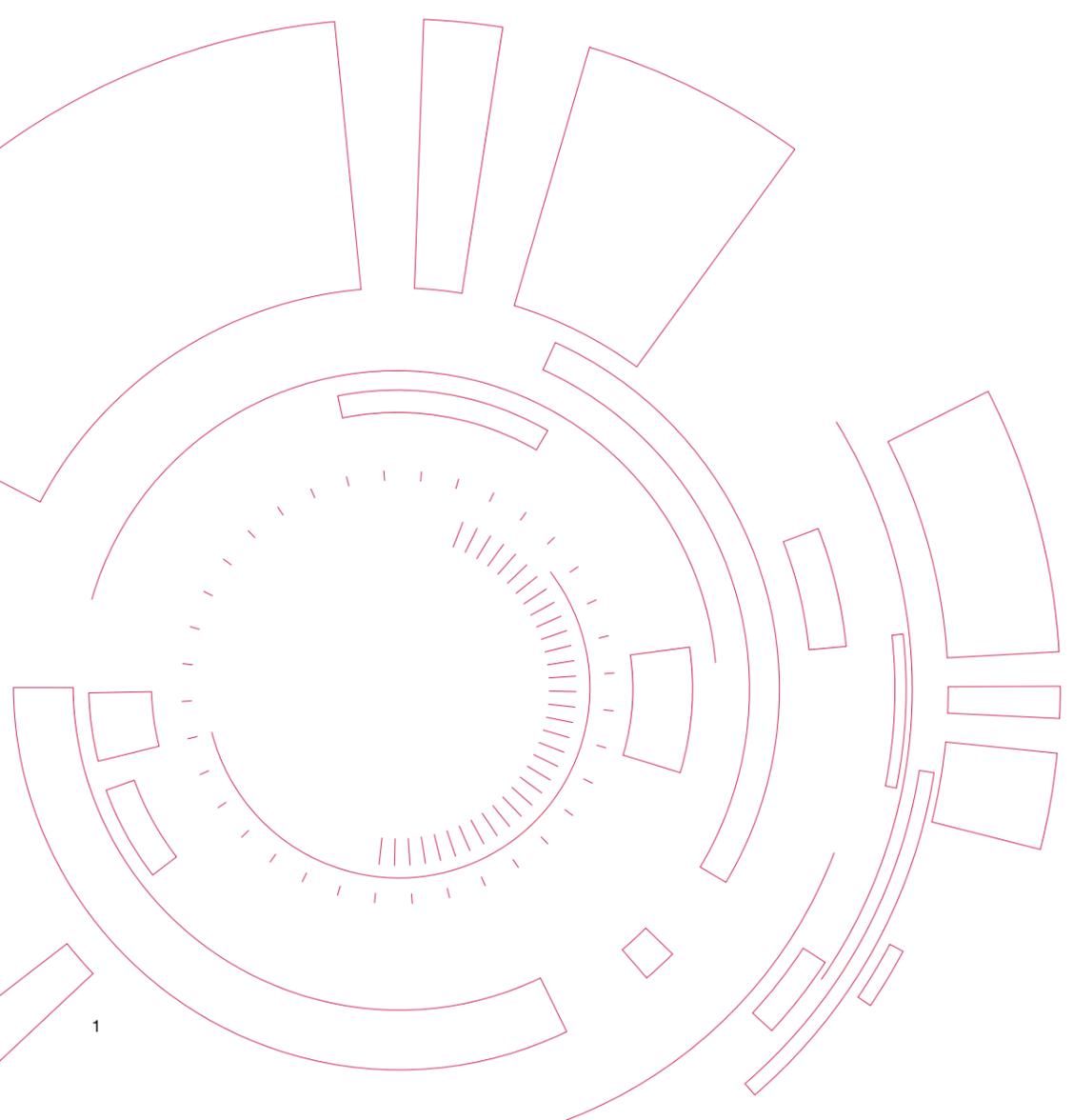


Making
a Difference
to The Profession
in Asia-Pacific

2012
ANNUAL REPORT



Develop
Coordinate
Advance



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MESSAGE from the PRESIDENT

As my first full year as President comes to a close, it is time to reflect on our achievements. It has certainly been an extremely exciting and rewarding year. My challenge on assuming the role was that we put "rubber on the road". In other words, we deliver on our formulated strategies.

We commenced 2012 with a new vision, mission and range of objectives. These were immediately embraced with the formation of two new committees focused on two of our most important areas of strategic focus. These areas are the development of Professional Accountancy Organisations (PAOs) and the improvement of public sector financial management. In the spirit of our key value of 'inclusiveness' all Members were invited to participate on these committees. The committees have made immediate progress and have worked on areas of thought leadership and outreach activities with a number of our Member organisations.

As a consequence of the introduction of these new committees, our activity levels have increased significantly. As noted later in this Annual Report, we have held a substantial number of conferences, seminars, roundtables, and other activities to both promote the profession across the region and to assist achieve the objectives of PAO development and improvement in public sector accounting, auditing and financial management.

These activities have been a huge success and will feature in the future of CAPA for many years to come.

A particularly pleasing facet of 2012 has been our increased involvement with the donor community and we are all very excited at the opportunity to work with them in certain capacity building projects. One such project, with the World Bank, is expected to commence in 2013 and I look forward to being able to give you a full report on this in our next Annual Report.

After what has been a very busy year, I think we have indeed put "rubber on the road" and I would like to thank the involvement of our many volunteers that represent our Member organisations for their hard work. The successes that we are currently enjoying would not be possible without the dedication and input from these individuals and our own Secretariat.



Keith Wedlock
President

MESSAGE from the CHIEF EXECUTIVE

In previous Annual Reports I have talked about a 'change journey' for the organisation as we sought to improve our effectiveness and relevance to the profession in our region. This journey commenced in 2010 and is nearing completion. We are now starting to see the benefits of many changes introduced to the organisation and that provide a solid base on which to advance further.

Over the last three years we have almost quadrupled the number of meetings and activities that the organisation is undertaking. The level of activity achieved in 2012 is a level we anticipate maintaining into the future.

Whilst many of the activities are focused on two key areas of strategic focus, Professional Accountancy Organisations (PAO) development and improving public sector financial management, we have also addressed other important matters facing the profession. This includes: facilitating the provision of accounting services across borders; considering new ways of reporting with 'integrated reporting'; and the important role played by accounting technicians.

The 'Year in Summary' on page 5 indicates the many countries and interested stakeholders that we have reached in 2012. It is this extensive reach that has been particularly pleasing. CAPA will remain focused on events and activities aimed at raising the profile of the profession across our region and in helping all our PAOs to develop and grow strong.

One of my key roles is to maintain strong relationships with the various stakeholders throughout the profession. This includes the International Federation of Accountants (IFAC), the independent standard setting boards, the donor community, other regional organisations and PAOs outside our region, and other government and institutional stakeholders. We will continue to build and develop these relationships for mutual benefit.

Whilst the resources of the organisation have often been strained, we achieved our planned activities and undertook



some additional activities. Furthermore, the organisation remains fiscally sound and worked within its budget. I would like to thank my own team for their dedication and commitment throughout 2012.

I indicated our change journey was almost complete. In 2013, we will continue to ensure we have the appropriate governance structures, systems, and processes in place to sustain a strong regional organisation.

Members have been very supportive throughout 2012 and indeed throughout the whole change journey. I would like to place on record my gratitude for their support and encouragement.



Brian Blood
Chief Executive

THE YEAR IN 2012 SUMMARY

Strategies

- Two new committees established to focus on outreach activities and thought leadership involving:
 - PAO Development
 - Public Sector Financial Management
 Terms of reference and initial strategies and work programs established
- “Improving Public Sector Accounting and Auditing” conference held in Dhaka, Bangladesh, attended by over 400 local and international delegates, including many government officials, and a keynote address by the Finance Minister of Bangladesh
- “Accounting Services Forum” held in Beijing, China as part of the China Beijing International Fair for Trade in Services. The Fair was attended by over 100,000 delegates, and the Forum attracted nearly 600 local and international delegates
- “The Vital Role of Professional Accountancy Organisations” conference held in Hanoi, Vietnam, attended by over 100 local and international delegates
- Staged a PAO development Seminar in Hanoi, Vietnam, attended by representatives of PAOs from 18 jurisdictions, including developing countries neighbouring Vietnam
- Outreach visit to Vietnam included meeting with the Finance Minister of Vietnam
- Assisted, supported, and contributed at meetings of IFAC’s PAO Development Committee, including meetings with the donor community concerning the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MOSAIC)
- World Bank representatives joined CAPA at all events in Bangladesh and Vietnam
- Staged a Public Sector Roundtable event in Sri Lanka attended by 22 participants, comprising representatives from the Sri Lanka public sector and accounting profession, as well as members of CAPA’s Public Sector Financial Management Committee
- Promoted the importance of, and need to professionalise, accounting technicians within the region during an Accounting Technicians Forum in Sri Lanka
- “International Conference on Integrated Reporting” held in Sri Lanka attended by over 300 local and international delegates. Debated challenges and opportunities to assist in the development of integrated reporting
- Signed a Grant Agreement with the World Bank to undertake a capacity building project focused on improving Continuing Professional Development (CPD) systems in Mongolia, Philippines and Vietnam
- Supported Small-and-Medium-sized Practices (SMPs), attended Global IFAC SMP Forum in Singapore and promoted the global ‘IFAC SMP Quick Polls’ aimed at understanding the needs and challenges facing SMEs (enterprises) and SMPs
- Met and liaised with IFAC, other regional organisations and accounting groupings, and PAOs to promote standards and share knowledge for the benefit of Members

Operations & Finance

- Members and Board gathered for meetings in:
 - Beijing, China – 52 attendees
 - Sri Lanka – 47 attendees
- Committee representatives and technical advisors gathered for meetings in:
 - Dhaka, Bangladesh – 21 attendees
 - Hanoi, Vietnam – 17 attendees
- Undertook detailed risk management review, identifying the key risks to CAPA achieving its vision and mission, and ensuring strategies and controls are in place to effectively manage the risks and opportunities
- Continued a Membership Review to consider the most appropriate membership model to achieve the organisation’s vision and mission
- Continued the development of a Governance & Policies Manual. Over 30 policy statements now drafted
- Issued inaugural ‘Members Satisfaction Survey’ to assist a regime of continuous improvement
- Achieved a better than budget outcome, whilst undertaking additional unplanned activities

What is CAPA?

The Confederation of Asian and Pacific Accountants (CAPA) is a regional organisation representing national professional accountancy organisations (PAOs) in Asia-Pacific. These PAOs, referred to as CAPA’s Members, represent over 1 million accountants across the region.

The global accountancy profession is represented by the International Federation of Accountants (IFAC), and CAPA is one of four recognised regional organisations. The Asia-Pacific region is the largest by geographical spread. Members span from Mongolia to New Zealand and from Pakistan to Canada. Members come from countries of greatly varying populations, with a wide variety of cultures.

CAPA has a unique role within the accountancy profession, positioned between IFAC representing the global profession, and the national PAOs representing the profession in each country. Accordingly, CAPA assumes a role and undertakes initiatives and activities that it is better placed to do than either IFAC or the PAOs.



Global Organisation



Regional Organisation in Asia-Pacific

31 PAOs are Members of CAPA
(see list on pages 18 & 19)

Professional Accountancy Organisations

The Role of CAPA

CAPA provides the structure to enable relationship building and knowledge sharing amongst PAOs in the region, and to undertake specific activities consistent with the organisation’s vision and mission.

CAPA has limited resources of its own, but the Members, collectively, have significant resources. CAPA’s role is to harness this resource, and in collaboration with Members, set about achieving the mission of CAPA.

CAPA’s mission is supported by medium to long-term strategies and short-term work plans. These encapsulate both public and private sectors, and all facets of the accounting profession.

Values establish an organisation’s culture and provide an anchor point and framework to underpin stakeholders working together and taking decisions. For an organisation representing and involving over 30 PAOs across 23 jurisdictions, each with distinct cultures, establishing a clear identity to which all

Members can subscribe is important for CAPA to be effective. We expect all our stakeholders to share and demonstrate the following values:

- Trust
- Respect
- Cooperation
- Inclusiveness
- Positive Attitude
- Excellence
- Kaizen

Our History

The idea of CAPA was conceived at the *First Far East Conference of Accountants* held from 28 November to 1 December 1957, in Manila, Philippines. It was the first conference of such magnitude that was held in the region with 20 organisations from 15 jurisdictions participating.

One third of these jurisdictions did not have any national accounting organisation and thus the idea of forming a formal confederation of accounting

bodies was deferred. Recognising the need for the exchange of ideas and information on a regional basis, the participants agreed to hold regular conferences.

At the next conference held from 31 March to 2 April 1960, in Canberra and Melbourne, Australia the grouping was renamed as the *Confederation of Asian and Pacific Accountants* as more jurisdictions joined the confederation. In 1976, CAPA adopted a formal charter

and established an Executive Committee (now the Board) to carry out activities in line with its newly established mission and objectives.

As at 31 December 2012, CAPA has a membership of **31 accountancy organisations in 23 jurisdictions**. It is one of the four Regional Organisations recognised by IFAC. The other recognised Regional Organisations cover the continents of Africa, Europe and the Americas.

The work of CAPA spans all of the elements of the Mission statement being, *to develop, coordinate and advance the accounting profession in the region.* Meetings, events and activities address many of the elements, either separately or simultaneously.

In 2012, CAPA held a total of fifteen (15) Members, Board or committee meetings, and a total of seven (7) associated events, taking the form of conferences, seminars, roundtables or forums. This was a significant increase on previous years and each are discussed extensively in the pages that follow.

In late 2011 it was decided to give emphasis for the immediate future on two particular matters:

- Assisting PAOs develop, grow and mature; and
- Improving public sector financial management across the region

These elements are highlighted below within our Vision & Mission Statement and were often the focus of our events and activities during the year.

Vision & Mission Statement

Vision - for the Profession in the Region

A relevant and respected accounting profession, trusted and valued by governments and businesses, and recognised for contributing to the development of sustainable financial markets and economies.

Vision - for CAPA (as an organisation)

An inspirational leader for the accounting profession in the region.

Mission - for CAPA

To develop, coordinate and advance the accounting profession in the region, by:

- Contributing to the formation and development of strong and sustainable professional accounting organisations capable of providing and maintaining accountants to effectively meet the needs of the country in which they operate
- Fostering a cohesive accounting profession within the region, by facilitating the development of relationships and sharing of knowledge amongst professional accounting organisations
- Promoting the benefits of high quality financial management and reporting in public, not-for-profit and private sectors, including international standards in accounting, audit, ethics and accounting education
- Liaising with governments, regional and national organisations to influence the development of public sector financial management
- Liaising with international, regional and national organisations to influence the development of efficient and effective capital markets
- Promoting the value of professional accountants in the region
- Providing input to, and supporting the global profession in, matters of public interest where the accountancy profession's expertise is most relevant, including establishing and issuing policy positions.

Getting Focused

The planned focus for the medium term led to the formation of the following two committees:

- PAO Development Committee (PAODC)
- Public Sector Financial Management Committee (PSFMC)

The objectives of each of these committees were established during the year and are :

PAO Development Committee

- Facilitate relationships and activities that contribute towards the development of PAOs in the region
- Identify and support development of relationships and partnerships with key stakeholders, particularly donor agencies – globally, regionally and in country
- Identify and prioritise key regional and country specific needs and develop strategies and plans to address those needs
- Identify and share relevant knowledge, tools and guidance to assist the development of PAOs
- Coordinate CAPA activities with any relevant activities of IFAC's PAO Development Committee
- If requested by a PAO, provide assistance to that PAO to both obtain IFAC membership and access partnering or mentoring needs
- Advocate to IFAC on PAO development matters the global profession should address

Public Sector Financial Management Committee

- Identify and support the development of relationships with key stakeholders – globally, regionally and in country
- Promote the importance, value and benefits of high quality public sector financial management (PSFM)
- Identify and prioritise regional and country specific needs with regard to PSFM and develop strategies and plans to address those needs
- Identify and share relevant knowledge and tools and provide guidance to assist the development of high quality PSFM both regionally and in country
- Promote high quality internal and external reporting and public sector auditing, based on IPSAS, IFRSs and ISAs
- Advocate to IFAC on PSFM matters the global profession should address

In addition to supporting relevant events as discussed in this Annual Report, these committees are also embarking on new thought leadership for the benefit of Members in the region and beyond. This includes the following:

- PAODC – the development of a PAO Maturity Model to assist organisations develop and grow over time
- PSFMC – the development of a 'Roadmap' and toolkit to assist PAOs in working with governments and other stakeholders to continually improve public sector accounting, auditing and financial management

The committees aim to complete these projects in 2013.

KEY ACTIVITIES & ACHIEVEMENTS IN 2012

Developing The Profession

“CAPA is working with relevant stakeholders to address the needs of developing PAOs”

Recognising the vital role that accountants can play in establishing confidence in all economies, CAPA continues to work with key members of the accountancy profession and donor community to further develop and promote the value of professional accountants across the region. As the Regional Organisation (RO) for the Asia-Pacific region, CAPA is well-placed to assume a role and undertake certain activities since ROs offer proximity, cultural understanding, and reflect a mutual interest of its Members.

This is done through various initiatives including:

- Working with the donor community to continuously explore opportunities for capacity building within the profession in the region
- Working with the global profession, through interaction with IFAC, to identify ways to further develop PAOs in the region
- Working with specific Member PAOs through outreach activities to understand their needs and identify special assistance programs
- Relationship building and knowledge sharing sessions with Member PAOs

Working with Donors in Capacity Building

In recent years, there has been increased recognition of the importance of establishing sustainable financial management capacity in the emerging and developing economies. This gave rise in late 2011 to the signing of the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MOSAIC) between the global profession, represented by IFAC, and the donor community.

Throughout 2012, CAPA has maintained close contact with subsequent developments, including attending the 2nd MOSAIC Steering Committee meeting. This meeting was attended by all donors party to MOSAIC, which now totals thirteen (13) including the World Bank, Asian Development Bank, donors from Australia and New Zealand, and others with keen interest in our region.

Prior to the signing of MOSAIC, the World Bank and CAPA had discussed undertaking certain capacity building work, being a project focused on assisting PAOs establish and maintain effective systems for continuing professional development (CPD). The Grant Agreement was recently signed and the project will occur over the next three years. PAOs from Mongolia, the Philippines and Vietnam will be immediate beneficiaries; however the work will benefit all PAOs in the region and beyond.

The screenshot shows the IFAC website page for MOSAIC. The main heading is "MOSAIC Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration". Below this, there is a world map and a list of signatories including the African Development Bank, Asian Development Bank, Australian Agency for International Development (AusAID), Finland, GAVI Alliance, Inter-American Development Bank, International Federation of Accountants, New Zealand, Swedish International Development Cooperation Agency (SIDA), UK Department for International Development (DFID), and US Agency for International Development (USAID). The page also includes a "KEY CONTACTS" section with Gabriella Kusz, IFAC Senior Technical Manager, Member Body Development, as the primary contact.

Read more about MOSAIC in the IFAC website (<https://www.ifac.org/about-ifac/professional-accountancy-organization-development-committee/mosaic>)

The Vital Role of Professional Accountancy Organisations

This statement proved to be a very appropriate title for a conference staged with the Vietnam Association of Certified Public Accountants (VACPA) in August 2012.

The conference focused on two key areas, being the development of the accountancy profession in Vietnam, and the necessary and important role of PAOs within a country's financial infrastructure.

The staging of the conference was itself a very important milestone in the development of VACPA, being the first ever International Conference staged by VACPA, thus raising the profile of VACPA and the profession in Vietnam.

Over 100 delegates attended the event and 18 jurisdictions were represented. The numerous Vietnamese stakeholders who attended included the government, businesses, large firms and academia. International attendees included representatives of government departments, the World Bank, leaders of

PAOs from neighbouring countries within the region, staff of the IFAC Member Body Development team, members of the IFAC PAO Development Committee, and CAPA Members attending associated committee meetings.

CAPA leadership was very encouraged with how the profession has developed in Vietnam, and this was underlined during a very constructive dialogue during a separate meeting with the Minister of Finance. For more information, please visit the CAPA website at: <http://www.capa.com.my/article.cfm?id=596>

The screenshot shows a news article from the Ministry of Finance of Vietnam. The headline is "Minister Vuong Dinh Hue worked with Confederation of Asia and Pacific Accountants (CAPA)". The article text states: "On 12/8/2012, Minister Vuong Dinh Hue received and worked with delegates of CAPA led by its president Mr Keith Wedlock. The Minister thanked CAPA for organizing its general assembly in Vietnam which showed CAPA's high appreciation for Vietnam's auditing and financial sector." Below the text is a photograph of Minister Vuong Dinh Hue and CAPA President Keith Wedlock.

Meeting between CAPA leadership and the Minister of Finance of Vietnam was featured in the Vietnam Ministry of Finance website (http://www.mof.gov.vn/portal/page/portal/mof_en/133241342/pr?p_page_id=2454720&item_id=69502307&p_details=1)



Left : The Conference attracted more than 100 delegates from 18 jurisdictions around the region.

Right : Photo opportunity with Vietnam leadership, (from left to right) Bui Van Mai, VACPA Deputy President & Secretary General; Nguyen Huu Chi, Vice Minister of Finance of Vietnam; Dr. Tran Van Ta, VACPA President; Keith Wedlock, CAPA President; and Brian Blood, CAPA Chief Executive.



Tony Hegarty, Chief Financial Management Officer of the World Bank addressing conference delegates.



Speakers from Session 2 taking questions from conference participants.

Realising the Power of PAOs

This statement reflects one of CAPA's objectives and indeed a key objective for the profession globally. It was therefore befitting that it become the title for a PAO development seminar held in Vietnam alongside the conference.

The seminar was attended by over 50 participants from PAOs of 18 jurisdictions, including 9 developing countries in the region, being leaders directly responsible for, or involved in, the development of their organisation. The seminar was a key event for 2012. The workshop-style seminar was led by the IFAC Member Body Development team, and CAPA was pleased to be able to assist in its staging. Key contributors to the event included representatives from the World Bank, as well as IFAC and CAPA's PAO Development Committees.

The leaders in the profession gained a substantial understanding of the needs of specific countries and the challenges facing developing PAOs in the region. In turn, these PAOs gained an understanding of the support resources available through IFAC and opportunities to strengthen relationships with other PAOs, providing access to assistance that they otherwise may not be aware of. For further information, please visit the CAPA website at: <http://www.capa.com.my/article.cfm?id=597>



1. Samia Msadek, the World Bank Manager of Financial Management for East Asia & Pacific Region presenting about PAO development in the East Asia-Pacific region.
2. Jackie Poirier, Chair of CAPA PAO Development Committee presenting about CAPA's PAO development initiatives.
3. Speakers taking questions from seminar participants, (from left to right) Jackie Poirier, Chair of CAPA PAO Development Committee; Amarjit Chopra, Member of IFAC PAO Development Committee; Szymon Radziszewicz, IFAC Senior Technical Manager; and Samia Msadek, World Bank Manager of Financial Management for East Asia & Pacific Region.

Picture 5,6,7,8
Seminar participants present findings from their group discussion, (photos in order from 5 to 8) Pengiran Hj Moksin presenting for Brunei; Foo Yoke Pin presenting for Malaysia; Maw Than presenting for Myanmar; and Josefa Sorre-Ty presenting for the Philippines.

Advancing Public Sector Financial Management

“CAPA is focused on improving public sector financial management across the region”

Following the global financial crisis in 2008 and sovereign debt crises around the world in the last few years, there has been a growing emphasis on improving governmental financial reporting and an increased demand for accountability and transparency. The global accounting profession has been very active in advocating action to improve public sector accounting.

International Public Sector Accounting Standards (IPSAS) have gained increased profile in recent times. The standard-setting board for public sector accounting, the IPSAS Board, has reported on the growing momentum in recent years in the adoption of IPSAS around the world. Over 80 countries have either adopted or have processes in place to adopt IPSAS, including a number of Asian countries.

The opportunity to improve financial reporting in the public sector is very high in many countries. This encouraged CAPA to issue a Position Statement in mid-2011 reflecting our stand and commitment to improve public sector financial management.

Position Statement

Improving Public Sector Financial Management

The Confederation of Asian and Pacific Accountants (CAPA) fully supports and encourages the convergence towards International Public Sector Accounting Standards (IPSAS) by all member countries in the Asia/Pacific region to assist in the improvement of public sector financial management.

Users of financial reports produced by the private sector have, for many years, demanded and supported the development of globally accepted high quality financial reporting standards. These users have included regulators and central government agencies. This has resulted in an increasing number of countries adopting and implementing IFRS as the financial reporting norm for the private sector.

Concurrently there is a growing international movement to improve financial reporting in the public sector. This has resulted in many countries initially adopting cash based accounting; moving to a more sophisticated accrual basis for financial reporting; and finally a number are adopting and implementing accrual based IPSAS.

Improving the quality of financial reporting in the public sector is viewed by CAPA as critical in addressing the huge risks, such as unexpected sovereign debt crisis situations that may remain obscured, when robust accounting and reporting techniques are not used in the public sector.

From a public interest perspective the more effective monitoring of financial performance within public sector entities is critical. CAPA supports accrual based financial reporting as the only means to provide the necessary high quality, transparent reporting of public sector activities and position.

Achievement of this ensures that the same high standards of financial reporting are applied by both the private and public sectors of an economy – thus leading to better informed decision making at both the micro and macro levels.

CAPA, therefore, calls for governments in the Asia/Pacific region to fully recognise the need for robust financial systems, and to lead changes in public sector accounting and reporting to support enhanced public sector financial management.



Over 400 officials and individuals from Bangladesh and other countries in the region attended the conference.

Strengthening Bangladesh Public Sector Accounting & Auditing

The Institute of Chartered Accountants of Bangladesh (ICAB), having seen the successful outcomes from other countries switching to accrual accounting and keen to see the same happen for Bangladesh, worked with CAPA to organise a public sector financial management conference in Dhaka, Bangladesh in February 2012.

The conference, titled “Strengthening Bangladesh Public Sector Accounting & Auditing – Global Reforms and The Way Forward” demonstrated the benefits of moving to accrual-based accounting and shared other country’s experiences in this reform.

The conference, attended by over 400 officials and individuals involved in public sector financial management from Bangladesh and other countries in the Asia-Pacific region, was inaugurated by the Minister of Finance of Bangladesh, and the Minister of Commerce of Bangladesh.

Speakers included the World Bank which urged countries to consider moving to more sophisticated accrual-based accounting and auditing systems to strengthen fiscal transparency and improve accountability thus achieving good financial governance.

Bangladesh, with its public sector operating mostly on the cash-based system, is considering this reform, and it was pleasing to note the Minister of Finance appeared ready to take on the challenge. ICAB is now well positioned to provide whatever assistance it can to assist with the reform and necessary changes. For further information, please visit the CAPA website at: <http://www.capa.com.my/article.cfm?id=562>



Chief Guest, AMA Muhith, Bangladesh Minister of Finance, presenting at the conference's Inauguration session.



Guest of Honour, Barrister Shafique Ahmed, Bangladesh Minister of Law, Justice and Parliamentary Affairs, addressing audience at the conference's Valedictory Session.



1. CAPA President, Keith Wedlock presenting a token of appreciation to Jennifer Thomson, the World Bank Manager of Financial Management for South Asian Region for speaking at the conference.
2. ICAB President, Md. Syful Islam presenting a token of appreciation to the Bangladesh Minister of Finance, AMA Muhith for speaking at the conference's Inauguration Session.
3. Conference Chairman, Md. Farhad Hussain presenting a token of appreciation to GM Quader, Bangladesh Minister of Commerce for speaking at the conference's Inauguration Session.

Sri Lanka Public Sector Roundtable



Roundtable participants representing Sri Lanka; (on the left, facing front) CASL leadership; and (on the right, facing front) Sri Lanka public sector officials.



CAPA representatives at the Roundtable (on the left, facing front) CAPA leadership and (on the right, facing front) CAPA PSFM Committee Members.

CAPA leadership and several members of the CAPA PSFM Committee met with representatives of the Sri Lanka public sector for a Roundtable session in October 2012. This was an outreach activity by CAPA to support the Institute of Chartered Accountants of Sri Lanka (CASL) and their initiative to improve public sector financial management in Sri Lanka.

The Roundtable session comprised of 22 participants representing the Sri Lanka public sector, CASL and CAPA.

The Roundtable focused on issues such as the role of CASL in improving PSFM in the country, current status and steps taken by the Sri Lanka government to improve PSFM, current global developments in PSFM, and experiences of other countries in the conversion of cash-based accounting to accrual-based accounting.

KEY ACTIVITIES & ACHIEVEMENTS IN 2012

Moving Ahead

“CAPA is tackling the needs of the profession, including emerging and contemporary issues”

The mission of CAPA includes a wide range of objectives, providing some challenges in terms of where to focus limited time and resources. Key emphasis has been given in 2012 to PAO development and to improving public sector financial management across the region.

Other matters are continually considered and addressed, with information shared across Members on a wide range of topics.

In 2012, opportunities were taken to undertake substantive activities in three other areas of significant interest:

- **Liberalisation of trade in accounting services** – this is necessary to facilitate the servicing of global businesses and to meet the desires of accountants for mobility.
- **Integrated reporting** – there are growing concerns that current reporting regimes are not meeting the needs of stakeholders, including investors and the public. Integrated reporting is seen as a possible response.
- **Accounting technicians** – the spectrum of accounting is very broad, and technicians are an important part of this supply chain. Technicians are also seen as being particularly important in the context of developing and emerging economies.

CAPA will continue to take an active interest in each of these areas and contribute to related developments.

Liberalisation of Trade in Accounting Services

CAPA was asked to be a major contributor to the Accounting Services Forum held in June 2012 as part of the China Beijing International Fair for Trade in Services (CIFTIS) jointly hosted by the Ministry of Commerce of the P.R. of China and the Government of Beijing Municipality.

The Forum, a collaboration between the hosts and the Chinese Institute of Certified Public Accountants (CICPA), and titled “Trade in Accounting Services and International Capital Flows”, consisted of talks and panel sessions around the theme of “New Opportunities in the Development and Cooperation of the Internationalisation of the Accountancy Profession”. The sessions featured local Chinese and international speakers, including the Vice Minister of Finance of the P.R. of China. The Forum was attended by nearly 600 delegates from more than 15 jurisdictions.



CAPA President Keith Wedlock's opening remarks emphasised the importance of high quality accounting services to meet the needs of international trade and development of strong international economies.



CICPA and CAPA leadership at the forum, (from left to right) China Vice Minister of Finance, Li Yong, whom is also CICPA President and CAPA Past President; Keith Wedlock, CAPA President; and Brian Blood, CAPA Chief Executive.



The Accounting Services Forum was held at the China National Convention Centre in Beijing.

INTERNATIONAL CONFERENCE ON INTEGRATED REPORTING



Speakers for Panel Session 1, (from left to right) Anwaruddin Chowdhury, Council Member of ICAB; Prabhakar Kalavcherla, Board member of IASB; Mark Spofforth, President of ICAEW; Prof. Andrew Conway, CEO of IPA Australia; Dr. S.K. Gupta, Director of Institute of Cost Accountants India; keynote speaker, Jonathan Labrey, Director of the IIRC; and Conference Chairperson, Brian Blood.

Integrated Reporting

CAPA and the Institute of Chartered Accountants of Sri Lanka (CASL) jointly organised an “International Conference on Integrated Reporting” held in October 2012. It was attended by over 300 local and international delegates.

The Conference featured a keynote speaker from the International Integrated Reporting Council (IIRC), and panel speakers from Australia, Bangladesh, India, Pakistan, and United Kingdom. The keynote speaker delivered a comprehensive overview on the birth and development of integrated reporting, and joined the panel speakers in discussing the benefits of integrated reporting as well as challenges in its implementation.

Integrated Reporting is a new approach to business reporting developed by the IIRC aimed at meeting the needs of 21st century businesses and their stakeholders. The accounting profession is very involved in the developments of integrated reporting as it has the potential to create one of, if not the most, significant change in business reporting seen for many generations. For further information, please visit the CAPA website at: <http://www.capa.com.my/article.cfm?id=606>



Speakers for Panel Session 2, (from left to right) Md. Iqbal Ghorri, Director of ICMAP; Dr. Vijith Kannangara, Founder & Chairman of Smart Media Sri Lanka; Robert Thomason, Executive General Manager of CPA Australia; Neil Stevenson, Executive Director of ACCA.



Congratulating CASL for the foresight in recommending the conference topic, (from left to right) CAPA President, Keith Wedlock; CAPA Deputy President, Sujeewa Mudalige; CASL President Sujeewa Rajapakse; CASL Chief Executive, Aruna Alwis.

Accounting Technicians

CAPA organised a workshop-style forum focused on Accounting Technicians (ATs) in October 2012, with assistance from the Association of Accounting Technicians (AAT) in United Kingdom. The Forum had approximately 50 attendees comprising of CAPA Member representatives and technical advisors, staff of the IFAC Member Body Development Team, as well as council and staff members of AAT Sri Lanka.

The Forum considered the role of technicians within the accounting supply chain and how CAPA and Members can continue to assist in the on-going development and ‘professionalisation’ of technicians.

The Forum provided Members with an increased understanding about the role of technicians and challenges they faced. The sessions allowed Members to identify and discuss the roles and functions of technicians in different countries across the region, share information as to how technicians are developed and supported, and importantly to consider opportunities for strengthening the technician level of the accounting profession in Asia-Pacific.



AAT Sri Lanka President, Ganaka Amarasinghe explaining the role of ATs in Sri Lanka.



Forum participants break into groups for discussion.



AAT Director of Global Development, Clare Morley (standing 2nd from right), facilitating the sessions at the workshop-style forum.

CAPA establishes an annual work program aligned to its vision and mission. The key focus areas of PAO development and improving public sector financial management will remain into 2013.

The capacity building project for improving systems of Continuing Professional Development (CPD), funded by the World Bank and commencing in 2013, will require significant attention.

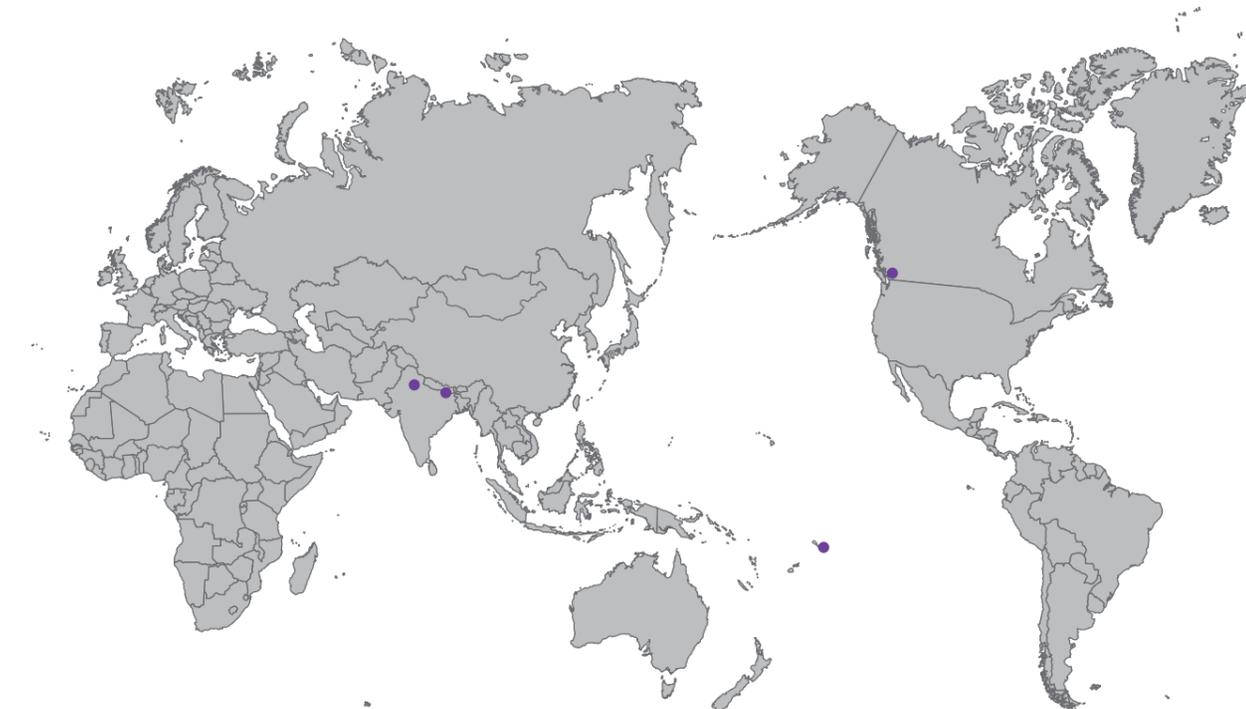
The other key activities for 2013 are:

- Four sets of meetings and events consistent with 2012 and as detailed below
- Preparation of a 'Roadmap' and toolkit for use by PAOs in assisting to improve public sector financial management
- Preparation of a PAO development 'Maturity Model' to assist PAOs assess current and desired states of development
- Continuing consideration of improvements to membership and governance structures
- Completion of the Governance & Policies Manual
- A strategic review of CAPA's knowledge sharing and communications mechanisms

CAPA Meeting Schedule 2013

Month	Location	Meetings	Associated Events
March	Kathmandu, Nepal	Committee outreach	Conference and Roundtable (with key stakeholders and policy makers) focused on the public sector in Nepal
May	Vancouver, Canada	Members and Board meeting Committee meetings Annual General Meeting	Advancement of strategies and projects within the 2013 work program
August	Samoa	Committee outreach	PAO development activities
November	India	Members and Board meeting Committee meetings	To be confirmed

Full details of finalised arrangements and focus of meetings and associated events are posted on the CAPA website.



Members

CAPA has three categories of membership – Full, Associate and Affiliate – reflecting different types of organisations that operate either directly or indirectly within the region. CAPA Members as at 31 December 2012 are:

Full Members

Australia



CPA Australia
(CPA Australia)
www.cpaaustralia.com.au



The Institute of Chartered Accountants in Australia (ICAA)
www.charteredaccountants.com.au



The Institute of Public Accountants (IPA)
www.publicaccountants.org.au

Bangladesh



The Institute of Chartered Accountants of Bangladesh (ICAB)
www.icab.org.bd



The Institute of Cost and Management Accountants of Bangladesh (ICMAB)
www.icmab.org.bd

Canada



Certified General Accountants' Association of Canada (CGA-Canada)
www.cga-canada.org

China, People's Republic of



The Chinese Institute of Certified Public Accountants (CICPA)
www.cicpa.org.cn

Fiji



Fiji Institute of Accountants (FIA)
www.fia.org.fj

France



Compagnie Nationale des Commissaires aux Comptes (CNCC)
www.cncc.fr



Conseil Supérieur de l'Ordre des Experts-Comptables (CSOEC)
www.experts-comptables.com

India



The Institute of Chartered Accountants of India (ICAI)
www.icai.org



The Institute of Cost Accountants of India (ICAI)
www.icwai.org

Japan



The Japanese Institute of Certified Public Accountants (JICPA)
www.jicpa.or.jp

Korea, Republic of



The Korean Institute of Certified Public Accountants (KICPA)
www.kicpa.or.kr

Mongolia



Mongolian Institute of Certified Public Accountants (MonICPA)
www.monicipa.mn

Nepal



The Institute of Chartered Accountants of Nepal (ICAN)
www.ican.org.np

New Zealand



New Zealand Institute of Chartered Accountants (NZICA)
www.nzica.com

Pakistan

 The Institute of Chartered Accountants of Pakistan (ICAP)
www.icap.org.pk

 The Institute of Cost and Management Accountants of Pakistan (ICMAP)
www.icmap.com.pk

Papua New Guinea

 CPA Papua New Guinea (CPAPNG)
www.cpapng.org.pg

Philippines

 Philippine Institute of Certified Public Accountants (PICPA)
www.picpa.com.ph

Samoa

 Samoa Institute of Accountants (SIA)
www.sia.org.ws

Solomon Islands

 Institute of Solomon Islands Accountants (ISIA)

Sri Lanka

 The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)
www.casrilanka.com

United States of America

 American Institute of Certified Public Accountants (AICPA)
www.aicpa.org

Vietnam

 Vietnam Association of Certified Public Accountants (VACPA)
www.vacpa.org.vn

Board & Committee Representatives

A Board of up to twelve members is elected every four years from within the membership. The Board is assisted by the Strategy Committee (SC) and the Governance & Audit Committee (GAC). Members of both committees are selected from within the Board, with the exception of the Chair of GAC. Roles and responsibilities are set out in Board and Committee Charters.

In addition, two working committees were introduced in 2012, being the PAO Development Committee (PAODC) and the Public Sector Financial Management Committee (PSFMC). Participation in both committees is open to the entire CAPA membership in the spirit of "inclusiveness".

Member representatives at all meetings may be accompanied by Technical Advisors from the Member organisations. Technical Advisors play a very valuable role in assisting Board and Committee members perform their responsibilities and in providing additional voluntary resources and links to their organisations.



Top and bottom: CAPA's first PSFM Committee meeting was held in Bangladesh in conjunction with a conference focused on PSFM in Bangladesh.

CAPA's first PAO Development Committee meeting was held in Beijing in conjunction with CAPA's Member and Board meeting.

Associate Members

Sri Lanka

 Association of Accounting Technicians of Sri Lanka (AATSL)
www.aatsl.lk

Affiliate Members

D.P.R. of Korea

 Pyongyang Office of Auditors of the D.P.R. of Korea (POA)

United Kingdom

 ACCA (Association of Chartered Certified Accountants)
www.accaglobal.com

Samara, Russian Federation

 National Institute of Professional Accountants, Financial Managers and Economists (NIPA)

 ICAEW (The Institute of Chartered Accountants in England and Wales)
www.icaew.com



China: CAPA Members break into groups for discussions on the state of PSFM in their countries, facilitated by a member of the PSFM Committee.



Sri Lanka: CASL Vice President, Arjuna Herath, describing the profession in Sri Lanka at the CAPA Board meeting.

The Board meets twice a year. CAPA's Board meetings are organised in a manner to allow all Members to participate. These meetings have a heavy focus on allowing Members the opportunity to build relationships and share knowledge. PAOs benefit from such opportunities, especially those that are still developing, since they are able to gain ideas and assistance from the more mature and developed PAOs.

The first Board meeting of the year was held in June 2012 in Beijing, China. The host body, the Chinese Institute of Certified Public Accountants (CICPA) delivered a presentation on the accounting profession in the country. The presentation reflected the Institute's drive and commitment, and the support of the Chinese government, to develop a stronger and larger profession. A key session during the meeting allowed Members the opportunity to discuss the state of public sector financial management in their countries.

The second Board meeting was held in October 2012 in Sri Lanka. Again, the host body, the Institute of Chartered Accountants of Sri Lanka (CASL) delivered a presentation on the accounting profession in the country.

Board Members

1. Keith Wedlock, **President**
2. Sujeewa Mudalige, **Deputy President**, Sri Lanka
3. Geoff Applebee, *Australia*
4. Anwaruddin Chowdhury, *Bangladesh*
5. Jackie Poirier, *Canada*
6. Liang Jing, *China*
7. Ganapathy Ramaswamy, *India* (resigned May 2012)
8. Jaydeep N. Shah, *India* (appointed May 2012)
9. Gen Ikegami, *Japan*
10. Hak Soo Kim, *Korea* (resigned Jul 2012)
11. Young Jin Park, *Korea* (appointed Jul 2012)
12. Gill Cox, *New Zealand*
13. Saqib Masood, *Pakistan* (not in photo)
14. Gordon Cherry, *USA*



Secretariat

CAPA has a permanent Secretariat and an office based in Kuala Lumpur, Malaysia. The Secretariat serves to carry out the policies and directions of the Board, and is proactive in its functions.

The Secretariat is headed by Brian Blood as the Chief Executive who reports to the Board. The Secretariat office is managed by Khoo Mei Leng, Manager Regional Development, assisted by Winnie Lee, Executive Regional Communications & Events.

The Secretariat is responsible for implementing the strategies approved by the Board.

Governance & Audit Committee Members

1. Josefina G. Chua, **Chair**, Philippines
2. Jaydeep N. Shah, *India*
3. Gen Ikegami, *Japan*

Strategy Committee Members

1. Sujeewa Mudalige, **Chair**, **Deputy President**
2. Geoff Applebee, *Australia*
3. Jackie Poirier, *Canada*
4. Liang Jing, *China*

CAPA Presidents

Gordon M. Macwhinnie*
Hong Kong, September 1976

Eduardo M. Villanueva*
Philippines, October 1979

Niladri K. Bose*
India, November 1983

John O. Miller
Australia, May 1985

Hiroshi Kawakita
Japan, November 1986

Rex A. Anderson*
New Zealand, May 1988

Taesik Suh
Korea, Republic of, September 1989

William Mercer
Canada, October 1991

Douglas C. Oxley
Hong Kong, September 1993

Soon Kwai Choy
Malaysia, April 1995

Robert J. C. Jeffery
Australia, October 1996

Carlos R. Alindada
Philippines, October 1998

Ranel T. Wijesinha
Sri Lanka, November 2000

Li Yong
China, People's Republic of, April 2002

Robin Hamilton Harding
Canada, October 2003

Shozo Yamazaki
Japan, November 2005

Kamlesh S. Vikamsey
India, October 2007

In Ki Joo
Korea, Republic of, October 2009

Keith Wedlock
New Zealand, October 2011

* deceased



PAO Development Committee Members

1. Jackie Poirier, **Chair**, *Canada*
2. Andrew Conway, *Australia*
3. Liang Jing, *China*
4. Ganapathy Ramaswamy, *India* (resigned May 2012)
5. Jaydeep N. Shah, *India* (appointed May 2012)
6. Pat Leota, *Samoa* (not in photo)
7. Jean Ettridge, *UK*
8. Gordon Cherry, *USA*
9. Tran Van Ta, *Vietnam* (not in photo)



Public Sector Financial Management Committee Members

1. Geoff Applebee, **Chair**, *Australia*
2. Anwaruddin Chowdhury, *Bangladesh*
3. Pramod K. Bhattad, *India* (not in photo)
4. Hak Soo Kim, *Korea* (resigned Jul 2012)
5. Young Jin Park, *Korea* (appointed Jul 2012)
6. Gill Cox, *New Zealand*
7. Saqib Masood, *Pakistan* (not in photo)
8. Gillian Fawcett, *UK*



Confederation of Asian and Pacific Accountants

Secretariat Office

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50470 Kuala Lumpur, Malaysia.

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