

# 31st Board Meeting of CAPA Limited

27 October 2015

Seoul, Korea

## Attendance List

**President:** Sujeewa Mudalige  
**Deputy President:** Jackie Poirier (Canada)  
**Chief Executive:** Brian Blood  
**Secretariat:** Mei Leng & Winnie Lee

### BOARD MEMBERS

Australia	Low Weng Keong
Bangladesh	Anwaruddin Chowdhury
China	Liang Jing
India	Manoj Fadnis
Japan	Shinji Someha
Korea	Young-Jin Park
New Zealand	Gill Cox
Pakistan	Nadeem Yousuf Adil
Sri Lanka	Arjuna Herath
USA	Jim Knafo

### TECHNICAL ADVISORS (TA) TO BOARD MEMBERS

Australia	Jeff Hughes
Canada	Lyle Handfield
China	Yang Chenhui
India	Rakesh Singh Kumar Raghu
Japan	Kazutoshi Ishii Tomoe Watashiba
Korea	Anna Jeong-Won Yoon
New Zealand	Simon Grant
Sri Lanka	Lasantha Wikremasinghe

### OBSERVERS –Affiliates, Associates & Members

IPA, Australia	Andrew Conway, Rong Chen
DIPAC (CNCC/CSOEC), France	Jacques Potdevin
ICAI, India	Rakesh Sehgal
ICAI-CMA, India	Vijender Sharma, Pichumani Raju Iyer
MonICPA, Mongolia	Choigunsen Chimidsuren, Lamjav Enkh-Amgalan, Tserengavaa Jigden
ICAN, Nepal	Prakash Lamsal, Mahesh Khanal, Binay Prakash Shrestha
ICMAP, Pakistan	Mohammad Iqbal Ghoris*
PICPA, Philippines	Estelita Aguirre, Joel Tan Torres, Maria Asuncion M Golez, Josefina Chua (GAC Chair)
NIPA, Samara Region, Russia	Dmitry Yakovenko, Sapozhnikov Andrei, Nikulnikov Nikolai
AATSL, Sri Lanka	Lalith Fernando, J.M.U.B. Jayasekera
ICAEW, United Kingdom	Jean Ettridge, Ross Campbell
ACCA, United Kingdom	Andrew Leck, Andrew Smart
CIPFA, United Kingdom	Giles Orr

### OBSERVERS – Others

IFAC	Olivia Kirtley, Gary Pflugrath
MAC, Myanmar	Tin Latt

\*attended parts of meeting

**MINUTES – 31st Board Meeting of CAPA Limited**

**ACTION NOTE**

**Section 1: Call to Order**

**1.1 Welcome, Acknowledgement & Apologies**

The meeting was called to order at 8:50 a.m. on 27 October 2015.

Chair, Sujeewa Mudalige opened the meeting with a special word of thanks to the host, KICPA for the exceptional hospitality shown in the beautiful city of Seoul. He acknowledged the presence of Olivia Kirtley, IFAC President, attending a CAPA Board meeting for the second time, Gary Pflugrath, IFAC Director and Dr. Tin Latt from the Myanmar Accountancy Council.

Noted persons attending for the first time: Yang Chenhui (CICPA), Vijender Sharma, Pichumani Raju Iyer (ICAI-CMA), Tserengavaa Jigden (MonICPA), Mohammad Iqbal Ghorri (ICMAP), Joel Tan Torres (PICPA), Sapozhnikov Andrei, Nikulnikov Nikolai (NIPA), Andrew Leck, Andrew Smart (ACCA), Giles Orr (CIPFA) and Ross Campbell (ICAEW).

Noted apologies of the members from Samoa, Solomon Islands, Vietnam and AAT (United Kingdom).

**1.2 Formal note of quorum, note of change to Board members**

Full quorum was recorded for the meeting. Noted no change of Board representative since the last Board meeting. Chair noted that this is the last meeting for the current Board with election of new Board to occur at the Assembly of Delegates, and expressed well wishes to all nominees for the coming election.

Chair invited all members to contribute and participate.

**1.3 Welcome address by host**

Young-Jin Park, Board representative for KICPA, presented a welcome address on behalf of the host.

Chair thanked YJ Park for his warm welcome address.

(Note: Meeting commenced with item 3.3 followed by 3.2, then returned to the set agenda.)

**Section 2: Minutes**

**BOD468**

**2.1 Adoption of Minutes of the 30th Board Meeting, May 2015**

The minutes were unanimously adopted without amendment.

No matters were raised for discussion.

**2.2 Matters Arising from the Minutes**

The CE noted all matters from the previous Board meetings (May 2015 and May 2011) are treated as completed, having been appropriately addressed. Noted comments had been received from IAESB regarding the online CPD toolkit.

The status of all completed matters arising were accepted.

**MINUTES – 31st Board Meeting of CAPA Limited****ACTION NOTE****Section 3: Relationship Building and Knowledge Sharing****BOD469****3.1 Member Body Reports**

The reports were taken as read. Each member organisation present was given an opportunity to highlight issues/events of interest and items not presented in the paper. The AAT Sri Lanka and ICAB tabled their reports at the meeting.

**BOD470****3.2 Discussions with IFAC President**

Olivia Kirtley highlighted that a call for nominations for the independent standard-setting boards is open and encouraged qualified candidates from this region to be nominated.

Expressed her appreciation to Sujeewa, acknowledged his service to the profession: at home in Sri Lanka, for the region as CAPA President, and to the global accountancy community on the International Accounting Education Standards Board. Also to Jackie for taking up the leadership role, giving recognition to woman in leadership positions and encouraging other women across the region to aspire to greater service.

Presentation focused on CAPA and IFAC working together to help lift the profession across-the-board. Stressed the need to complement and not compete with each other, to leverage resources and to partner together for the best outcome. Noted that IFAC appreciated the opportunity to partner with CAPA on the FRED Forum in Sri Lanka and looks forward to the next Forum in May 2016. Noted ability to leverage CAPA's publications and acknowledged CE's contributions to the Global Knowledge Gateway. The PowerPoint on the IFAC Strategic Plan 2016-2018 was discussed in detail, noting this item is to be presented at the IFAC Council meeting in November.

Comments and questions raised were on the review of Regional Organisation (RO)/Acknowledged Grouping (AG) framework, including governance and sustainability issues, reporting and purpose of reports, and defining and achieving true collaborations. Noted that all ROs/AGs are currently different and is a challenge to have a model to suit all. CE noted that the reporting is not considered onerous by CAPA, but the issue appears to be how to extract value from all the reporting that occurs.

The IFAC President noted the review needed to be holistic, take into account sustainability, and in consultation with the ROs/AGs.

The Chair thanked Olivia and Gary for their time and in sharing views on wide-ranging topics. (Both left the meeting after the presentation.)

**BOD471****3.3 Member Body Presentation – DIPAC, France**

Jacques Potdevin gave an overview of DIPAC and the French profession.

Chair informed that previously the French members were the CNCC and CSOEC. However DIPAC represents international affairs for both bodies, including development and technical assistance, and the Board had earlier approved DIPAC as the CAPA Affiliate member.

The Chair thanked Jacques Potdevin for his presentation.

**MINUTES – 31st Board Meeting of CAPA Limited****ACTION NOTE**

---

**Section 4: Reports****BOD472****4.1 President Report**

The President addressed the Board, stating this is his last meeting, having been involved in CAPA for a decade. CAPA has progressed well over the years and acknowledged the contribution of the Board and Brian as CE on the helm, and the support of the secretariat. He expressed his appreciation for the fantastic CAPA journey, and to all that have contributed and supported the growth of CAPA and to himself personally.

**BOD473****4.2 Chief Executive Report**

No written report was presented. CE briefed the Board on two items that are not addressed in the agenda but were approved at the Directors meeting on 26 October:

- All policies in the Governance and Policy Manual are to be reviewed every three years. One-third of all policies have been reviewed in 2015; changes to the reviewed sections of the Manual have been approved and the revised Manual will be updated on the CAPA website.
- The revised Terms of Reference (TOR) of both working committees, subject to a review in 18 months

The report was noted by the Board. No questions were raised.

**BOD474****4.3 Stakeholder Meeting Reports****4.3.1 IFAC Board – September 2015****4.3.2 ADB Regional Workshop – August 2015****4.3.3 IFAC PAODC and MOSAIC Steering Committee – October 2015****4.3.4 PASAI Congress – October 2015**

The four reports (items 4.3.1 and 4.3.4) were taken as read.

The President commented on 4.3.1.

CE provided a briefing on his participation at the August and October meetings, noting the reports had been discussed in detail in the respective working committee meetings.

Question raised on INTOSAI and its partnership with development agencies. CE responded that SAIs (including INTOSAI) historically have been well supported through development agencies e.g. PASAI is funded by aid agencies in Australia and New Zealand. The donor MOU with INTOSAI formed 2 years before MOSAIC would have formalised the connection.

All IFAC reports were noted by the Board.

**4.3.4 Matters Arising from IFAC Reports**

The CE noted the Sri Lanka presentation had now been received and item 3 (May 2015) would now be treated as completed.

The status of each Matter Arising was accepted.

**BOD475****4.4 Committee Reports**

**MINUTES – 31st Board Meeting of CAPA Limited****ACTION NOTE**

The Committee Chairs presented reports regarding meetings and other activities since the Board last met.

**4.4.1 Governance and Audit Committee (GAC)**

Chair of the GAC, Josefina Chua reported on the 27 October meeting.

In reviewing the compilation of the 2016 budget and expenditures (item 5.2), GAC concluded the 2016 budget was properly prepared based on the disclosed assumptions.

As noted in the CE report - approximately one-third of all policies have been reviewed by GAC in 2015 and subsequently approved by the Board.

Other matters reviewed by the GAC for the Board to note were:

1. Approval of the President's travel and related expenses since last GAC meeting
2. The company's insurance arrangements were appropriate
3. Compliance with filing requirements were all up to date with various authorities
4. 9 months to September 2015 financial position and results – reviewed and noted the excellent position achieved

The GAC report was noted and no questions were raised.

**4.4.2 PAO Development Committee (PAODC)**

Chair of the PAODC, Jackie Poirier reported on the Port Moresby and Seoul meetings. Noted these meetings were well supported by members, observers, and included close involvement of the donor community.

Matters highlighted were:

Port Moresby - Key activities included PAO Maturity Model self-assessment workshops with members from the South Pacific; and a PNG ROSC A&A Roundtable.

Seoul - Reviewed IFAC PAO Capacity Building Series and planning for next outreach meeting (July 2016) in Mongolia

Both meetings:

1. CPD Systems Project - noted progress of the World Bank funded project with expectation to complete on time by end 2015
2. Quality Assurance Systems Project – noted progress of the ADB funded project opportunity and noted ICAEW selected by ADB as the consultant
3. Maturity Model – noted initiative and progress in developing a supporting Guidance Series, including the engagement of a consultant
4. CAPA Publications – deliberated on possible adaptation/rebranding by others
5. Agreed to changes to the Terms of Reference

Jackie expressed appreciation to the committee members, having been the initial committee established 4 years ago. Noted the nomination for the working committee for the next term will commence soon.

No questions were raised. The output and report of the committee was noted and well-accepted.

**4.4.3 Public Sector Financial Management Committee (PSFMC)**

Chair of the PSFMC, YJ Park reported on the Seoul meeting.

Matters highlighted were:

**MINUTES – 31st Board Meeting of CAPA Limited****ACTION NOTE**

- 
1. Board reports related to Public Sector – items 4.3.2, 4.3.3 and 4.3.4
  2. Planned publication 'Attracting and Retaining Finance Personnel in the Public Sector'
  3. Planning for next FRED forum – supported by World Bank (WB) to be held in May 2016. CE added the forum is a collaborative effort with the WB, planning is well advanced with WB committing a lot of resource, however funding is still not in place and needs to be addressed.
  4. Agreed to changes to the Terms of Reference
  5. Planning for next outreach meeting (February 2016) – Bangladesh, with anticipated RoundTable to pilot test 'Attracting & Retaining' publication, and a possible Conference.

YJ thanked his committee members for their contribution to the PSFM initiatives.

The PSFMC report was noted and no questions were raised.

**Section 5 : Matters for Discussion****BOD476****5.1 Strategy and 2016 Work Program****5.2 Budget for 2016 and Membership Fees**

CE provided a joint report for these two items. He informed the strategy remains largely unchanged from the previous year, and noted a heavy work program with new activities added for 2016. The strategy to focus on collaboration with AFA and South East Asia PAOs remains a priority. Acknowledged the presence of AFA President, Estelita Aguirre at this meeting.

The 2016 Work Program forms the basis for the 2016 Budget, which was reviewed by the GAC in terms of the compilation. CE provided commentary on the cost of operations in line with proposed activities. Member organisation fees have a 5% underlying increase, except for a few Members as highlighted in the paper.

Rakesh Singh of the Institute of Cost Accountants of India (ICAI-CMA) requested some focus be given to integrated reporting and noted an Accounting Technician body has formed in India. In response, CE noted the comments are valid and both matters are on CAPA's radar, with some initial activity included around accounting technicians in the 2016 work program. However, increased focus on integrated reporting remains challenging with CAPA's limited resources, whilst noting other organisations are focused on this and perhaps better placed to address than CAPA.

Rakesh also noted the large fee increase for ICAI-CMA and requested an opportunity to agree allocating the increase over future years. Due to time constraints, agreed that leadership would discuss this matter out of session.

Subject to the above, the Board resolved to accept the strategy and 2016 Work Program, and recommend the proposed membership fees (subject to the agreed approach regarding ICAI-CMA) to the Members at the Assembly of Delegates.

**BOD477****5.3 Value Proposition (VP)**

**MINUTES – 31st Board Meeting of CAPA Limited****ACTION NOTE**

CE briefed on the paper, which was shaped from Board input and IFAC's work in this area. Noted this will be an item for the incoming Board to review and complete.

Andrew Conway expressed the VP should be pragmatic i.e. considering the budget and risk register, need to understand what can be achieved within limited resources and acceptable risk exposures. Raised a question on the diagram where the 3 circles interlink – what is it that only CAPA can provide/offer that cannot be replicated by others. It should be unique and specific to CAPA, which can be articulated to all stakeholders.

CE commented that where the circles interlink is effectively 'the platform' as described in the associated words. It was suggested this is the unique attribute, i.e. only CAPA provides the regional platform which all members/stakeholders gain benefit.

The Chair noted the incoming Board would review and assist with revisions.

**BOD478****5.4 CAPA Annual Report**

CE commented the draft is more advanced this time for comments, with a similar structure to previous years. It is used as a marketing document to profile CAPA to stakeholders. It is proposed the final draft will be circulated to all members for comment in December 2015 and the final copy will be approved by the leadership team before printing.

No comments were raised.

**BOD479****5.5 Future Meetings & Event Activities**

CE informed that all venues for 2016 are finalised. For meetings in 2017, in addition to noting members due to host based on rotation, the following members offered to host – CICPA (China), ICAP (Pakistan), AICPA (USA) and CASL (Sri Lanka). It was noted the World Congress of Accountants in 2018 will be held in Sydney.

Secretariat will work with these members to conclude the location and dates for meetings as early as possible.

The report was noted. No questions were raised.

**Section 6: Matters for Noting****BOD480****6.1 2015 Work Program – Progress Report**

CE suggested the 2015 work program had been effectively completed, and that whilst the FRED forum had been deferred, efforts had been redirected towards commencing the development of the Maturity Model Guidance Series.

No questions were raised.

**BOD481****6.2 Financial Position & Results – 9 Months to September 2015**

**MINUTES – 31st Board Meeting of CAPA Limited**

**ACTION NOTE**

Noted the excellent financial position to date. Noted also the significant exchange rate movement over the period (especially US\$ vs MYR), giving rise to exchange rate losses from the holding of MYR, but also some large reductions in expenses denominated in MYR. This paper was also reviewed by the GAC.

The report was noted.

**Section 7: Any Other Matters**

The Chair put on record a vote of thanks to the Board for their support and contribution over the last 4 years. Noted Board members ending their term in Seoul - Liang Jing and Arjuna Herath and presented a momento to both.

Also acknowledged the 4 year term of the Committees ends with this meeting and expressed appreciation to the Committee Chairs: GAC Chair – Josefina Chua, PAODC Chair – Jackie Poirier and PSFMC Chair – YJ Park, for their hard work in serving on these committees. It was noted along with the change of Board members, there will also be a change of working committees' membership and a 'call for nomination' will be issued soon.

Last but not least, the Chair thanked all member organisations that have supported the CAPA committees through their representatives.

On behalf of the Board, Jackie Poirier expressed gratitude to Sujeewa for his leadership and accomplishment during his term as President, noting it had been a joy working together, and wished him every success.

**Close Of Meeting**

Chair closed the Board meeting at 12:20 p.m.

Prepared by: Brian Blood, Chief Executive

Signed as a true record:

.....

Sujeewa Mudalige

Chair

Date: