

4.3.3 IFAC Board Meeting 3-4 March 2016, New York

(Previously circulated to member organisations)

Prepared by Chief Executive

This meeting report is issued to all members to provide a timely overview of matters discussed, implications to CAPA and any actions arising. All information is deemed confidential and distribution is limited within CAPA and its members (see CAPA policy 1.7 for further details). Any views expressed by the preparer may not necessarily reflect the official views of CAPA.

Highlights included:

1. **President Report.** The President had undertaken visits to many locations, and noted visits to Indonesia, Malaysia, Japan, Australia and New Zealand. Together with attending the CAPA Conference in Seoul followed by the last Council meeting in Singapore, the President has gained significant appreciation of the profession in Asia in recent times, which by all accounts, has impressed the President.
2. **Nominations.** Noted that the number of nominations for the standard setting boards, IFAC Board and committees was higher than previous years, including nominations from a number of well-respected international organisations, e.g. UN, INTOSAI. It was noted however, that only one female nomination was received for the IFAC Board and greater effort will be needed to address this aspect.
3. **Public Policy and Regulation Advisory Group (PPRAG).** Discussions focused on fraud and corruption – one of the topics covered at the CE Forum. It included consideration of the activities the profession can best undertake to address the general issues. More can be expected from IFAC going forward, and CAPA may wish to do more in this area.
4. **Communications Strategy.** Proposed theme around all communications will be “Accountants are integral for sustainable economic growth”. Key audiences identified include business and public sector leaders, global policymakers, and influencers. IFAC CEO described IFAC as a “knowledge and advocacy organisation” (personal view). I was taken by a comment that all communications should emphasise that comments are made in the public interest, rather than as a means of self-promotion.

Core messages were suggested as:

- Accountants are essential for economic growth
- Accountants help frame the global profession
- Regulatory collaboration is imperative
- Accounting promotes transparency
- Accountants add value, and are leaders and decision-makers

A presentation was given on the IFAC-Edelman communications strategy. An early comment resonated well: ‘Successful execution is predicated on positively influencing perception of the global accountancy profession, not the IFAC brand’. We have been talking a similar language at CAPA – whilst it is beneficial for CAPA to have a strong profile within the profession, externally we are not focused on branding CAPA, but the accountancy profession.

IFAC President indicates need to leverage regional and local organisations. Dialogue has already been entered into to see how CAPA can utilise the IFAC-Edelman relationship and services during any CAPA activities, e.g. FRED Forum.

5. **Monitoring Group.** Currently expressing concerns regarding: IFAC involvement in nomination of standard setting board (SSB) chair; need for greater numbers of non-practitioners and public members on the SSBs; weakened independence of PIOB due to inclusion of one IFAC nominee.
6. **Future of Integrated Reporting.** Breakout sessions debated initial outcomes from the CE Forum and further considered this issue. No new matters were particularly noted.
7. **Regional Report.** One region normally presents at each meeting, however this did not occur on this occasion. CAPA is expected to present at the September 2016 meeting.
8. **Membership Matters.** CAANZ (Australian and New Zealand) was accepted as an IFAC member; VAA (Vietnam) was provided a fee reduction reflecting their financial position.

Other Interactions

- **In-KI Joo and Dr Ahn, KICPA** – to discuss the CAPA Conference debrief report
- **Sylvia Tsen, IFAC** - to discuss RO and AG matters
- **Nurmazilah Mahzan, Deputy CEO, MIA** – to discuss FRED Forum

Other Activities

Meeting with Amir Ghandar, IFAC senior policy advisor, as part of an RO/AG framework review. This review is ongoing and we expect to remain closely involved.

Meeting with Marta Russell, IFAC to discuss PAO development activities.

Workshops with our consultant, Szymon Radziszewicz, working on the Maturity Model Guidance Series. We held two half-day sessions to further develop the Guides for 'Investigation & Discipline' and 'Governance'. These sessions were very productive, held in the stimulating environment of the 'eLab' at New York University.

Implications for CAPA and Actions Arising:

1. Consider holding discussions at a Board meeting in respect to how CAPA may be involved in any fraud and corruption related focused activities.
2. Discuss with IFAC the possibility of involving Edelman to assist in communications regarding FRED Forum outcomes.
3. Consider any focus on gender diversity in the profession in Asia Pacific.