

4.3.1 IFAC Council, Board and Related Meetings 9-12 November 2015, Singapore

(Previously circulated to member organisations)

Prepared by the President and 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.

Regional Organisation/Accounting Grouping Forum – 9 November 2015

The President and CE participated in the half-day Forum, which included discussions with:

- **IFAC PAODC Chair** – Caroline Kiegen
- **Compliance Advisory Panel Chair** – Jim Dickson
- **IFAC Staff**
- **IFAC President and CEO** (joined the end of the meeting)

Highlights:

1. Various ROs and AGs (including CAPA) gave short presentations on priorities and activities, in the context of the IFAC priorities and strategies
2. Some AGs are obtaining support and funding from sources other than PAOs. This may reflect their history and background. Such strategies may work particularly well for groupings such as SAFA and AFA that exist for specific purposes.
3. PAFA has established a member CEO Forum – this may be worthy of consideration for CAPA
4. ECCAA is bankrupt. A new Eurasian Institute of CPAs is commencing. Linkages to CPA Ireland established to assist. EICPA representatives are interested in joining our meeting in Mongolia.
5. An exercise was undertaken to identify priorities for IFAC, ROs/AGs and PAOs, on a global, regional and national basis in the areas of:
 - a. Building Capacity
 - b. Standards – supporting adoption and implementation
 - c. Public sector financial management

This was in the context of IFAC seeking to identify what they are uniquely placed to undertake, and avoiding duplication with ROs and AGs if they are better placed to undertake certain matters. CAPA has been promoting such an exercise for some time.

6. The output of the above exercise will also be used to consider matters associated with possible revisions to the RO/AG framework (however defined).
7. CAPA CE was asked to comment on framework related matters. I encouraged a comprehensive, strategic review of the framework to ensure that the profession, globally, regionally and nationally is gaining maximum benefit from all efforts.
8. IFAC President was open to addressing the review from the perspective of a 'clean sheet of paper'. She also confirmed that ROs and AGs are seen as very important by IFAC. Fayeze pointed out all ROs/AGs are different and IFAC's interaction with each differs – hence there is no generic answer.
9. One suggestion made was for IFAC to have a dedicated 'RO/AG Desk'. This could potentially provide IFAC with a greater coordinating role, providing both strategic direction and operational assistance. This suggestion is worthy of follow-up.

IFAC Council Meeting – 11 November 2015**Highlights:**

1. IFAC President provided an overview of activities during her term, which emphasised some interesting areas of focus for an IFAC President:

- (a) Engaging with students – the next generation of accountants
- (b) Opportunities to promote diversity, particularly gender

The President mentioned her activities in Asia - this included reference to the Seoul CAPA Conference.

2. The CEO report discussed IFAC's comparative advantages and activities and achievements across the five operating lines:

- IFAC's comparative advantages:
- Natural facilitator
 - Trusted intermediary
 - Credible knowledge convenor
 - Influential voice

- IFAC's five operating lines:
- i. Supporting standards development
 - ii. Building capacity
 - iii. Quality and membership
 - iv. Supporting the profession
 - v. Global representation and advocacy

3. 2016-19 Strategic Plan presented (previously shared with CAPA members at Seoul Board meeting).
4. Presentations from the Chairs of CAP and IFAC PAO Development, PAIB and SMP Committees.
5. All membership applications were approved. From our region this included Associate admission for the Vietnam Association of Certified Public Accountants (VACPA)
6. The meeting shared a wide range of information with all IFAC members. Much of the information was reasonably well known to CAPA as a result of close ongoing contact during the year. No matters appeared to be raised which gave rise to surprise or concern.
7. This was the last meeting for Andreas Bergmann, Chair IPSASB and Jim Dickson, Chair of the Compliance Advisory Panel. Appropriate recognition was given to both.
8. Next IFAC Council meeting – 16-17 November 2016, Brasilia, Brazil

Singapore Accountancy Forum – 12 November 2015

The Institute of Singapore Chartered Accountants staged a full day conference/forum for which some 700 persons attended. ISCA is being driven by the Singapore government to take a greater leadership role and they continue to undergo change and growth.

An interesting development to note was that ISCA is collaborating with the UK Association of Accounting Technicians (AAT) to provide an accredited Accounting Technician Diploma. I understand Malaysia is currently considering introducing similar.

IFAC also presented the 2nd Cebr research (Nexus 2) into the accountancy profession (see attached).

IFAC Board Meeting – 13 November 2015

Highlights:

- **Council meeting reflections.** No particular matters were highlighted by the Board.
- **IAESB (Education).** Discussed status of deliberations regarding the future of the IAESB. IFAC considered its involvement in the ongoing review and an appropriate process for obtaining input.
- **Global Accountancy Profession – Support.** This area includes focus on PAIBs and SMPs. Noted IFAC is forming a PAO Integrated Reporting network for sharing knowledge. Noted this ties to IFAC's unique strength as a 'Credible Knowledge Convener' whereby IFAC intends to focus on 'providing a global forum to share, synthesize, and create knowledge to support professional accountants in providing high-quality services to their clients and employers'.
- **Global Accountancy Profession – Development.** Includes activities of PAODC and also the AccountabilityNow initiative. Related matters have been previously shared with CAPA members.
- **PAFA Presentation** – Undertaken recent strategic review, largely since funding had not increased as expected when PAFA was established. Main strategic initiatives:
 - strong and sustainable PAOs (African Development Bank and DFID funded activity)
 - PFM and public sector
 - influencing adoption of international standards (established a standard-setting forum)
 - regional cooperation (across sub-regions in Africa)
 - thought leadership
- **FEE Presentation** – Strategies focus on reputation and relevance, and being innovative in areas of Corporate Reporting, Public Finance (tax and reporting) and Audit & Assurance.
- **Compliance Advisory Panel** – approved publication of Dashboard reports

Other Interactions

- **Theo Vermaak, Forum of Firms** – to gain assistance in accessing large firms in Asia
- **Mohammad Fais Azmi, MIA President (and Executive Chairman PwC Malaysia)** – together with CEO, had wide ranging discussion regarding MIA relationship and FRED 2
- **HKICPA, Hong Kong** – Discussions with the President and CEO regarding potential visit
- **Ian Carruthers, incoming IPSASB Chair (and CIPFA Chair Standards)** – regarding FRED 2
- **Charles Tilley, CEO CIMA** – discussions regarding strategy and activities of CAPA
- **Olivier Boutellis-Taft** – to discuss history and operational matters at FEE

(It was unfortunate that no opportunities arose to spend time with representatives from ISCA)

Summary and Implications for CAPA

The combination of meetings over 4 days represents an excellent opportunity to network and for CAPA to meet with constituents and stakeholders to progress many matters which otherwise would be more difficult to achieve. Side meetings can be organised, as well as follow-up meetings during the same period. The meeting of ROs and AGs would benefit from more time, planning and prominence. The IFAC President indicated ROs/AGs are extremely important in the overall framework – a serious review of arrangements and roles in the near term would demonstrate this to be the case.

Matters Arising

1. Consider Board session to reflect on RO roles and arrangements within the global framework
2. Consider opportunities for FEE and CAPA to observe each others meetings
3. Follow-up on Cebr research to ascertain detailed Asian statistics. Distribute Nexus 2 report