Investing in Young Professionals:** Every young professional represents untapped potential. By uplifting them, we unlock their unique talents, ideas, and creativity, contributing to a more innovative and prosperous society.
- **Building a Stronger Workforce:** Education is the foundation of a skilled workforce. Uplifting young professionals ensures that we have a well-prepared and adaptable workforce capable of meeting the challenges of a rapidly evolving global economy.
- **Fostering Social Equity:** Education is a powerful tool for breaking down barriers and promoting social equity. When we uplift young professionals, we create opportunities for all, regardless of their background, to achieve their dreams and contribute to the anti-fraud industry.
- **Enhancing Global Competitiveness:** To remain competitive on the global stage, we must prioritise education. Uplifted young professional are better equipped to engage in the international arena, fostering diplomacy, innovation, and cooperation.
- **Addressing Societal Challenges:** Many of the world's most pressing issues, such as climate change, healthcare, and poverty, require innovative solutions. Uplifting young professionals empowers them to become the problem solvers and change-makers of tomorrow.

The Shadow Committee offers the members rich learning opportunities, which enhances their professional development and expands their understanding of fraud prevention and detection. They've been given the opportunity to explore a range of fraud-related topics and engage with industry experts and fellow professionals.

The Shadow Committee brings a unique perspective and skill set to the ACFE SA. Additionally, by helping with event planning, marketing, and membership recruitment, their participation has given them the opportunity to support the long-term success and sustainability of the ACFE SA. We firmly believe that the Shadow Committee plays a pivotal role in the future of the ACFE SA by offering a platform for young professionals to develop their skills and contribute to the organisation's growth. We eagerly anticipate their continued involvement with the ACFE SA.

One of the ACFE SA's highlights has always been the engagement with educational institutions. We've embarked on a journey to introduce the purpose of ACFE SA to students, cultivating a foundation for a new generation of CFEs. Exhibitions and presentations at schools have showcased our commitment to this cause, with a vision to bring the CFE qualification to the doorstep of aspiring minds.

We believe uplifting the youth is an investment in the future, a commitment to equality, and a strategy for a brighter, more prosperous South Africa.

## OUR KEY

# *Business Partners & Alliances*

We have formed alliances with partners that have complementary strengths. Our partnerships foster innovation by bringing together different perspectives and ideas. Our partnerships allow us to access resources, skills and expertise. We support our partners and their causes.



### **INCOME TAX EXEMPTION APPROVED**

The South African Revenue Service (SARS) approved the Danie du Plessis ACFE SA Foundation's ("Foundation") application for exemption from income tax as it meets the requirements of a Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act No 58 of 1962 (the Act). The Income Tax Exemption has been granted with effect from 15 March 2022.

The Foundation has been approved for the following public benefit activities:

- Educational enrichment, academic support, supplementary tuition or outreach programmes for the poor and needy.
- The provision of scholarships, bursaries, awards and loans for study, research and teaching on such conditions as may be prescribed by the Minister by way of regulation in the Gazette.
- The provision of funds, assets, services or other resources by way of donation.

*Danie du Plessis*  
**FOUNDATION**



# SHARE CERTIFICATE

No. OF CERTIFICATE

2

Ordinary Par Value

No. OF SHARES

1000

**ANTI FRAUD RISK INVESTIGATIONS AND COMPLIANCE ACADEMY (PTY)LTD**

Registration No 2018/095537/07

*This is to certify that*

**DANIE DU PLESSIS ACFE SA FOUNDATION NPC**

Registration No 2020/082007/08

*is the Registered Proprietor of*

**\*\*\* ONE THOUSAND \*\*\***

*Fully Paid Shares of*

**\*\*\* One Rand \*\*\***

*each*

DISTINCTIVE NUMBERS (INCLUSIVE)		NUMBER OF SHARES
FROM	TO	
1	1000	1000

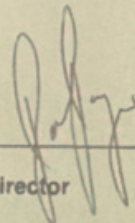
*Each entered as per herein inclusive, in the above named Company, subject to the Memorandum of Incorporation and the Rules and Regulations of the Company.*

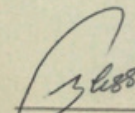
*Given at*

**PRETORIA**

*this*

**31ST day of March 2020**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Shareholder



# MATERIAL MATTERS

## Macro-Environment Factors IN SHAPING OUR VALUE CREATION

The macro-environment is a dynamic landscape filled with intricate factors that can either propel or hinder our journey towards value creation. Our most material matters are those factors that have the greatest potential impact on our ability to create value. These are the issues that most affect our long-term sustainability and the interests of our members. Our material matters are determined by assessing the financial and non-financial risks, opportunities and other factors that influence our strategy, performance, prospects, and governance activities. These matters are identified and prioritised by considering information from a range of sources, including:

- Discussion at Board and Board Committee levels
- Stakeholder engagements
- Working Groups
- Applicable legislation and guidelines

Embracing economic trends, technological advancements, sociocultural shifts, political and legal developments, environmental concerns, globalisation, and demographic changes is essential for us seeking to thrive in today's complex business ecosystem. By carefully navigating these macro-environmental forces, we position ourselves to not only create value but also to sustain it over the long term.

REF.	MATERIAL MATTERS	KEY CONSIDERATIONS AND FOCUS IN 2022
MM1 <i>Political</i>	Political	<ul style="list-style-type: none"> <li>• Political unrest/instability</li> </ul>
MM2 <i>Economic</i>	Economic	<ul style="list-style-type: none"> <li>• General economic status of the country</li> </ul>
MM3 <i>Social</i>	Social	<ul style="list-style-type: none"> <li>• Member engagement and satisfactory</li> <li>• Infrastructure of public services decline</li> </ul>
MM4 <i>Technology</i>	Technology	<ul style="list-style-type: none"> <li>• Pace of Technological advances</li> </ul>
MM5 <i>Environmental</i>	Environmental	<ul style="list-style-type: none"> <li>• Environmental deterioration and challenges</li> </ul>
MM6 <i>Legal</i>	Legal	<ul style="list-style-type: none"> <li>• Changes in the regulatory environment / increasing regulatory requirements</li> <li>• Disciplinary cases, Code of Ethics and Professional Standards and Chapter By-laws</li> <li>• Conduct of Members</li> </ul>

# MM1 *Political Factors*

The political unrest and instability have a great impact on our ability to create value in the short and long term. In addition, government policies, leadership and change; foreign trade policies, internal political issues and trends, tax policy as well as regulation and de-regulation trends have a significant impact on our operations, sustainability and growth strategies. We must adhere to a wide array of regulations, ranging from environmental standards to POPIA. Non-compliance can lead to fines, reputational damage, us losing our professional recognition with qualification authorities and disruption of our operations. Tax regimes influence costs, profits, and investment decisions, subsequently affecting our financial performance and overall value proposition. The work of the Zondo Commission has highlighted governance failures in private and public institutions and emphasised the need to review the role of the fraud examination profession in preventing and detecting fraud and corruption.

## OUR RESPONSE

Protocols remain in place to safeguard the safety and wellbeing of our employees, members, and other stakeholders. We engage with government as a key stakeholder and are working on several projects to increase the efficiency of the public sector. We are still investigating allegations of corruption stemming from the Zondo Commission Report. We want to continue being innovative, cost-conscious, and demonstrating value in our offerings. To support our members and the general public during forensic investigations, we invested in a POPIA Compliance Guideline for the anti-fraud industry.

# MM2 *Economic Factors*

The global economic downturn's impact on developing countries, such as South Africa, has been particularly severe, as evidenced by reduced economic activity, per capita income below pre-pandemic levels, and rising unemployment and

current inflation rate. Additionally, the Financial Action Task Force (FATF) placed South Africa on its grey list, thereby classifying our country as a jurisdiction under increased monitoring. These factors, combined with the general state of the economy, had a direct impact on our members' spending habits, which in turn affected their ability to afford membership and thus the demand for our services. This made it difficult to expand our membership and had a negative effect on revenue generation. Non-paying members are deactivated on the ACFE SA database, which leads to a significant drop in membership figures. Fluctuations in interest rates affect our capital available, which in turn affect our growth strategies. Inflation and Rand/Dollar fluctuations influence our pricing strategies, and profitability, thereby influencing our competitive advantage.

Strategic Pillars Affected	Top Risks Affected
<i>SP 2 Governance &amp; Transformation</i>	R1 R2

Strategic Pillars Affected	Top Risks Affected
<i>SP 2 Governance &amp; Transformation</i> <i>SP 3 Growth &amp; Sustainability</i>	R1 R2

## OUR RESPONSE

Fluctuations in the global economy have tested our financial resilience. We've responded by diversifying our revenue streams, implementing prudent cost management strategies, and remaining adaptable to market dynamics. Our strong financial position is a testament to our strategic foresight. We take a more conservative approach when it comes to spending, making sure that the money we earn is put to good use. To avoid raising our fees, we are also actively looking for new revenue streams. For more than ten years, we haven't increased the cost of training or regional events. We rely on member dues for funding and donations for projects addressing economical imperatives.

To accommodate all members, training sessions were held in-person, virtually, or in a hybrid format this financial year. Accessing enough financial capital to carry out our strategy and long-term value creation is at risk due to pressure on organisations, our corporate sponsors and our members. We work with members as needed to address non-payment of fees and make sure stakeholder needs are met. We emphasise the value of the profession to society and the strategic importance of our work in supporting national imperatives. We also implemented a one-fee structure with the ACFE International and created a new funding model to assist in reducing membership and training fees. We believe that the profession of fraud examination has a significant part to play in the nation's economic recovery, and we're always looking for new ways to assist members, the government, and other stakeholders through continuous profession development, support, and awareness campaigns.

### MM3 Social Factors

Shifts in member preferences and cultural values require us to adapt our offerings to remain relevant, which in turn affects our services and marketing strategies. Ageing populations, urbanisation, and evolving family

arrangements might cause shifts in demand for particular goods and services, forcing us to think about making strategic changes. There is an increase in expectations to demonstrate ethical behaviour and contribute positively to society. Failure to do so can damage our reputation and brand value.

#### OUR RESPONSE:

We are cognisant of the ever-evolving environment in which we operate. We constantly evaluate evolving cultural norms, demographic trends, lifestyle changes, and our member preferences through stakeholder engagements, working committees and surveys. We believe that understanding these elements is pivotal for tailoring our services to meet evolving market demands. To keep up with the times, we have several initiatives in place, including free student membership, a dedicated student event, a mentorship programme

run by the ACFE SA Regional Committees, grant applications, commitments for learnership programmes with the collaboration from the industry in the coming financial year, and many more.

Strategic Pillars Affected	Top Risks Affected
Member Value & Development SP1	R1 R2
Governance & Transformation SP2	R3 R10
Brand Trust & Influence SP4	



# MM4 Technological Factors

The pace of technological innovation, automation, digital advancements, and disruptive technologies can profoundly alter the landscape in which we operate and can affect our ability to create value in the long term. Technological advancements provide opportunities for us to create innovative services, and processes, enhancing our competitive edge. Cybercrimes have also surfaced at the forefront necessitating countermeasures.

Automation technologies can streamline our operations, reduce costs, and improve efficiency, impacting our ability to deliver value to members and stakeholders. We have to embrace digital platforms and tools to remain competitive in today's tech-driven world, affecting stakeholder engagement, data utilisation, and operational agility.

## OUR RESPONSE

We prioritise time and resources for digital innovation. To improve our ability to provide value to members and stakeholders, we have automated the majority of our operational tasks in an effort to streamline processes, reduce expenses and increase efficiency. By embracing digital platforms and tools, we hope to improve member value and increase efficiency within the ACFE SA to stay competitive in today's tech-driven world, which affects stakeholder engagement, data utilisation, and operational agility. Cybercrime is recognised as one of our top risks and the necessary controls are in place to maintain ACFE SA's defence, recovery and business continuity systems. Over the past year, we have listened to the feedback from our members and invested in technological advancements that streamline our services and provide you with more personalised solutions. This includes the brand-new ACFE SA website, which features a "My Community" section where members can interact. The need amongst our members for cyber forensic training became apparent and we went to great lengths to ensure cyber training events.

Strategic Pillars Affected	Top Risks Affected
<p>SP 2 Governance &amp; Transformation</p> <p>SP 4 Brand Trust &amp; Influence</p>	<p>R3</p> <p>R5</p> <p>R8</p> <p>R10</p>

# MM5 Environmental Factors

We must address environmental factors, ecological and sustainability concerns to ensure long-term value creation. Our stakeholders increasingly expect us to engage in sustainable practices and failure to do so can lead to reputational damage and loss of market share. Depletion of natural resources can impact supply chains and production

costs, forcing us to innovate and optimise resource usage.

## OUR RESPONSE:

We recognise the urgent need to address climate change and environmental degradation. Our efforts to reduce our carbon footprint, minimise waste, and promote eco-friendly

Strategic Pillars Affected	Top Risks Affected
<p>SP 2 Governance &amp; Transformation</p> <p>SP 4 Brand Trust &amp; Influence</p>	<p>R10</p>

practices are gaining momentum. By incorporating sustainability into every aspect of our operations, we help mitigate and reduce the direct environmental impact of the ACFE SA. Our main goal is to influence our stakeholders while leading by example.

True sustainability extends beyond our organisation's walls. We have deepened our stakeholder engagement initiatives, working hand in hand with local communities to support education and economic development projects. Together, through learnership programmes, student-upliftment initiatives, and Regional Committee mentorship programmes we are building a brighter future for others. Our dedication to sustainability extends beyond rhetoric. As mentioned above, we've embarked on eco-friendly initiatives, reducing our carbon footprint, minimising waste, and actively contributing to the well-being of our planet. Environmental stewardship is a non-negotiable aspect of our ethos.

## MM6 *Legal Factors*

New regulations and proposed changes to current regulations increase the complexity of the environment in which we operate and can negatively affect our confidence and reduce our financial capital. Policy changes are likely to bring about risks and opportunities for our ability to create value, grow and retain our membership.

### OUR RESPONSE

We engage with regulators and government to understand the impact of proposed regulations and changes, provide input and advocate for members' interests where necessary. We provide guidance through training sessions, stakeholder engagements, working groups and publications for members on the implications of upcoming regulations and the requirements to ensure compliance. In addition, we developed a Guideline for our members on POPIA. We hold our members to account in terms of the ACFE Code of Ethics and Professional Standards. Legal frameworks protecting intellectual property rights safeguard our innovations and maintain our competitive advantage. We intend to continue advocating for policy changes aimed at reducing and eliminating instances of fraud and white-collar crime. We advocate for material legal changes that may affect our members. Focus areas for this financial year included:

- Advocating for amendments to the Private Security Industry Regulation Act 56 of 2001
- Development of a POPIA Compliance Guideline for the anti-fraud industry
- Advocating for additional powers for CFEs to allow CFEs to submit subpoena applications in terms of Section 205 of the Criminal Procedure Act directly to the public prosecutor for addressing it to the relevant magistrate/judge.

Strategic Pillars Affected	Top Risks Affected
<i>SP2 Governance &amp; Transformation</i>	R1 R2
<i>SP4 Brand Trust &amp; Influence</i>	R3 R8

# Legal AND Discipline

The ACFE SA protects the public by exercising professional authority over its members, and by ensuring Continuing Professional Education ("CPE") and professional oversight. The ACFE SA ensures the continuous development of its members' competencies. The ACFE SA's disciplinary procedure plays a crucial role in maintaining the integrity of the profession and protecting the public interest.

- Members of the Chapter must at all times display responsible, professional, and socially acceptable behaviour in the execution of their duties.
- Members of the Chapter must at all times adhere to the ACFE Rules of Conduct, and the applicable legislation in the execution of their duties.

The ACFE SA, more so than most organisations, require consistent legal oversight and advice. In an ever-changing legal landscape, it is imperative to keep up with the pace of change. In the prevailing economic conditions, the Disciplinary Committee has found itself reviewing an upward trend of matters concerning our member's professional practice and conduct, necessitating consultation and, in some cases, handing these matters over to ACFE International for review and disciplinary sanction.

The Disciplinary Committee fulfils a role in overall legal services of the ACFE SA, mainly to monitor the professional practice and conduct of its members. The Disciplinary Committee adjudicates reports and complaints to ensure that the behaviour of our members and their actions respect the ACFE Code of Ethics and Professional Standards.

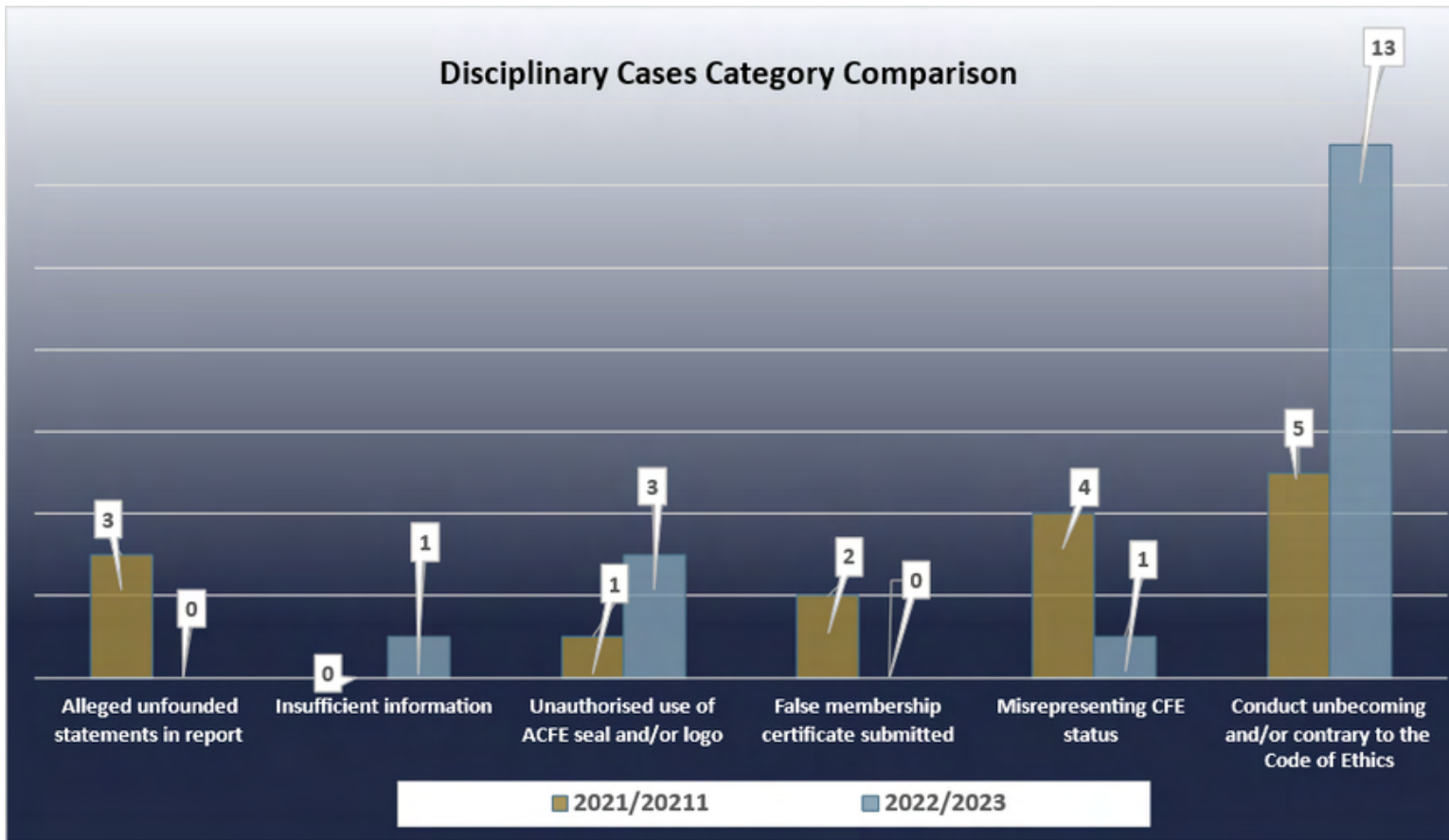
Whilst the Disciplinary Committee had a balance of four (4) matters that rolled over from the previous reporting period, a total of twenty (20) new matters were reported to the ACFE SA during the reporting period. Compared to the previous period, this shows an increase of 40% of reported cases.



**YEARS OF  
EXCELLENCE**



### Disciplinary Cases Category Comparison



**Note:**  
An almost triple increase in matters reported under the category of ‘Conduct unbecoming and contrary to the ACFE Code of Ethics’, rising from 5 to 13 matters.

### STATUS OF CASES:

	CLOSED	ACTIVE
Old Cases (Previous Year)	4	-
New Cases (Current Year)	19	3

The active three (3) cases are at different disciplinary review stages, namely:

- Stage 1: Formal complaint lodged by complainant / Acknowledgement of complaint sent to complainant (and request of additional information) / Update ACFE Complaint Register / Inform Disciplinary Chair of new case – two (2) cases
- Stage 2: Right of response letter drafted / Peer reviewed and sent to member for response - one (1) case

### **CHALLENGES IN PURSUING REPORTED MATTERS:**

The ACFE SA had seven (7) matters that we could not proceed with due to pending civil or criminal litigation or where the person resigned before their employer could take any disciplinary action. The ACFE is primarily a reviewer of evidence provided, rather than an investigative body. It is preferred that we wait for the outcomes of civil and/or criminal cases before a forum, tribunal or court before evaluating and taking the required action in accordance with the ACFE SA Disciplinary Procedure and its mandate as delegated by the ACFE International.

The ACFE SA is a non-statutory professional body and is therefore bound to the judgment of any trier of fact including, without limitation, a judge, arbitrator, mediator, other judicial officer or person having by law or by consent of the parties the authority to hear, receive and examine evidence or to conduct any alternative dispute resolution process.



HOW WE TAILOR OUR

# *Business Model*





# CAPITALS | INPUTS

## C1 Financial Capital

- Our revenue 12,226,787 [FY2022: 10,160,672]
- Our investment income 1,566,334 [FY2022: 723,854]
- Other income 4,781,630 [FY2022: 4,901,244]



## C2 Manufactured Capital

- Our operating lease expense 365,153 [FY2022: 435,354]
- Our IT infrastructure and office equipment 206,027 [FY:2022 72,337]
- Use of private infrastructures to host our annual conference and other events

## C3 Intellectual Capital

- Our CFE professional designation
- Our brand and reputation
- Our trademarks
- Our POPIA Compliance Guidelines and Benchmark Reports
- Our Forensic Practice Standards
- Our branding and marketing costs 578,104 [FY2022: 435,190]
- Combined technical skills, experience, and knowledge of our team and board



## C4 Human Capital

- 12 Diverse capabilities
- Our salaries 4,562,769 [FY2022 3,920,862]
- Our team's well-being and professional development 356,254 [FY2022: 136,066]
- Our values and ethos



## C5 Social & Relationship Capital

- Our relationship with our stakeholders
- Member engagements and working groups
- 42 strategic alliances which include 4 law enforcement agencies and 4 Sector Education and Training Authorities SETAs
- Level 2 BBBEE Contributor (previously Level 4 Contributor)



## C6 Natural Capital

- Access to basic natural resources to support our operations such as electricity and water
- Water and electricity conservation
- Water and electricity waste management

# OUR BUSINESS ACTIVITIES & OUTPUTS

*Member Value & Development*

### OUR MEMBERSHIP

- Member professional and financial support
- Student support through complementary offerings
- 83 CPE points issued

*Governance & Transformation*

### OUR PROFESSIONAL DESIGNATION AWARDED

- 81 CFE professional designations awarded

*Growth & Sustainability*

### OUR EVENTS

- 11 Regional Events – a total of 520 delegates received training
- 10 Africa Events – a total of 216 delegates received training
- 13 Other events hosted – a total of 3068 delegates received training
- 5 Free events hosted

*Brand Trust & Influence*

### OUR CUSTOMISED EVENTS AND OFFERINGS

- 6 Customised events hosted

### THOUGHT LEADERSHIP

- 4 Veritas Magazines published
- 3 Newsletters published
- 2 ACFE SA Posts published
- Press Releases
- ACFE SA POPIA Compliance Guideline developed
- ACFE SA Forensic Practice Standards developed

# OUTCOMES

## C1 Financial Capital

- + Our surplus 4,224,392 [FY2022: 1,817,594]
- + Our reserves increased 24,906,468 [FY2022: 18,963,830]

## C2 Manufactured Capital

- + 100% Operating system uptime
- + Increased use and rent of ACFE SA training facility
- + Investment in the new ACFE SA Website and Member Management System to improve our offerings
- + Increased IT infrastructure and security
- + Increased fixed assets

## C3 Intellectual Capital

- ✓ Trademark renewed
- Increased copyright and trademark infringements
- + Increased efficiency in disciplinary procedure – matters concluded
- + Improved continuous professional development offerings
- + Increased influence, trust and brand awareness
- + Increased member mobility with international recognition of the CFE professional designation
- + Increased member satisfaction as seen in the significant increase in likes and followers on various social media platforms
- + Increased use of the ACFE SA Forensic Practice Standards as the benchmark

## C4 Human Capital

- + Diversity metrics improved
- + Low staff turnover - below the threshold of 12%
- + 75% of our team are female [FY2022: 69,23%]
- Transformation in terms of employment equity is taking place, with 33,3% being Black African employees of whom 75% are female.
- + Invested in our team's professional development
- + Invested in new Member Management System to improve employee productivity and efficiency
- ✓ Effective performance management and recognition
- ✓ Adequate equipment

## C5 Social & Relationship Capital

- + Increased membership of 7,45%
- + 81 new CFES
- ✓ 80 regional events and 6 customised events
- + Training and development of more than 4000 delegates
- + 83 CPE points issued
- + Increased member satisfaction
- + Increased awareness through strategic alliances and media engagements
- Accessibility to the profession through discounts and student membership
- ✓ Our members are exempted from paying PSIRA membership dues
- ✓ Maintenance of strategic and global alliances
- + Investment in ethics game to promote early childhood development in marginalised communities

## C6 Natural Capital

- + Decreased paper usage by our team
- Increase local travel due to face-to-face meetings after Covid
- Increase foreign travel due to face-to-face meetings after Covid
- Our reach in the general society can improve

# ENVIRONMENTAL SOCIAL GOVERNANCE

In an era defined by environmental, social, and governance (ESG) considerations, we recognise the importance of aligning our operations with principles that go beyond surplus. We believe that embracing ESG outcomes is not only a responsible choice but a strategic imperative that will contribute to lasting positive impact within our community and beyond. We play a pivotal role in driving change within our niches, leveraging our unique qualities and close-knit communities.

## ENVIRONMENTAL

We have integrated sustainable practices into our operations. From energy and water waste management to promoting eco-friendly initiatives, our focus is to lead by example, inspiring both our members and other stakeholders to adopt environmentally conscious behaviours. By embracing green initiatives, such as using sustainable materials for promotional materials, corporate gifts and products or adopting energy-efficient technologies, we contribute to a greener future. By adopting eco-friendly practices within our operations, such as reducing paper usage, and minimising energy consumption, we set a powerful example for our members and other stakeholders.

## INTERNAL

- Eco-friendly initiatives within our operations
- Water and electricity conservation and waste management initiatives
- Sustainable materials initiatives – promotional materials, corporate gifts and products

## STRATEGIC PILLARS AFFECTED

*Governance & Transformation*  
SP2

## EXTERNAL

- Long-lasting growth and impact of the 100 trees we distributed at the 2020 Imbizo to industry leaders, business executives and heads of forensics
- Long-lasting growth and impact of the 120 succulents we distributed at the 2021 Gala & Awards
- Member of King Committee – working group considers climate change and/or environmental reporting

## STRATEGIC PILLARS AFFECTED

*Growth & Sustainability*  
SP3





**SOCIAL**

We have a deep connection with our members and other stakeholders, making us well-positioned to address social issues directly. Whether it's through supporting student upliftment programmes, or championing diversity and inclusion initiatives, we foster a sense of belonging and positively impact the lives of our members and community.

**INTERNAL**

- Retention initiatives that include benchmarked and competitive remuneration and other benefits for our team, the provision of performance bonuses, and professional development.
- Effective performance management and recognition
- Invested in new Member Management System to support operations and improve employee productivity and efficiency
- 100% Compliance rated during OHS Audit [FY2022: 99%]

**STRATEGIC PILLARS AFFECTED**

*Governance & Transformation*  
**SP2**

**EXTERNAL**

- Investment in ethics game to promote Early Childhood Development in marginalised communities
- Supporting student upliftment programmes through the ACFE SA Learnership Programmes
- Regional Committee mentorship initiatives
- Offering discounted membership for students

**STRATEGIC PILLARS AFFECTED**

*Member Value & Development* **SP1**      *Brand Trust & Influence* **SP4**

**GOVERNANCE:**

We practice and focus on effective governance ensuring transparency, accountability, and ethical decision-making. We prioritise robust governance practices to build trust and credibility. This involves clear communication channels, ethical guidelines for decision-making, and ensuring financial sustainability. We believe that demonstrating good governance will attract new members and retain existing ones, solidifying our reputation.

**INTERNAL**

- Endorsement and implementation of the King IV principles
- Independent external review of our governance structure, framework and Mol
- Amendments and alignment of our governance structure, framework and Mol

**STRATEGIC PILLARS AFFECTED**

*Governance & Transformation*  
**SP2**

**EXTERNAL**

- Member of the ISO and King IV Committee
- Training of Board Members by IoDSA as well as other service providers

**STRATEGIC PILLARS AFFECTED**

*Growth & Sustainability*  
**SP3**



Our ESG outcomes are directly tied to our stakeholder engagements. By involving our stakeholders in our ESG initiatives, we create a sense of ownership and pride. Our engagements range from surveys to understand our members and stakeholders concerns to co-creating sustainability goals that resonate with our members and stakeholders. Collaborating with other professional bodies, government entities and our corporate sponsors on ESG projects amplifies the impact of our efforts. Our partnerships lead to shared resources, expertise, and a broader reach in achieving our ESG goals.

We further focus on sustainable financial practices, such as budgeting, prudent financial management, and diversifying revenue streams. Our strong financial foundation ensures our longevity, our ability to fulfil our mission and create value for our members in the long term.

Through our anti-fraud initiatives, training events and awareness campaigns we influence and promote sustainability, social impact, and governance, to ensure our members and stakeholders actively contribute to enacting positive change. We may be small in scale, but our potential to create meaningful ESG outcomes is immense. By integrating environmentally conscious practices, championing social responsibility, and fostering transparent governance, we believe that we inspire our members and stakeholders to embrace sustainable values. We lead by example.





# ADVANCING TOGETHER:

## EMBRACING THE

## *Sustainable Development Goals*

At the core of our mission is a deep commitment to sustainability and responsible corporate citizenship. Over the past year, we have made significant strides in aligning our operations with the United Nations Sustainable Development Goals (SDGs). These goals serve as a roadmap for creating a better world for current and future generations in the anti-fraud industry.

We recognise the urgent need to address climate change and environmental degradation. Our efforts to reduce our carbon footprint, minimise waste, and promote eco-friendly practices are gaining momentum. By incorporating sustainability into every aspect of our operations, corporate gifts and promotional materials, we help mitigate and reduce the direct environmental impact of the ACFE SA. Our main goal is to influence our stakeholders while also leading by example.

True sustainability extends beyond our organisation's walls. We have deepened our stakeholder engagement initiatives, working hand in hand with local communities to support education and economic development projects like the ethics game, which promotes early childhood development in marginalised communities.

Together, through learnership programmes, student-upliftment initiatives, regional committee mentorship programmes, we are building a brighter future for those who need it most. United under the banner of the SDGs, we have a unique opportunity to contribute to a more just, equitable, and sustainable world. We work towards a fraud-free future. This approach which is outlined in our vision, mission, long- and short-term goals, speaks towards a sustainable future where fraud and corruption do not cripple the economy.

In South Africa particularly, fraud and corruption have reached even governmental structures and if something is not done to stop fraud, our youth will have little to fight for. Our sustainability strategy is focused on corporate sustainability and can affect all aspects of financial integrity, spanning from small businesses to the global economy. Furthermore, we can foresee the challenges that the youth of today and generations to come, will have to face in the future, which is why we are aiding learners and students as much as we can to ensure they have the best possible chance to overcome challenges.

# OUR *Direct Influence*



## GOOD HEALTH AND WELL-BEING (SDG 3)

- We promote and establish a safe and healthy work environment
- We ensure effective security and health safeguard measures
- We have effective performance management, recognition and reward
- We are developing an employee wellness programme
- We invested in a new Member Management System to support employees
- We have training events focused on well-being:

### STRATEGIC PILLARS AFFECTED

*Member Value & Development* **SP1**    *Governance & Transformation* **SP2**



## DECENT WORK AND ECONOMIC GROWTH (SDG 8)

- We follow a comprehensive and transparent remuneration policy
- We support and encourage work-life balance
- We foster a diverse and inclusive workplace
- We offer free membership to students

### STRATEGIC PILLARS AFFECTED

*Member Value & Development* **SP1**    *Governance & Transformation* **SP2**    *Brand Trust & Influence* **SP4**



## QUALITY EDUCATION (SDG 4)

- We invested in our team's professional development
- All our training events and customised events are accessible to employees
- We invested in an ethics game to promote early childhood development in marginalised communities
- All ACFE SA Veritas Magazine, Newsletters, ACFE SA Posts, the ACFE SA POPIA Compliance Guideline, and Forensic Practise Standards are accessible to the general public
- We hosted a total of 3804 attendees at 34 training events, 5 of which were free, and 6 customised events

### STRATEGIC PILLARS AFFECTED

*Member Value & Development* **SP1**    *Governance & Transformation* **SP2**    *Brand Trust & Influence* **SP4**







# OUR *Indirect Influence*

## **PRESERVING RESOURCES FOR DEVELOPMENT (SDGS 1-17):**

One of the most direct ways our anti-fraud initiatives support the SDGs is by training and creating awareness on how to safeguard resources from misallocation and waste. By ensuring that funds allocated for development projects, social welfare, healthcare, education, and other initiatives are used for their intended purposes, our anti-fraud initiatives help achieve multiple SDGs, including those related to poverty eradication (SDG 1), good health and well-being (SDG 3), quality education (SDG 4), and clean water and sanitation (SDG 6).



## **ENSURING RESPONSIBLE AND FOSTERING TRANSPARENT GOVERNANCE (SDG 16 AND 17):**

Anti-fraud training and initiatives bolster accountable and transparent governance, a fundamental component of SDG 16. By fostering a culture of integrity amongst our members, stakeholders, and government departments, fraud prevention measures reduce fraud and corruption. This, in turn, supports the establishment of effective, transparent institutions that uphold the rule of law and promote inclusive decision-making. Transparency and accountability are critical components of effective

governance. Our anti-fraud initiatives, training and awareness campaigns promote transparency by influencing and promoting the establishment of mechanisms to prevent corruption and fraudulent activities within governments and organisations. By reducing corruption and increasing accountability, these anti-fraud measures contribute to the realisation of SDG 16 (Peace, Justice, and Strong Institutions) and SDG 17 (Partnerships for the Goals).



## **ERADICATING POVERTY (SDG 1) AND HUNGER (SDG 2):**

Fraudulent activities often divert resources away from programmes intended to alleviate poverty and hunger. We promote effective anti-fraud strategies to ensure that funds intended for social welfare programmes reach their intended beneficiaries. By safeguarding resources and enhancing the efficiency of aid distribution, our members and stakeholders' anti-fraud efforts play a crucial role in achieving these critical SDGs.



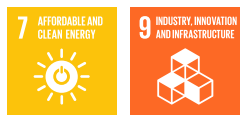
## **QUALITY EDUCATION (SDG 4) AND REDUCED INEQUALITIES (SDG 10):**

Our members and stakeholders' anti-fraud initiatives in the education sector ensure that educational resources are allocated fairly, and that funding is not extorted over a period of time by fraudulent means. We support our members and stakeholders with the necessary skills and knowledge through our training events and customised events. This supports SDG 4 by providing quality education opportunities for all and contributes to SDG 10 by narrowing educational inequalities.



## **AFFORDABLE AND CLEAN ENERGY (SDG 7) AND INDUSTRY, INNOVATION, AND INFRASTRUCTURE (SDG 9):**

Investment in renewable energy and sustainable infrastructure projects requires substantial financial resources. We influence, promote and provide training to our members and stakeholders to prevent fraud in these sectors safeguard investment capital and ensure that projects are completed as planned, thus advancing SDGs 7 and 9. Additionally, our anti-fraud initiatives promote confidence in clean energy and infrastructure projects, attracting more investors to contribute to their success.



## **HEALTH AND WELL-BEING (SDG 3):**

In the healthcare sector, fraud can lead to substandard medical care, misallocation of resources, and reduced access

to essential services. Through our Healthcare Forum, which sets the minimum practice standards for healthcare fraud examiners, we provide effective anti-fraud training for healthcare professionals and promote robust monitoring systems that can help ensure that medical resources are used efficiently and that patients receive the care they deserve, contributing to SDG 3.



We play an integral role in achieving the SDGs and creating a better world for current and future generations. We can be a powerful catalyst for positive change and end the scourge of fraud and white-collar crime by aligning our goal with the SDGs, working with different stakeholders, and taking tangible steps. As we contribute to the global effort, we not only fulfil our mandate as the leading anti-fraud professional body but also play a pivotal role in building a sustainable and prosperous future for all.

Anti-fraud measures play a crucial, albeit often overlooked, role in advancing the SDGs. These efforts directly contribute to poverty eradication, responsible governance, economic growth, environmental protection, and more. By promoting transparency, accountability, and ethical behaviour, our anti-fraud initiatives create an enabling environment for sustainable development to thrive. As we work collectively toward achieving the SDGs, recognising the importance of anti-fraud initiatives is essential for creating a just, equitable, and prosperous future for all.

# PREFORMANCE SUMMARY

## *Our Soaring Membership Growth*



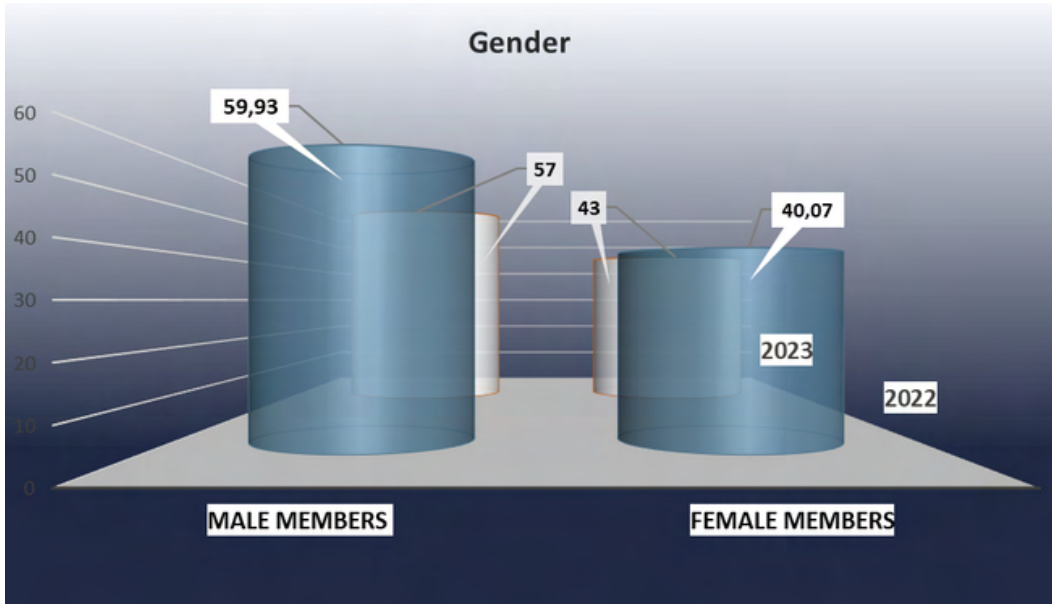
### South Africa Chapter

Last year was a phenomenal year for the ACFE SA which demonstrated unprecedented growth and this year proved to be no different. We recorded an all-time high number in growth of ACFE SA members, specifically students – it is safe to say the future looks promising. However, an integral part of this success is attributed to the hard work the ACFE SA team has put in this year. The results speak to an unrelenting blend of synergy and great governance that have made this growth all possible.

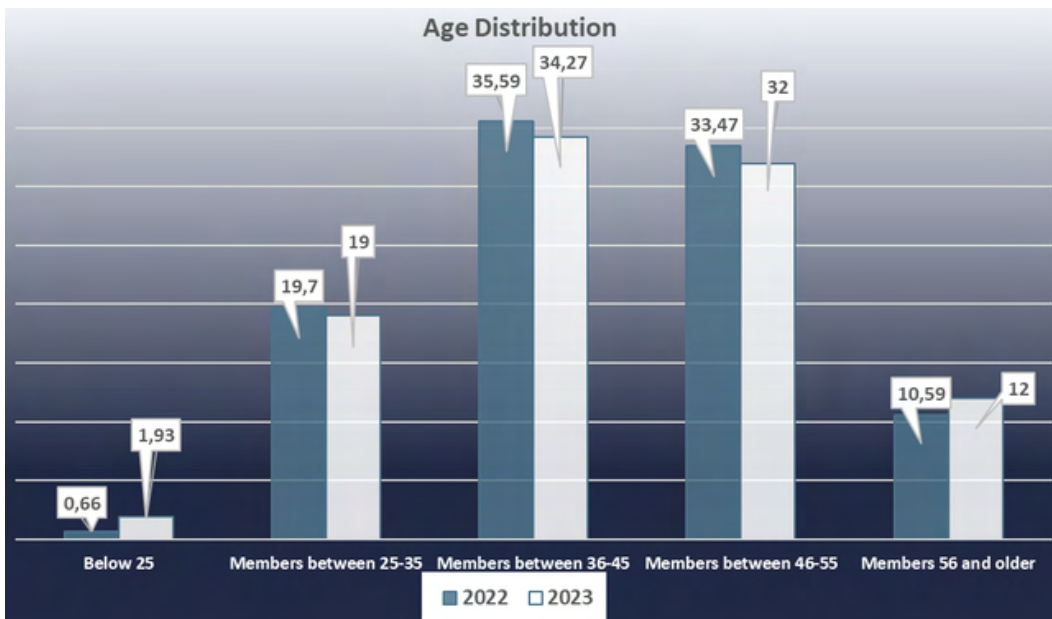
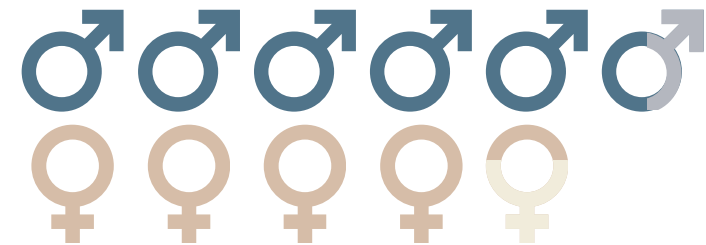
Our diverse membership base brings together a wide range of perspectives and experiences in the anti-fraud industry. This diversity fosters innovation and creativity, leading to fresh ideas and approaches to broaden the footprint of the ACFE SA. Our diverse membership base puts us in a better position to adapt to changing trends and societal dynamics. This contributes to the overall sustainability, growth and relevance of the ACFE SA. Our membership figures tend to be directly proportional to the political unrest/instability and economic status of our country. With that said, the ACFE SA experienced an overall growth of 7.45% in membership. Moreover, CFEs increased by 4.14%, Associates decreased by 3.06% while we witnessed a 11,22% increase in Affiliates. The students, however, had an exponential growth of 966,67%. As more people took the CFE exam and passed to become CFEs, we are not concerned about the decline in the number of Associate members.







Our membership base was predominantly male-dominated. Our emphasis on gender equality has led to increased opportunities for women in the anti-fraud industry. This has translated into higher female membership subscriptions, reaching 43% (FY2022: 40,07%) and our male membership has decreased to 57% (FY2022: 59,93%).



With regards to the age groups, 34,27% [FY2022: 36%] of our members are between the ages of 36–45. A further 32% [FY2022: 33.47%] are between 46–55 years of age. The 25–35 age group takes up 19% [FY2022: 19.70%] while those 56 and above take up 12% [FY2022: 10.56%]. Those below 25 years of age account for 1,93% [fy2022: 066%] of membership. We have seen that 11% of our members (18 members this year versus 20 last year) retired. To make sure that the talents they have developed over the years are passed on to the youth and other members, ACFE SA is exploring opportunities to include them in upcoming mentorship programmes.

### Membership Representation on Provincial Level



Our regional statistics illustrated that once again, the epicentre of our membership lies within the Gauteng province which makes up 59,02% [FY2022: 62,88%], followed by Western Cape 8,04% [FY2022: 8,91%] then KwaZulu-Natal with 8,36% [FY2022: 8,25%]. The Free State takes up 4,95% [FY2022: 4,7%], followed by the Eastern Cape with 2,88% [FY2022: 3,3%], Limpopo 1,89% [FY2022: 1,87%], Mpumalanga 1,87 [FY2022: 1,66%], North-West 1,37% [FY2022: 1,36%] and lastly, the Northern Cape accounting for 0,37% [FY2022: 0,48%]. Our international members make up 11,25% [FY2022: 6,62%] of our membership.



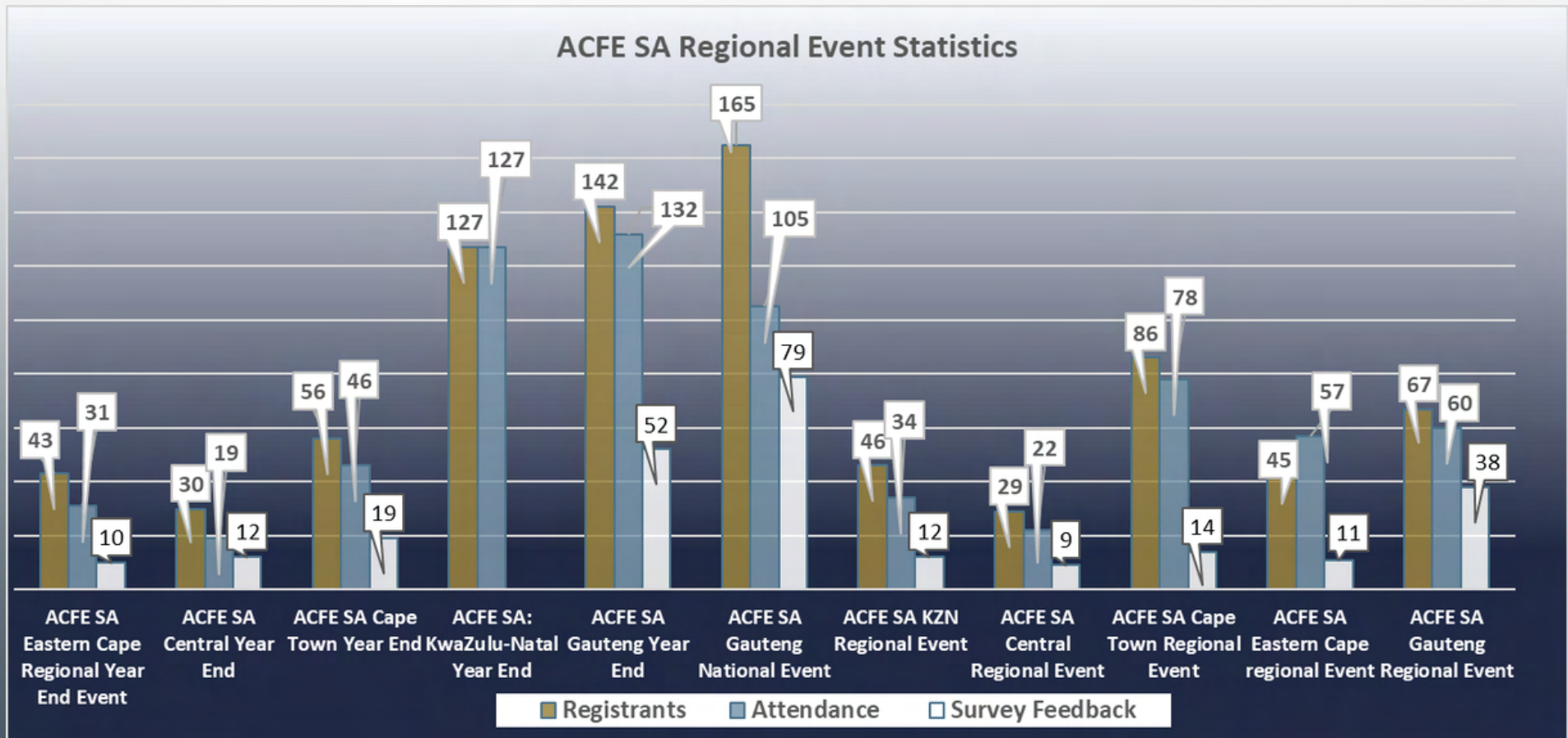


FROM THE OFFICE OF:  
*The Training and Development  
Department*

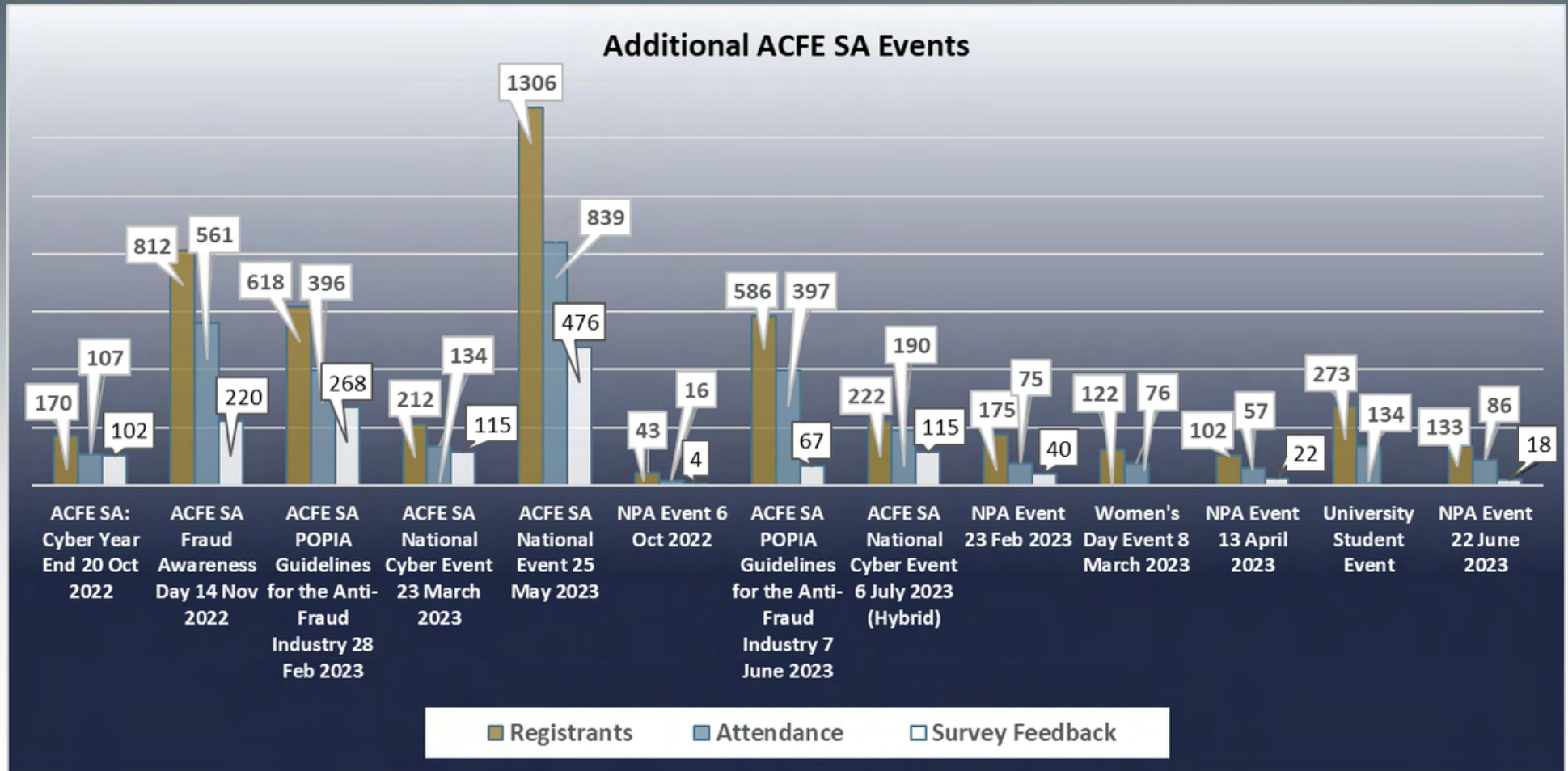
In a forever rapidly expanding anti-fraud industry, it is only fair for us as the leading professional body to equip our members with skills that are not only beneficial to the profession but various industries that rely on our support. Our goal in this financial year has expanded beyond simply identifying training and development requirements. We seek to ensure that all training activities offered are effective in distinguishing our members from their non-member counterparts.



A total of 11 regional training events were hosted during the 2022/2023 financial year. Six events were held in-person, three events were virtual, and two events were hybrid. A total number of 653 registrations were received for these training events, whilst a total number of 520 delegates attended these sessions (the number includes both in-person, virtual & hybrid attendance). A total number of 23 CPE points was issued.



The below graph provides a reflection of the statistics gathered from the additional events held by the ACFE SA during the 2022- 2023 financial year. A total of 13 events were hosted. One event was held on a hybrid basis and 12 events were virtual. A total number of 4774 delegates registered for these events, whilst a total number of 3068 delegates attended these sessions. Only 1447 delegates responded to the questionnaire and surveys sent after each event. A total number of 19 CPE points was issued towards these events.



# CONFERENCE

## Second largest anti-fraud conference

The annual ACFE Africa Conference & Exhibition serves as a platform where professionals from diverse backgrounds converge to address the multifaceted challenges posed by fraud. Attendees include fraud examiners, law enforcement officials, digital forensic experts, legal practitioners, representatives from financial and other industries. The annual conference fosters collaboration and cross disciplinary discussion, essential for developing the anti-fraud industry.

The annual conference places a strong emphasis on professional development, knowledge sharing and networking. Keynote presentations, panel discussions and other sessions provide delegates with valuable insights into the ever-evolving landscape of fraud. Delegates have the opportunity to learn from real-world case studies, enabling them to implement proactive measures within their day-to-day activities. Delegates and speakers hail from around the world, offering diverse perspectives on fraud-related topics.

We are humbled by the positive feedback we received from over 1,000 delegates, sponsors, and exhibitors. We were determined not to tip-toe around controversial topics, and we are proud to say that we delivered. Each speaker addressed the topic assigned to them with great care and thoroughness and addressed all issues around the topic – controversial or otherwise.





# IFAW

## *International Fraud Awareness Week*



In our interconnected world, where global collaboration is key to achieving sustainable development, International Fraud Awareness Week (IFAW), stands as a significant initiative. This annual event not only sheds light on the pervasive issue of fraud but also highlights its impact on impeding progress towards SDGs. We are a proud supporter of the annual IFAW. Each year we show our support by joining the global effort to minimise the impact of fraud by promoting anti-fraud awareness and education.

Every year, IFAW takes place internationally in November and it's a dedicated time for our members, stakeholders and individuals to come together to raise awareness about fraud prevention and detection. It provides an opportunity for the respective regional committees to host a one-day event to create awareness. IFAW serves as a platform to educate the public about various types of fraud, such as financial fraud, identity theft, cybercrime, and corruption, while emphasising the importance of vigilance and accountability in preventing fraudulent activities.

During IFAW, official supporters worldwide engage in various activities, including hosting fraud awareness training for employees and/or the community, conducting employee surveys to assess levels of fraud awareness within their organisation, posting articles on company websites as well as in newsletters, and teaming with local media to highlight the ongoing problem of fraud. We hosted various successful events in conjunction with our Regional Committees and several ACFE Africa Chapters. These events that were open to our members, stakeholders and the general public. We trained 1593 delegates, who took the time to participate in this global campaign. IFAW aligns with several of the UN's SDGs goals:

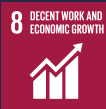
## GOAL 16: PEACE, JUSTICE, AND STRONG INSTITUTIONS

Our efforts during IFAW contributes directly to Goal 16 by promoting transparent, accountable, and effective organisations. By preventing fraud and white-collar crimes, our members, stakeholders and communities can foster trust in their organisations, ultimately leading to more just and peaceful communities.



## GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Fraudulent activities can severely hinder economic growth by siphoning funds away from legitimate investments and enterprises. Creating awareness about fraud prevention helps protect our members and stakeholders, thus contributing to sustained economic growth and decent employment opportunities.



## GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

Fraud can undermine efforts to create sustainable urban environments by diverting resources meant for critical infrastructure projects. By combatting fraud, we can ensure that resources are channelled into projects that enhance urban resilience, reduce inequalities, and promote inclusivity.



## Goal 17: Partnerships for the Goals

During IFAW, we encourage collaboration between our members, government, businesses, and individuals to collectively address the issue of fraud. These partnerships are essential for achieving all SDGs, as it facilitates the sharing of knowledge, resources, and best practices.



One of the primary objectives of our IFAW is to empower individuals with knowledge and skills to identify, report, and prevent fraudulent activities. By fostering a culture of awareness and vigilance, communities can minimise the negative impact of fraud on their development efforts.

Our IFAW serves as a powerful reminder that the fight against fraud is not just a matter of financial security but also a critical component of achieving the SDGs. By raising awareness, promoting education, and harnessing technological advancements, we can fortify our efforts to build a fair, just, and sustainable world for all. As we continue to work towards a future of shared prosperity, preventing fraud emerges as a fundamental step in the right direction.

# IMBIZO

*Thought Leadership  
Industry Leaders  
Influence*



The Imbizo is an opportunity for business leaders to come together and assess the fraud risks and challenges facing the industry – an opportunity to step out of the “crisis management” space and exercise thought leadership. With more than 80 companies and leaders in attendance, we offer the forum for the debate at the Imbizo, but it is the leaders who assist the ACFE SA put the decisions taken during the discussions into action.

On 13 March 2023, the Imbizo was held at the Protea by Marriott Hotel, O.R. Tambo International Airport. The Imbizo was preceded by a Board of Directors meeting from 08:30-11:00, and the programme started at 12:00. 108 Delegates confirmed their attendance, however, many had to cancel on short notice due to unforeseen circumstances. 94 delegates signed the attendance register.



## THIS YEAR'S SPEAKERS AND TOPICS:

- Opening, welcome and closure – Mr Jaco de Jager, ACFE SA CEO and De Wet Ferreira, ACFE SA President
- Section 18A & Other Benefits – Mr Servaas du Plessis, Danie du Plessis ACFE SA Foundation, Board Member
- Additional Powers for CFEs – Mr Shawn Johnson, Transnet Group: Head Physical Security Operations and Stakeholder Engagement
- SAMLIT – Mr Derick Mostert, FIC Monitoring and Analysis,
- How to enhance the employability and sustainability of the profession – Ms Anita Nel, ACFE SA Training and Development Officer and Ms Roxane Ferreira, ACFE SA Head of Operations
- Personal Protection: The how and why – Mr Nic Mare, Risk Control
- A POPIA Guideline for fraud examiners: the why, what and how – Ms Elizabeth de Stadler, Novation Consulting
- Collaboration between the public and private sector: Major General Lebogang Makwela

We look forward to continuous collaboration with all stakeholders, working on finding solutions to the challenges, finding new opportunities, and building a more positive future. As we progress, we will keep you updated, and we hope that we as the ACFE SA can add value to the anti-fraud industry.

### RESOLUTION 1:

Due to a lack of resources and/or capacity within the SAPS and regulatory authorities, it was resolved that the ACFE SA should work with the Minister of Justice and Correctional Services to regulate the peace officers. It was further resolved that with the aid and cooperation of SASSETA and perhaps the NPA, emphasis should be placed on ongoing professional development and education due to the liability and obligation placed on employers/companies.

### RESOLUTION 2:

It was resolved that the industry should work together to improve SAMLIT reporting. The industry must develop structure and resources in addition to expanding the reporting options. It was further resolved that the ACFE SA should establish/create a feasible framework and set of guidelines for the transmission of information between the public and private sectors. In addition, it was resolved that the ACFE SA should play a significant role to guide the private and public sector on proper and moral means of sharing information. In close, it was determined that discussions with state departments should be facilitated by ACFE SA.

Education and training must be provided to non-accountable institutions by the AFRICA Training Academy.

### RESOLUTION 3:

It was resolved that the ACFE SA should establish an independent placement agency that is specifically for our industry and specialises in the recruitment and selection of professionals for the industry. It was further resolved that the ACFE SA should create a professional career path by developing NQF level 5 – 9 qualification and that the ACFE SA should advocate for the inclusion of ethics in Life Orientation at school level.

### RESOLUTION 4:

It was resolved that the ACFE SA should promote situational awareness and assist companies with awareness and continuous personal protection training.

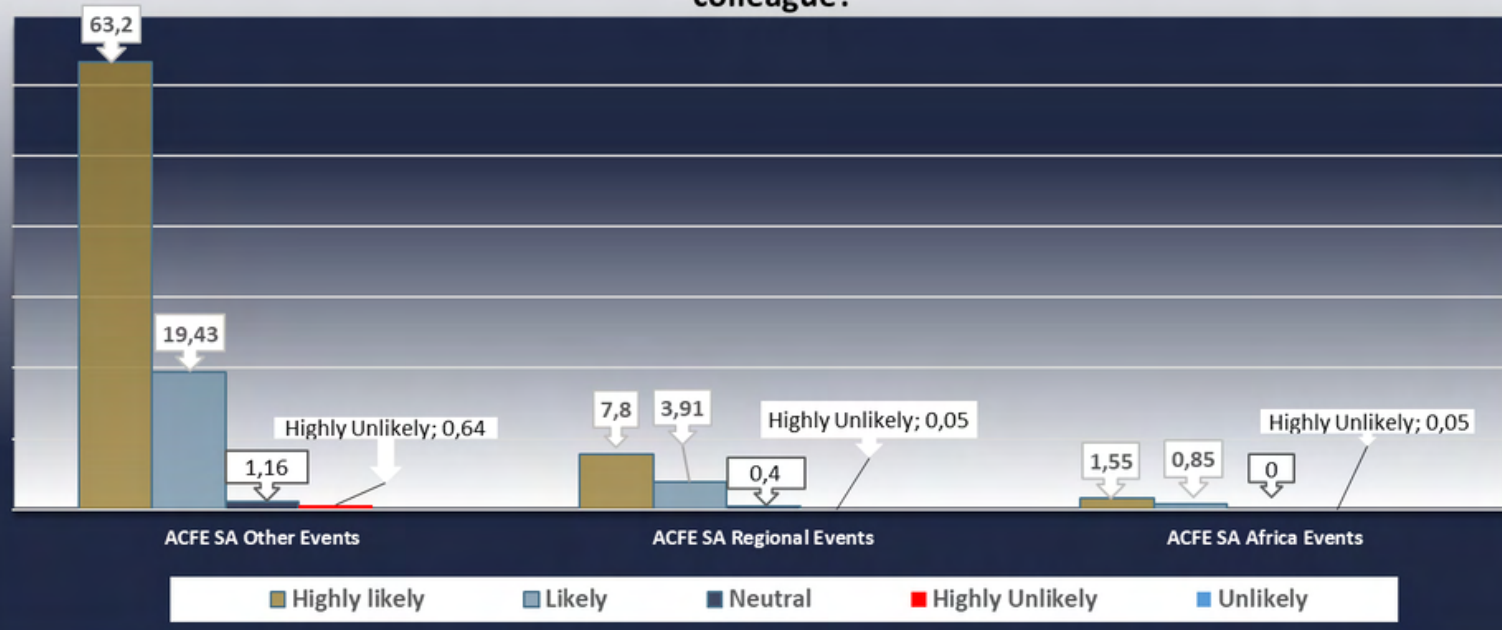


*Feedback*

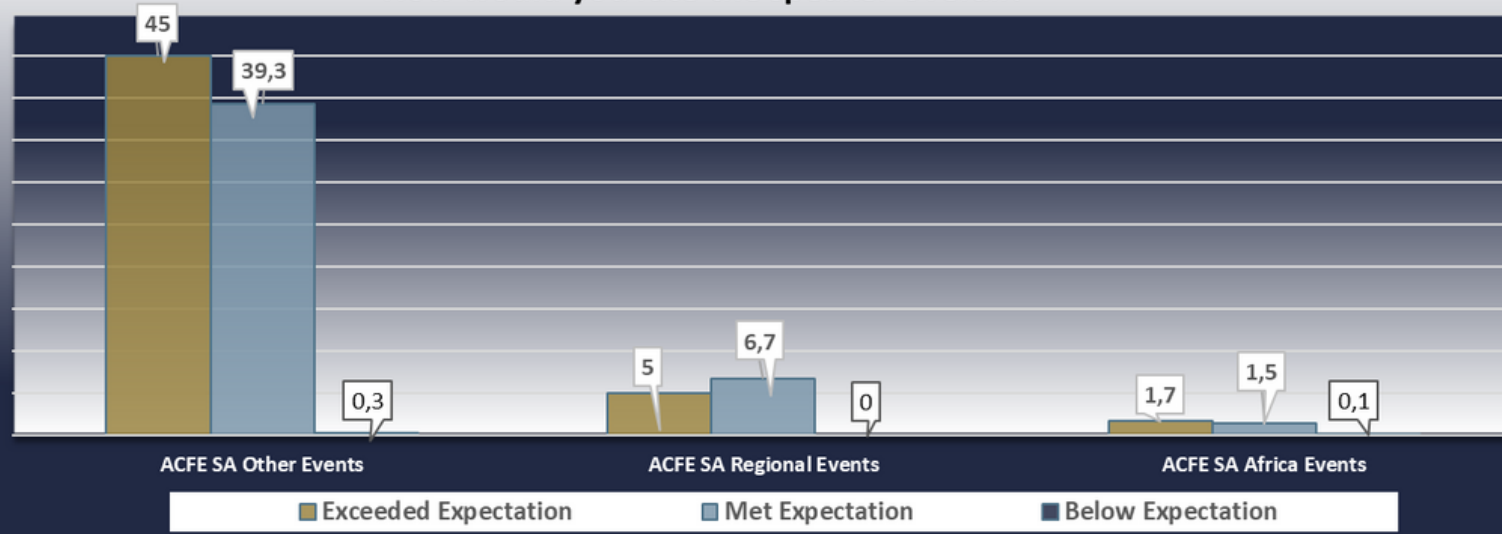
## FROM OUR STAKEHOLDERS

The figures below summarise our stakeholders' views and experiences. The information gathered from the numerous survey forms distributed to attendees after each event, has been analysed to provide a general overview of our stakeholders' satisfaction. In general, reactions to the events, topics and speakers have been favourable.

### How likely is it that you would recommend this regional event to a friend or colleague?

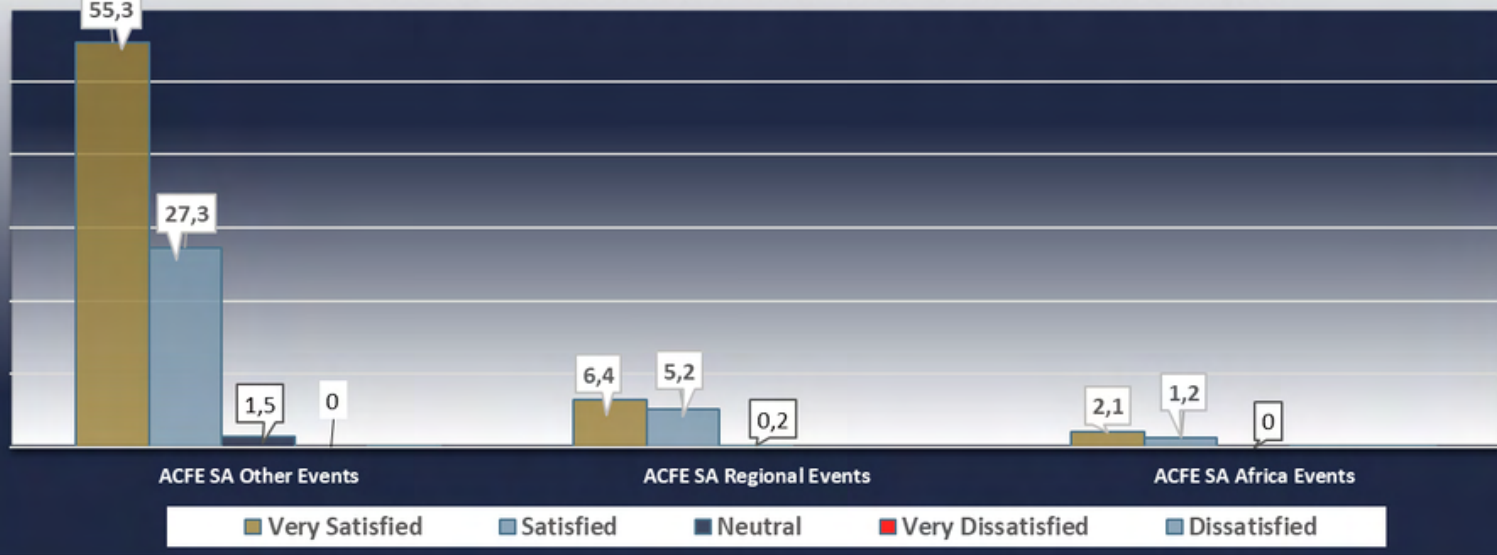


### How would you rate the speaker overall?



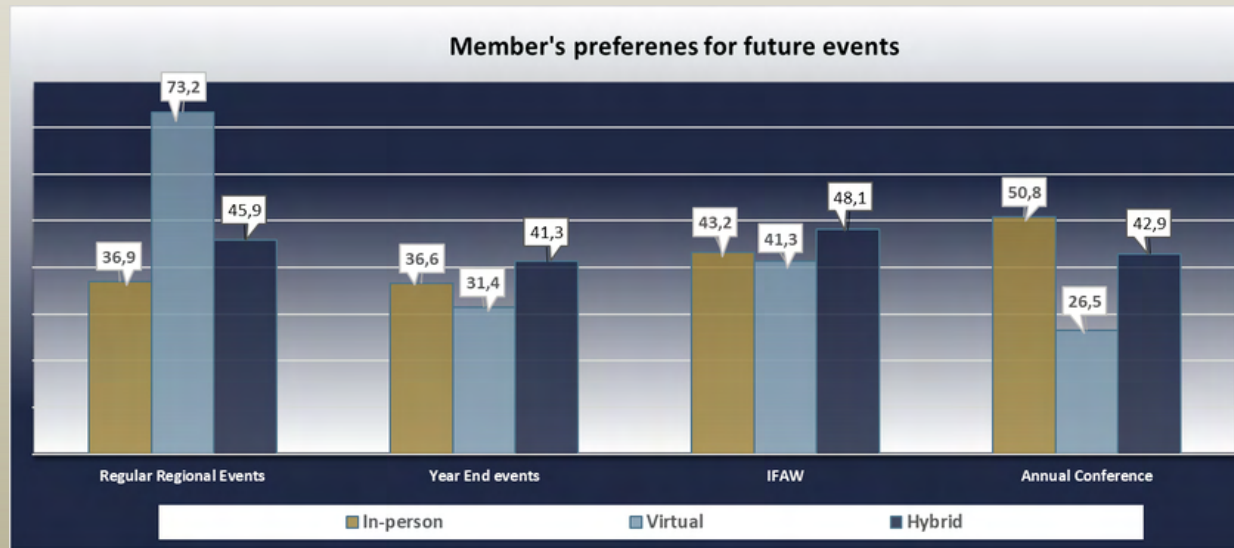


### Overall, how satisfied, or dissatisfied are you with the topic?



### How would you rate the value for money of the event?





\*\*It should be noted that members could select more than 1 option under each event category.

# RECOMMENDATIONS

*For future training events*

To accommodate our members' inputs and opinions gathered from the event survey, the following recommendations are made for the 2023-2024 ACFE SA training events:

- Each region should offer a minimum of two virtual events with no more than 2 CPE points per event.
- Each region should host at least one free informal event. This event should be held in an appropriate venue where delegates can purchase their own refreshments. The regional committee should select the venue with great care, and the subject matter should be appropriate for the setting. Members should be able to attend these events for free and earn at least 2 CPE points.
- IFAW in November should be combined with an in-person year-end event in each region. For members to be eligible to report the required 2 CPE points for ethics, the focus of these events should relate to fraud awareness/ethics. If regional committees are successful in obtaining sufficient sponsorship, they may consider hosting these events on a hybrid model.
- The ACFE SA Annual Africa conferences could be offered either in-person or on a hybrid model. A hybrid option would also cater for delegates who do not have the financial means to attend in person, which also requires travel and accommodation costs.



# Into the Future

## **COLLABORATIVE LEARNING AND NETWORKING**

Collaborative learning and networking are critical components of ACFE SA members' professional development. Members may improve their skills and expertise and stay up to date with the latest trends and best practises in fraud examination by working together, exchanging knowledge and experiences, and supporting one another.

Peer-to-peer learning is one of the most successful methods for professional development and learning. Mentoring programmes can help new members get useful insights from more experienced colleagues, while networking events allow members to interact with peers and form long-term partnerships. Such successful programmes have been adopted by other organisations and can be tailored to meet the specific needs of the ACFE SA members.

In conclusion, hosting training events for the anti-fraud industry is crucial in preventing fraud and white-collar crimes. By attending these events, our members and stakeholders gain valuable skills and knowledge that can assist them in their work as a fraud examiner, forensic accountants, auditors, compliance officer, or law enforcement official. Furthermore, these events provide an opportunity to network with fellow professionals and learn from expert speakers on relevant topics. By registering for our events, our stakeholders receive the opportunity to invest in their own careers and professional development, while also contributing to the fight against fraud.

## **ALTERNATIVE INNOVATIVE APPROACHES TO TRAINING AND DEVELOPMENT**

One innovative approach to training and development that we could adopt is gamification. By incorporating game-like elements into training programmes, members can engage in a more interactive and enjoyable learning experience. For example, an anti-fraud training programme could include a simulation game where members must detect and prevent fraud in a simulated environment. This approach has been shown to increase member engagement and retention of key concepts.

Another approach is micro-learning, which involves delivering training content in small, bite-sized chunks. This allows members to consume information at their own pace and on their own schedule, leading to better retention of information. For example, we could create a series of short videos or podcasts that cover specific fraud examination topics, allowing members to learn on-the-go and fit training into their busy schedules.

In addition to the above, our regional committees could consider offering a series of events that cover a specific topic that has been broken up into smaller sessions. This approach would ensure that the topic is well covered and eliminates the omission of crucial information that is often not covered during a single event. This approach would also encourage members to register for the remaining sessions in the series, which in turn would secure delegate attendance and participation.





# CREATING *New Standards*

The ACFE SA is an association of professionals committed to performing at the highest level of ethical conduct. Members of the association pledge themselves to act with integrity and to perform their work in a professional manner. Members have a professional responsibility to their employers, clients, public interest, as well as to each other; a responsibility that requires subordinating self-interest to the interests of those served.

These standards express the basic principles of ethical behaviour to guide members in fulfilling their duties and obligations. By following these standards, all members specialising in these professions will be expected to demonstrate their commitment to excellence in service and professional conduct. These standards further provide the general public with guidance in appointing suitable professionals for specific functions.

With that said, the ACFE SA and ACFE SA Forensic Standard Forum have been working together on this project and have released various professional and academic standards. These standards have been uploaded on the website throughout the year as the respective standards have been drafted to ensure the members had the opportunity to comment on the respective standards. The comments were reviewed, discussed and implemented by the respective committees.

We are proud to announce that the following standards have been accepted, published and can be viewed on the ACFE SA's website:

## ACFE SA Professional Standards finalised

- Digital Forensic Standard
- Health Fraud Examiner Standard
- Forensic Accounting Standard and Qualifying Criteria
- Forensic Document Examiner Standard
- Forensic Standards for Polygraph Examiners
- Layered Voice Analysis (LVA)
- Pen-testing Standard
- Technical Surveillance Counter Measurements Standard
- Voice Stress Detection (VSD)

[Click here](#) to view the respective finalised Professional Standards

## Professional Standards in the process of being finalised

- Forensic Fire Investigator Standard

## Professional Standards in the process of being drafted:

- Fingerprints Standard
- Accident reconstruction
- Standard for Whistle-Blowing Management Systems and their Providers in South Africa

Once the Professional Standards are finalised and adopted, the respective committees will finalise the Academic Standards linked to the respective industries, thereby creating new career paths and work opportunities.'



# OFO

## Code

The ACFE SA has registered the following specialisation fields under the OFO Code 'Fraud Examiner':

- Polygraph Examiner

The ACFE SA is in the process of registering the following specialisations under the OFO Code 'Fraud Examiner':

- Forensic Document Examiner
- Anti-Money Laundering Specialist
- Health Fraud Examiner
- Data Analyst
- Forensic Accountant
- Forensic Auditor

### FUNDING

The ACFE SA took the initiative to encourage all our members to apply for funding with their respective SETAs. This will ensure their employees/members receive CFE training funded by the respective SETA, and that the forensic and relevant departments contain the required professionals needed to complete their work while meeting professional standards as one would expect holding such as position.

The Forensic Accountant is formally recognised as an occupation and a scarce skill and is registered on the OFO Framework.

<b>2019-241108</b>	Forensic Accountant
	<u>Specialisations:</u> <ul style="list-style-type: none"> <li>• Investigating Accountant</li> </ul>

<b>2019-242215</b>	Fraud Examiner
	<u>Alternate Titles:</u> <ul style="list-style-type: none"> <li>• Fraud Investigator</li> <li>• Fraud Analyst</li> <li>• Specialisation:</li> <li>• Polygraph Examiner</li> </ul>



South Africa Chapter



#### PSiRA EXEMPTION:

Members in good standing are exempted from PSiRA membership fees. This exemption was announced in the Government Gazette on 24 January 2020. All ACFE SA members must adhere to PSiRA's Code of Conduct - Chapter 3 Regulation 15, as set out in Section 8 of the Private Security Regulatory Authority Regulations, and the ACFE SA will act against those members who do not adhere to the respective Code of Conducts.

We complied with the requirements set out in the Government Gazette by providing a member list of names to PSiRA. We have taken POPIA and other legislation into consideration and only provided them with selected information as per our agreement with PSiRA. The exemption only applies to individual members and not companies. Only ACFE SA members in good standing will be exempted from paying PSiRA fees.

#### QUALITY ASSURANCE ASSESSMENT PROGRAMME

To support the mission of reducing the incidence of fraud and white-collar crime and to provide leadership to inspire public confidence, the ACFE SA embarked on the Quality Assurance journey in 2020, which places an emphasis, not only on the professionalism of the individual Fraud Examiner but also more pertinently on the Fraud Examination functions operating within large corporate entities. Quality Assurance is already employed by several professional organisations in related industries to support the objectives of high professional standards, ethics and competence. Quality Assurance serves to enhance compliance with standards and create public confidence in professions.

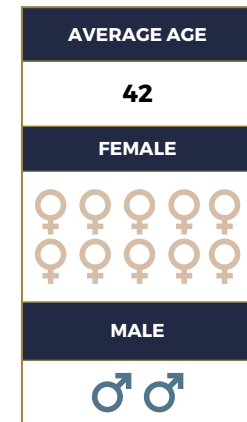
The ACFE SA team has made significant progress with the programme, but as with any new project, it takes time to get off the ground.





ACFE SA's employees are the primary source of value for our members. We restructured the operating model to improve efficiency. We focused on improving retention and succession planning.

*Meet our Team*



# HUMAN CAPITAL

## Key Value Attributes

In today's fast-paced and competitive business environment, the ACFE SA has come to realise that its most valuable asset extends beyond financial figures and physical assets. The true essence of the successful and thriving ACFE SA lies within its people – the invaluable human capital. Our employees are the heartbeat of the ACFE SA, contributing to its growth, innovation, and sustainability.

Our employees exemplify professionalism, collaboration, and a strong work ethic. Their behaviour influences the organisational culture, inspiring others to align with the ACFE SA's values and objectives. Our employees possess a wealth of knowledge and skills acquired through experience, training, and continuous professional development. Their willingness to share this knowledge with colleagues helps raise the collective competence of the entire team.

### REMUNERATION

The ACFE SA remuneration philosophy is to ensure a comprehensive and transparent remuneration policy that supports the implementation of the organisation's objectives in a sustainable and ethical manner, resulting in a high-performing culture. The Remuneration Committee ensured benchmarking of our team's compensation, the provision of performance bonuses, and professional development.

### THE REMUNERATION COMMITTEE ENGAGED IN THE FOLLOWING KEY CONSIDERATIONS AND ACTIVITIES:

NURTURING HUMAN CAPITAL PILLARS:	KEY CONSIDERATION
INVEST IN LEARNING AND DEVELOPMENT	We believe in providing opportunities for skill enhancement, training, and professional development. We encourage our employees to pursue certifications and workshops that align with their interests and career goals.
RECOGNITION AND REWARDS:	We acknowledge and appreciate the efforts of valuable employees through both financial and non-financial means. Our well-structured recognition programme boosts morale and motivates continued excellence.
EMPOWERMENT AND AUTONOMY:	We grant employees a certain level of autonomy in decision-making and project execution. This not only demonstrates trust but also encourages ownership and accountability.
CLEAR COMMUNICATION:	We believe in transparent communication channels to keep employees informed about company goals, changes, and achievements. We involve our employees in decision-making processes to foster a sense of belonging.
WORK-LIFE BALANCE:	We recognise the importance of work-life balance and support employees in managing their personal and professional lives. We firmly believe a healthy work environment contributes to increased job satisfaction.
Career Pathways:	We outline career pathways advancements within the organisation. We provide a trajectory for growth that encourages employees to remain loyal and committed.
DIVERSITY AND INCLUSION:	We foster a diverse and inclusive workplace that celebrates individual differences. Our employees thrive when they feel valued and respected for their unique perspectives.



# AFRICA

## Chapters

In the vast and diverse continent of Africa, the battle against fraud has emerged as a significant challenge, placing immense strain on ACFE Africa Chapters and National Committees and their anti-fraud efforts. Despite the proactive measures the ACFE Africa Chapters and Committees implement, several factors contribute to the uphill struggle faced by them. One key factor is the lack of resources and funding dedicated to anti-fraud initiatives in the respective countries. Many African countries are grappling with limited budgets, diverting attention and funds to more pressing issues such as healthcare, education, and poverty alleviation. As a result, the allocation of resources to anti-fraud endeavours becomes a secondary concern, impeding the growth of our Chapters and Committees.

The ACFE SA supports and administers a total of eight ACFE Africa Chapters and National Committees. These Chapters and National Committees comprise of the following countries: Botswana, Eswatini, Lesotho, Madagascar, Malawi, Namibia, Zambia and Zimbabwe. We supported various other countries in Africa to drive awareness of the ACFE, the CFE designation and the ACFE Code of Ethics and Professional Standards.



The ACFE SA engaged with the Africa Chapters and National Committees on numerous occasions throughout the year. During the 2022/23 financial year, we hosted two Africa Chapter Leader Meetings. Various items were discussed by the Chapters such as the ACFE Chapter Bylaws and obligations; changes to the new CFE Exam, 2022 – 2024 strategic objectives and challenges experienced by Chapters.

## 2022 - 2024

### Strategic Objectives

1. Building a strong brand in Africa
2. Training more CFEs
3. Registering qualifications in different countries
4. Becoming info hubs to fight fraud - share fraud-related info
5. Future training events in Africa
6. Chapter collaboration

Due to economic pressures and political unrest/instability, membership in the Africa Chapters has stagnated and there has been no significant growth.



# AFRICA

## *Chapters*



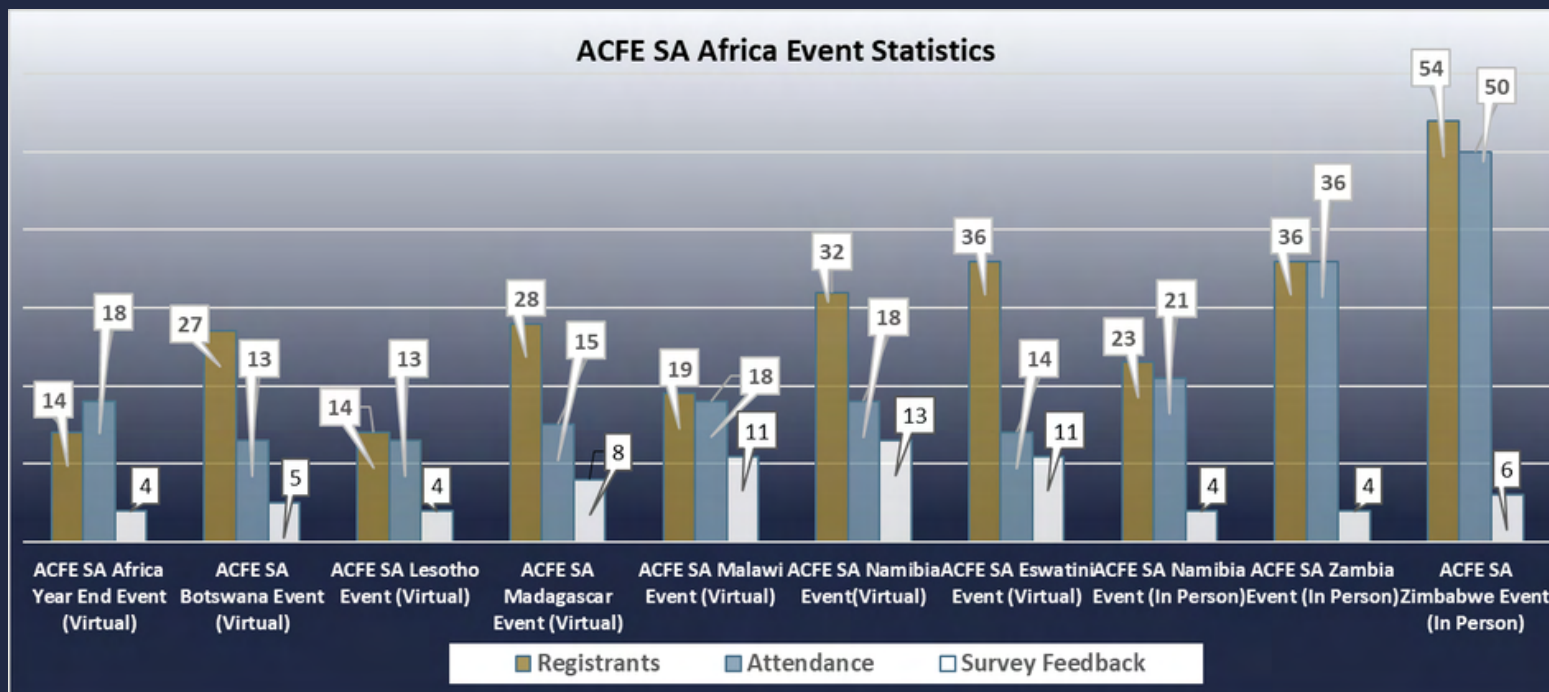
COUNTRY	ASSOCIATES	CFES
<b>BOTSWANA</b>	<b>59</b>	<b>33</b>
<b>ESWATINI</b>	<b>12</b>	<b>10</b>
<b>LESOTHO</b>	<b>6</b>	<b>6</b>
<b>MADAGASCAR</b>	<b>34</b>	<b>21</b>
<b>MALAWI</b>	<b>26</b>	<b>26</b>
<b>NAMIBIA</b>	<b>19</b>	<b>21</b>
<b>ZAMBIA</b>	<b>30</b>	<b>23</b>
<b>ZIMBABWE</b>	<b>41</b>	<b>62</b>

# TRAINING

## *At a glance*

The graph below represents statistics gathered from the ACFE SA Africa Events. Only non-SA citizens are permitted to attend these events, which resulted in lower attendance figures. It's also worth noting that the recent in-person events drew more delegates than virtual events. Overall, a total of ten (10) events were hosted during the 2022-2023 financial year. Three (3) events were held in person while seven (7) events were virtual. A total number of 283 delegates registered for these training events, whilst a total number of 216 delegates attended these sessions (the number includes both in-person & virtual attendance). Only Seventy (70) delegates responded to the questionnaire and surveys distributed after each event. A total number of nineteen (19) CPE was issued towards the Africa events.

Although the countries cannot be compared, these countries faced similar challenges and obstacles, such as limited resources, financial constraints, high exchange rate and low attendance. By continuing to host events within the countries more awareness is created and slowly but surely growth is seen. The ACFE SA received some additional feedback from the Africa Chapters that can be seen below:





## CHALLENGES

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- Financial or income generation
- Visibility and creating brand awareness
- Registration and recognition of the CFE qualification and designation
- Completely reliant on volunteers
- Attendance at training events was low, with only a few members attending despite the fact that some of the events were free.

## SUCCESSSES

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- Successfully hosted training events for Chapter members
- Some Chapters were successful in establishing collaborations with key strategic partners/stakeholders
- Some Chapters were successful in procuring funds and donations to host events and train CFEs

## INTO THE FUTURE

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- Registration and recognition of the CFE qualification with relevant authorities
- Well-established office and key personnel.
- Amendment of the legislation to allow CFEs to be recognised and be able to fully practice in the respective countries without any hurdles

We will continue to expand the ACFE footprint into Africa and allocate time and the necessary resources to assist the respective Chapters.



# ANNUAL FINANCIAL REPORT

*Achieving Positive Growth*



## OPERATIONS

### Income

Our primary sources of income continue to be membership fees (FY2023: 29%; FY2022: 30%); and conference revenue (FY2023: 34%; FY2022: 28.2%). However, in the year under review, revenue generated through sponsorships, donations and fundraising has decreased from R4.5 million in 2022 to R3.9 million in 2023 and now constitutes 23% (FY2022: 30%) of income.

Revenue from Membership fees increased marginally by 8% due mainly to membership growth.

Core revenue which relates to membership fees, meetings and training sessions and AGM and Annual Conference Fees showed an overall increase of 20% over the prior year at R12.2m (FY2022: R10.2m). Conference Fees increased to R5.71m from R4.25m on the back of a record attendance at the 2022 virtual Annual Africa Conference, maintaining the trend of continued growth in attendees from year to year.

The core revenue included a charge of R1.11m (FY2022: R1.08m) to the Anti-Fraud Risk Investigations and Compliance Academy (Pty) Limited (AFRICA Training Academy), being a recovery of costs for resources utilised during the year.

Other sources of income decreased by 2% on the back of a 96% increase in the prior year which was due to sponsorships and donations in the current year being 13% lower than the prior year. Sales of ACFE manuals remain constant increased by 24%, but an increase in the interest rate and astute management of cash balances on hand has had a positive impact on investment income from R724K to R1.6m.

Total income, excluding interest, was R17.01m, being an overall increase of 13% over the prior year which was at R15.01m.



# Expenditure

Expenditure totalled R14.35m (FY2022: R13.97m), reflecting an increase of only 3% over the prior year. Employee remuneration and International Membership fees make up 69% of total expenditure (FY2022: 59%). This is due mainly to increases in the staff complement and International Membership fees impacted by both membership growth and a declining exchange rate.

Towards the end of the previous financial year 4 out of 6 students engaged in terms of the FASSET Work Placement Programme were offered full-time employment upon conclusion of their learnership. A further 2 employees were engaged to bolster the team servicing our membership. Employee costs thus totalled R7.76m (FY2022: R6.83m) - being an increase of 13.6% over the prior year and represents 54% of total expenditure for the year (FY2022: 49%). More notably, employee remuneration represents 46% of total income (FY2022: 45%), indicating employee growth levels are in tandem with income growth and thus being kept in check and in line with the recommendations received from an independent salary benchmark consultant.

Other operating expenses totalling R4.45m were judiciously managed and landed 22% lower than the prior year amount of R5.67m. Included in these expenses was an amount of R631K incurred in the development of a POPIA Compliance Guideline for the profession as it continues to be proactive in anticipating the needs of members and the Fraud Examination community at large.



## **SURPLUS**

Our net result for the year was that it incurred a surplus of R4.22m (FY2022: R1.82m), whilst still delivering on the planned activities for the year that had been planned.

Surpluses are thus the result of astute cost containment, balanced with the need to ensure maximum value for members of the ACFE. Costs to deliver these services continue to be more than the fees charged as total core revenue (membership and other fees charged for events). Core revenue for the year as a percentage of costs was 85% (FY2022: 73%). The shortfall incurred in terms of fees charged is thus funded mainly through the generosity of sponsors and astute financial management.

## **FINANCIAL POSITION**

### **EQUITY**

Our accumulated surplus available to fund further development initiatives and future operations amounts to R20.82m (FY2022: R16.59m).

### **LIABILITIES**

Trade and other payables relate to accounts outstanding at year-end which would have been incurred in the ordinary course of operations and amount to R10.7m (FY2022: R4.4m). The increase is largely as a result of amounts incurred in respect of the 2023 Conference which is the first in-person Conference since COVID. The balance of the amount reflected under current liabilities relates to income received in respect of annual membership

renewals for the 2023/4 year and Conference Fees received in advance. These amounts will be released into income in the new financial year.

### **ASSETS**

Trade and other receivables comprise current and prior year membership, training and conference fees receivable and prepaid expenses of R5.27m (FY2022: R1.78K). The level of receivables has increased marginally when compared to last year due to amounts owed by various members for conference and membership dues, the bulk of which have been collected after the year-end. Provision for Bad and Doubtful debts have also decreased by R249K in the current year. Prepaid expenses increased by R4.18m, being expenses paid for in advance in respect of venue and other costs related to the 2023 Conference. Our cash balances at year-end amounted to a healthy R24.97m (FY2022: R18.96m) which is held in a combination of our current account and money-market account based on the relevant cash flow needed to maximise the interest revenue; as well as a US-based dollar account for payments from ACFE Membership, and some other African countries.

### **OTHER MATTERS**

#### **TAXATION**

We are registered as a Non-Profit Organisation (NPO) with the South African Revenue Services (SARS) for tax purposes and are as a result exempt from paying tax in terms of the Income Tax Act.



## **GOING CONCERN**

Our ability to continue is dependent on the interest shown by members and the continued financial support of all stakeholders. The Board has devised plans together with the CEO and his team to continue to have member-focused, value-adding programmes in place to ensure a sustainable entity and a profession that one can belong to with pride.

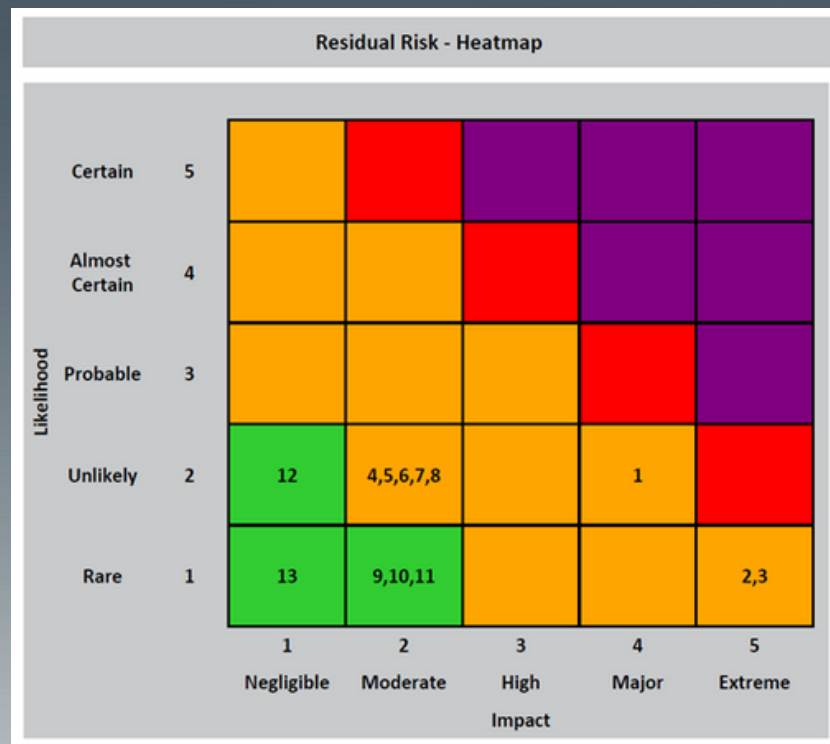
The efforts in ensuring administrative and financial stability by the CEO and his team, my fellow Board members and the various members and external stakeholders are what will ensure our sustainability. Thank you to each one of you for your sterling and selfless contributions.

We are sure that the visionaries who embarked on the journey of establishing the ACFE South Africa Chapter would be proud of where we are today. It is through a combination of their vision, together with the efforts of each member and the various stakeholders, sponsors and supporters that we celebrate the silver jubilee of a great organisation that continues to contribute proactively to the fight against white-collar crime – truly contributing to reducing fraud and corruption across the African continent and beyond!

# RISKS AND OPPORTUNITIES *Management*



In the world of modern business, risk management has evolved beyond financial concerns to encompass a broader perspective that includes social, environmental, and ethical considerations. By incorporating the concept of the six capitals and aligning them to our strategic objectives, we can gain a comprehensive understanding of potential risks.

The Board oversees the risk management process to ensure that the risks taken to create value remain within the risk appetite and tolerance parameters. The strategic and performance objectives are in sync with the processes, risks, and controls. The Board assumes ultimate oversight and accountability for risk governance, which is discharged through the Governance, Risk and Compliance Committee. Our risks are identified by considering the external and internal factors that may impact our business model and achievement of our strategic objectives.



Risk Information	
Risk Name and Description	Residual Risk Rating
1. Loss of revenue due to adverse economic conditions	Cautionary (III) 8
2. Inability to retain and grow membership	Cautionary (III) 5
3. Loss of professional body recognition with qualification authorities	Cautionary (III) 5
4. Inadequate and ineffective internal control framework	Cautionary (III) 4
5. Inadequate IT security safeguard measures	Cautionary (III) 4
6. Ineffective board governance	Cautionary (III) 4
7. Lack of financial oversight	Cautionary (III) 4
8. Non-compliance with POPIA	Cautionary (III) 4
9. Inadequate and/or poor stakeholder management	Acceptable (IV) 2
10. Inadequate ESG Management	Acceptable (IV) 2
11. Lack of business integrity	Acceptable (IV) 2
12. Lack of adequate human resources	Acceptable (IV) 2
13. Health risk due to infectious diseases	Acceptable (IV) 1

When compared to the 2021/2022 Risk Register, which had a total of twelve (12) risks, all rated as cautionary residual risks, the 2022/2023 assessment highlights a change in the risk profile. The risk profile now has thirteen (13) risks and is more balanced, with eight (8) risks placed at a cautionary residual risk level and five (5) risks placed at an acceptable residual risk level. It should be noted, based largely on the global and local economic outlook and conditions, that the following risks in the current year (CY) emerged higher in terms of prominence versus where they were considered in the previous year:

<b>R1</b>	<b>LOSS OF REVENUE DUE TO ADVERSE ECONOMIC CONDITIONS</b>	
Previous Rating	In the ever-changing landscape of global economics, we find ourselves confronted with adverse conditions that can disrupt our revenue streams. Dwindling member spending, reduced demand, and increased operational costs can combine to create a perfect storm for the ACFE SA.	
<b>R7</b>	We leverage adverse economic conditions as a catalyst for creative and innovative thinking. We are diversifying our service offerings, exploring new markets, or adopting digital transformation strategies to enhance efficiency and customer engagement. By thinking outside the box, we discover untapped opportunities that empower us to not only weather the storm but also emerge stronger. Our primary focus is on responsible decision-making that takes into account long-term sustainability, environmental impact, and social responsibility.	
	<b>STRATEGIC PILLAR AFFECTED</b>	<b>CAPITAL AFFECTED</b>
		



R2



**INABILITY TO RETAIN AND GROW MEMBERSHIP**

Previous Rating

The inability to grow and retain membership is a multifaceted challenge. This includes the inability to act on growth opportunities in new or emerging markets like other African countries due to lack of resources and/or the failure to provide training and membership at the right pricing or the use of an ineffective business model.

R9

By focusing on value, engagement, inclusivity, and effective communication, we not only attract new members but also cultivate a loyal community that remains dedicated to our mission. In a rapidly changing world, we believe the key to success lies in embracing change and staying responsive to the evolving needs of our members.

STRATEGIC PILLAR AFFECTED	CAPITAL AFFECTED
	

R3



**LOSS OF PROFESSIONAL BODY RECOGNITION WITH QUALIFICATION AUTHORITIES**

Previous Rating

The loss of professional body recognition with qualifications authorities can have far-reaching adverse consequences. It will diminish the trust and confidence that our members and stakeholders have in us. Furthermore, the absence of such authority may hinder the professional growth of our members and to ensure ongoing access to opportunities for professional development.

R11

We adhere to the relevant legislation such as the NQF Act, regulations, policy and criteria, to ensure we maintain our professional body status and uphold our recognition of our underlying qualification. We commit to ongoing training and professional development through our regional events and customised events. We uphold the highest standards of professional ethics and integrity through the ACFE Code of Ethics and Professional Standards. Adhering to our strong Code of Ethics and Professional Standards reinforces our commitment to the anti-fraud industry's values. We engage in research, innovation and thought leadership. We stay informed about regulatory changes and adhere to all legal and regulatory requirements set for professional bodies.

STRATEGIC PILLAR AFFECTED	CAPITAL AFFECTED
	

R4

**INADEQUATE AND INEFFECTIVE INTERNAL CONTROL FRAMEWORK**

Previous Rating

Inadequate and ineffective internal control framework can lead to financial mismanagement, misappropriation of our funds, and fraudulent activities. Without the necessary internal controls, vulnerabilities might be exploited and resources misused or wasted. This can also include inefficient allocation of our budget, and excessive spending. This may result in non-compliance with industry regulations and legal requirements which can expose us to legal actions, fines and reputational damage.

R2

Our internal controls are the checks and balances that we have implemented to safeguard our assets, ensure accurate financial reporting and streamline operational processes. With risk assessments we have targeted controls measures in place. We separate responsibilities for authorisation, execution and monitoring of transactions. We continuously monitor the effectiveness of internal controls through regular audits, assessments and reviews. This ensure our controls are adapting to our changing circumstances.

**STRATEGIC PILLAR AFFECTED**

**CAPITAL AFFECTED**

*SP2  
Growth &  
Sustainability*

*C4  
Human Capital*

R5

**INADEQUATE IT SECURITY SAFEGUARD MEASURES**

Previous Rating

Inadequate IT security safeguard measures can lead to data breaches, exposing personal member information, and proprietary data. It can have an adverse effect on our business continuity and hinder our ability to serve our members. The fallout from a breach can result in legal penalties and financial losses. Furthermore, data breaches and cyberattacks can severely damage our brand and reputation. Trust and credibility with our members and stakeholders can erode, resulting in long-term negative consequences.

We address inadequate IT safeguard measures through proactive measures like continuous monitoring and education, built-in redundancies, resource allocation and strategic partnerships. We prioritise cybersecurity to better protect our operations and business continuity.

R3

**STRATEGIC PILLAR AFFECTED**

**CAPITAL AFFECTED**

*SP2  
Growth &  
Sustainability*

*C2  
Manufactured Capital*

*C4  
Human Capital*

*C5  
Social & Relationship  
Capital*

Given the increase in the prevalence of cybercrime, there is a new risk of “Inadequate IT Security Safeguard Measures” that has been specifically separated so that focus can be maintained on this emerging risk in our environment. With the appointment of a Head of Operations for the ACFE SA, this has further strengthened the risk posture of the ACFE SA Management to actively manage our risks and opportunities that prevail within a continually changing business environment. In the year under review, the ACFE SA undertook a deep-dive and calibration of the current and emerging risks as contained within the Risk Registers. The adoption and maturing use of our GRC software (CURA) has allowed us to improve our view of our risk and control environment and determining the assurance levels associated with our risk tolerance and appetite.

# Other Matters

As we expand our operations and our capacity, the entity is likely to be more exposed to the risk of fraud than when it was a smaller entity with only a handful of activities. Accordingly, the Governance, Risk and Compliance Committee is proactively embarking on formalising its approach to its internal fraud risk management. Whilst other governance structures and assurance providers are in place, a formal approach to the management of fraud risk early in the growth phase is expected to minimise the risks of fraud within the organisation.



**CORPORATE INFORMATION**  
**ACFE SA NPO REGISTRATION NUMBER**  
**061-312-NPO**

**REGISTERED OFFICE ADDRESS**

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**WEBSITE**

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**EXECUTIVE COMMITTEE**

Jaco de Jager, Chief Executive Officer\*

**NON-EXECUTIVE DIRECTORS**

Annemari Krügel  
De Wet Ferreira, President  
Jonathan le Roux, Past President  
Len Coetzee, Vice-president  
Raj Dhanlall  
Thandi Mazibuko  
Yvette Botha

**CO-OPTED BOARD MEMBERS:**

Ad. Jan Lekgoa Mothibi  
Lt. Gen Senaba Charles Mosipi  
Selvan Naidu

**BOARD SECRETARY**

Roxane Ferreira

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