



**REPORT OF THE 116th ASEAN FEDERATION OF ACCOUNTANTS COUNCIL
MEETING**

Meeting Location : Lao Plaza Hotel, Vientiane

Meeting Date : 26 October 2014

INTRODUCTION

1. The 116th ASEAN Federation of Accountants (AFA) Council Meeting was held on 26 October 2014, at the Lao Plaza Hotel, Vientiane. The meeting was commenced at 09.00, and adjourned at 12.15. The meeting was continued at 16.30, reconvened at 13.30 and adjourned at 17.00 (following the AFA Task Force Workshop).
2. The meeting was chaired by Ms. Estelita C. Aguirre (PICPA) – President of AFA, and was attended by the Deputy President, Treasurer and Secretary General, all ten Primary Members, four Associate Members and the AFA Secretariat. The meeting was also joined by representative of the World Bank. The list of delegates appears as **APPENDIX 1**.
3. The President introduced Mr. Frederick Yankey as the representative of the World Bank.
4. The President also introduced:
 - a. Ms. Tita A. Caluya as the new President of PICPA;
 - b. Mr. Prasan Chuaphanich as the new President of FAP; and
 - c. Dato Alexandra Chin as the Deputy President of ACCA
5. The President congratulated LICPA for hosting the successful LICPA, AFA and ACCA joint conference, and thanked AFA, IFAC and the World Bank representatives for participating in the Conference as the speakers.
6. The Secretary General introduced the attending voting member bodies and announced that there is a quorum:
 - a. BICPA – Ms. Lucy Wong;
 - b. KICPAA – Mr. Khoy Kimleng;
 - c. IAI – Prof. Sidharta Utama;
 - d. MIA – Ms. Ho Foong Mui;
 - e. MAC – Mr. Kyaw Tin;
 - f. LICPA – Dr. Phirany Phissamay;
 - g. PICPA – Ms. Tita A. Caluya;
 - h. ISCA – Mr. Gerard Ee;
 - i. FAP – Mr. Prasan Chuaphanich;
 - j. VAA – Dr. Dang Van Thanh;

With the addition of the associate members:

- k. CPA Australia – Mr. James Dickson;



- l. ACCA – Ms. Lucia Real-Martin;
- m. ICAEW – Mr. Mark Billington; and
- n. CAANZ – Mr. Andrew Stringer.

AGENDA ITEM 1 – CONFIRMATION OF AGENDA & REPORT

1. The Agenda of the 116th AFA Council Meeting was taken as approved, and appears as **APPENDIX 2**.
2. The 115th AFA Council Meeting Report was amended and taken as approved, and appears as **APPENDIX 3**.

AFA COUNCIL RESOLUTION NO.116-1-2014

Resolved as it is hereby resolved to approve the 116th AFA Council Meeting Agenda, with no amendments as it appears in APPENDIX 2. All 10 member bodies supported the resolution.

AFA COUNCIL RESOLUTION NO.116-2-2014

Resolved as it is hereby resolved to approve the 115th AFA Council Meeting Report, with no amendments as it appears in APPENDIX 3. All 10 member bodies supported the resolution.

AGENDA ITEM 2 – AFA INTERIM FINANCIAL REPORTS & PROPOSED FIXED DEPOSITS

1. The Treasurer reported to the Council the AFA financial positions as at 30 September 2014.
2. The Treasurer also reported to the Council that the cash at bank will be deposited (fixed deposit).

AGENDA ITEM 3 – AFA OPERATIONAL PLAN & BUDGET 2015

1. The Secretariat presented to the Council the draft of the AFA Operational Plan & Budget for the year 2015. He also requested the Council's approval to use the travelling and operational budget for additional staff of the Secretariat, as part of increasing the capacity of the Secretariat
2. The Treasurer informed the meeting that the budget should be considered into two parts; 1) for the recurring operational expenses, these should be covered with AFA fixed revenues from membership dues, and 2) for the non-recurring / project-based expenses, AFA should consider to use the reserve.



3. ISCA representative proposed AFA to consider using the reserve in executing AFA projects, particularly to assist the developing member bodies. KICPAA representative supported this proposition, while adding that AFA could further consider obtaining additional revenue from co-hosting AFA conference with the member bodies. The President acknowledged KICPAA proposition as an input for AFA Task Force 2.
4. LICPA representative suggested AFA to support the AFA President's travel expenses in attending AFA formal invitations (for example, IFAC, the World Bank, etc). ISCA representative added that this should be established in principle.
5. CPA Australia representative recommended AFA to also consider the permanent staffing of AFA Secretariat. The President suggested including this in the agenda for the next Council Meeting.
6. IAI representative supported the proposition to use AFA reserve for AFA projects, and in principle to support the travel of AFA officers on behalf of AFA. He also suggested the Secretariat to complete the budget calculation for 2015.
7. The President requested each Task Force to further discuss on the estimated expenses to be incurred on the respective projects against the provision of the SGD 10,000 budget. IAI representative proposed the Task Forces to present their activities and budget in the next AFA Council Meeting.

AFA COUNCIL RESOLUTION NO.116-3-2014

Resolved as it is hereby resolved to approve the AFA Operational Plan & Budget 2015, on condition that the small item expenses (e.g. bank charges) be included in the budget. All 10 member bodies supported the resolution.

AFA COUNCIL RESOLUTION NO.116-4-2014

Resolved as it is hereby resolved to approve the travelling support for the AFA Secretariat. All 10 member bodies supported the resolution.

AFA COUNCIL RESOLUTION NO.115-5-2014

Resolved as it is hereby resolved to approve in principle the travelling support for the AFA President for official travels. All 10 member bodies supported the resolution.

AGENDA ITEM 4 – REPORT OF AFA TASK FORCE 1

1. PICPA representative as the lead of Task Force 1 presented to the Council the Term of Reference for Task Force 1.



AGENDA ITEM 5 – AFA ACCOUNTING STANDARDS GROUP

1. ISCA representative as a member of Task Force 1 presented to the Council the proposition to establish the AFA Accounting Standards Grouping. He acknowledged the existence of the Asian-Oceanian Standard-Setters Group, whilst acknowledged the value of having an ASEAN group, taking into considerations the commonalities. It is also as a measure for ASEAN in preserving the unique business characteristics of the ASEAN region and nations.
2. He also explained that the objective of the Group apart from looking at common issues is to share the experiences and assist fellow member bodies in the implementation of IFRS. Another point of consideration is the mostly SMEs nature of most entities in the region. It is also part of the capacity building of the accountants and also the small and micro entities in the region.
3. The President acknowledged the presentation and referred it for further discussion by Task Force 1.
4. MIA representative reminded the Council that each member bodies should consult with the respective standard-setters meeting, and consider the operational concerns that need to be considered.

AFA COUNCIL RESOLUTION NO.116-6-2014

Resolved as it is hereby resolved to approve the Term of Reference of AFA Task Force 1 and ISCA proposition for the AFA Accounting Standards Group. All 10 member bodies supported the resolution.

AGENDA ITEM 6 – REPORT OF AFA TASK FORCE 2

1. IAI representative as the lead of Task Force 2 presented to the Council the Term of Reference and the proposed AFA values for Task Force 2.
2. IAI representative invite other members to participate in Task Force 2.
3. LICPA representative informed the Council that the France National Accountancy Body is interested in joining AFA as an associate member, this is an evidence that stakeholders acknowledged the value of AFA.

AFA COUNCIL RESOLUTION NO.116-7-2014

Resolved as it is hereby resolved to approve the Term of Reference of AFA Task Force 2. All 10 member bodies supported the resolution.



AGENDA ITEM 7 – REPORT OF AFA TASK FORCE 3

1. MIA representative as the lead of Task Force 3 presented to the Council the Term of Reference for Task Force 3.
2. James Dickson who is also IFAC representative mentioned that IFAC could consider regional partnership as one of the option in moving forward with regional and global cooperation. The IFAC review will be announced next month and will be consulted and approved in November 2015. He supported Task Force 3 to continue with the process of preparing AFA submission for IFAC consideration.

AFA COUNCIL RESOLUTION NO.116-8-2014

Resolved as it is hereby resolved to approve the Term of Reference of AFA Task Force 3. All 10 member bodies supported the resolution.

AGENDA ITEM 8 – WORLD BANK REPORT UPDATE

1. The World Bank representative reported to the Council that the Report has been completed, printed and distributed to AFA. The Council acknowledged the distribution of the World Bank Report. He mentioned that the World Bank is looking forward to further cooperation with AFA, to work collectively in bringing the advancement, particularly to the developing member bodies.
2. The World Bank representative highlighted closing the gap between member bodies and ethic as the two focuses of the Report.
3. The President invited the World Bank representative to join the discussion of the AFA Task Force 1 at the AFA Task Force Workshop.
4. The Council thanked and congratulated the World Bank for the production of the World Bank Report. The World Bank representative will share the softcopy of the Report to the AFA Secretariat.

AGENDA ITEM 9 – ASEAN MRA UPDATE

1. MIA representative reported to the Council the latest update on the ASEAN MRA on Accountancy Services, based on the fifteenth meeting of the Professional Regulatory Authorities of the MRA on Accountancy (Bali, 23 September 2014). He suggested member bodies to work together with respective regulators, in order to ensure member bodies are in sync with the latest update on the ASEAN MRA.
2. The Secretariat reminded the Council that all documents pertaining to the ASEAN MRA have been distributed by the Secretariat to all members of AFA.
3. IAI representative suggested the Secretariat to include AFA documents in AFA website.



AGENDA ITEM 10 – AFA STATUS REPORT

1. ACCA put into record the successful co-hosting of the LICPA, ACCA and AFA Conference, and the signing of the MoU between LICPA and ACCA.
2. The AFA Status Report was taken as accepted. The President informed the member bodies that there is a need to have a document regarding the bases of members' classification of each PAO. The President requested Task Force 1 to handle this.

AGENDA ITEM 11 – AFA COUNCIL MEETINGS 2015

1. The President presented to the Council the list of venues and dates for the 2015 AFA Council Meetings, they are the following:
 - a. Vietnam (VAA);
 - b. Malaysia (MIA);
 - c. Myanmar (MAC); and
 - d. Philippine (PICPA) – in conjunction with the AFA Conference.
2. The Council tentatively agreed on the following dates for the AFA Council Meetings in 2015:
 - a. 117th AFA Council Meeting in the last week of January 2015 (to be confirmed in the end of November 2014) will be hosted by MIA – agreed by all 10 member bodies;
 - b. 118th AFA Council Meeting in the second week of May 2015 will be hosted by VAA;
 - c. 119th AFA Council Meeting in September 2015 will be hosted by MAC (dates to be confirmed); and
 - d. 120th AFA Council Meeting in November 2015 will be hosted by PICPA (dates to be confirmed).

AGENDA ITEM 12 – OTHER MATTERS

Chartered Accountants Australia and New Zealand

1. CA ANZ representative informed the Council on the latest update of the establishment of the CA ANZ. The trading name started to be used since July 2014. The legal merger will still need to be finalised by the New Zealand parliament, and for Australia to amend its Royal Charter.

Invitations to AFA

2. The Secretariat informed the Council on the invitations received by the AFA Secretariat. The Council agreed to defer the acceptance of the invitations.



Memorandum of Understanding between AFA and SAFA (2007)

3. The Secretariat informed the Council on the MoU between AFA and SAFA, signed in 2007.
4. ACCA representative informed the Council the intention of the MoU was as a platform of best practice sharing. Also, to consider that SAFA is currently a Recognised Accountancy Grouping of IFAC and has been very active with regard to accounting standard-setting.
5. The President referred the MoU to Task Force 2 for further discussion, and for Task Force 2 to present the pros and cons of the MoU in the next AFA Council Meeting, including the validity of an undated MoU.
6. MIA representative proposed to invite SAFA representatives to attend the 117th AFA Council Meeting and the AFA Conference in Malaysia. KICPAA representative reminded the Council that it is important to first analyse the pros and cons before extending the invitation (could be interpreted as a measure of commitment). The Council agreed to defer invitation to SAFA until the analysis of Task Force 2.

AFA COUNCIL RESOLUTION NO.116-9-2014

Resolved as it is hereby resolved to refer the analysis of the Memorandum of Understanding between AFA and SAFA to AFA Task Force 2. 9 member bodies supported the resolution, with the exception of IAI.

Inductions of Ahmadi Hadibroto (IFAC Board) and Prof. Sidharta Utama (IAESB)

7. The President informed the Council on the inductions of:
 - a. Mr. Ahmadi Hadibroto (second term in IFAC Board); and
 - b. Prof. Sidharta Utama (IAESB).

MIA Conference 2014

8. MIA representative invited the Council to attend the upcoming MIA Conference 2014, to be held in Kuala Lumpur on 4 and 5 November 2014.

A recess was called by the President at 12:15. It was announced that the Council meeting will resume after the AFA Task Force Workshop for conclusion.



AFA TASK FORCE WORKSHOP

TASK FORCE 1

1. Task Force 1 reported the following two focus:
 - a. On IFAC membership, Task Force 1 proposed to perform an external review on PAOs self assessment (deadline of November 2014), with the review to be conducted in the third week of December 2014. The Task Force requested LICPA and MAC to deliver their assessment. The Task Force will also report on the costs and benefits of becoming a member of IFAC (deadline of January 2015).
 - b. On closing the gap between member bodies, Task Force 1 proposed to hold a conference on ethics, quality assurance review and professional qualifications in May 2015 (ICAEW will develop the program). The Task Force also agreed in developing a recipe of an effective ASEAN PAOs, with the *CAPA's Maturity Model* as one of the reference (by June 2015, PICPA is assigned to do this). The details on the Accounting Standards Group will be further reported in January 2015.

TASK FORCE 2

1. Task Force 2 reported the following two focus:
 - a. On branding, Task Force 2 proposed to hold networking dinner with national stakeholders (including regulators, CEOs and CFOs), in conjunction with AFA Council Meetings in 2015, potentially lead to one-to-one meeting with the regulators. The theme should focus on AEC 2015. Also, to involve the press to cover the event, to increase the coverage and the profile of AFA and the respective member bodies.
 - b. On thought leadership, Task Force 2 proposed:
 - i. To hold an AFA Workshop on SMEs, together with the IASB, and invite the Chairman of IASB to further elevate the profile of AFA. The proposed topic is *Accounting Issues Facing SMEs in the ASEAN Economic Community*.
 - ii. To drive thought leadership research by commissioning academicians. This would require the use of AFA reserve. ACCA and CA ANZ will support this by providing access to existing researches on the topic.

TASK FORCE 3

1. Task Force 3 reported the following activities as its priorities:
 - a. To align the mission and vision of AFA with IFAC (by CPA Australia).
 - b. To align the work priority to those of IFAC (by MIA).



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- c. To analyse the financial and technical readiness of AFA, means in participating in IFAC activities and the appropriate governance (by FAP).
- d. To analyse IFAC's strategy review on the Acknowledged Accountancy Groupings and Regional Organisations (by BICPA).

CONCLUSION

1. The President requested the Task Forces to complete their plans with the required budget. A template will be distributed by the President and Secretary General.
2. The President concluded the workshop and the 116th AFA Council Meeting by congratulating LICPA for the successful hosting of the 116th AFA Council Meeting and LICPA, ACCA and AFA joint conference.

******* END OF REPORT *******





APPENDIX 1 – LIST OF DELEGATES

President : Ms. Estelita C. Aguirre (PICPA)
Deputy President : Mr. Sonexay Silaphet (LICPA)
Treasurer : Mr. Frankie Chia (ISCA)
Secretary General : Ms. Josefe Sorretera-Ty (PICPA)

AFA Secretariat : Mr. Aucky Pratama (IAI)

PRIMARY MEMBERS

BICPA	Lucy Wong
	Lim Hoon Hui
KICPAA	Khoy Kimleng
	Sao Bunleap
	Tiang Youk Fong
IAI	Prof. Sidharta Utama
LICPA	Dr. Phirany Phissamay
	Nanthalath Thirakul
MIA	Ho Foong Mui
	Rozlisham Abdul Wahab
MAC	Kyaw Tin
	U Sein Wein
	Tin Win
	Khin Nway Nway Aung
PICPA	Tita A. Caluya
	Zenaida Alcantara
ISCA	Gerard Ee
	Yee Cheok Hong
FAP	Prasan Chuaphanich
	Vilai Chattanrassamee
	Krittiya Arthivitawas
VAA	Dr. Dang Van Thanh
	Tran Thanh Tung



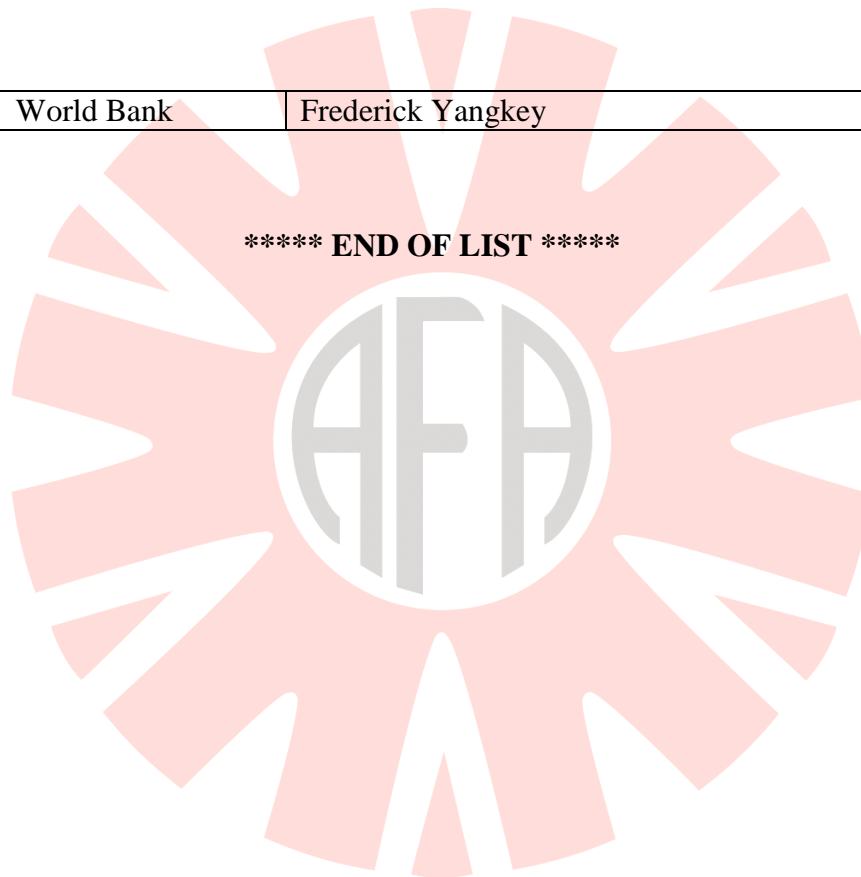
ASSOCIATE MEMBERS

CPA Australia	James Dickson
CA ANZ	Andrew Stringer
ACCA	Dato Alexandra Chin
	Lucia Real-Martin
	Aziza Sheerin
ICAEW	Len Le
	Mark Billington
	Mark Campbell

INVITEES

World Bank	Frederick Yangkey
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******* END OF LIST *******





APPENDIX 2 – 116th AFA COUNCIL MEETING AGENDA

AFA COUNCIL MEETING AGENDA

The 116th ASEAN Federation of Accountants Council Meeting
Venue: Lao Plaza Hotel, Vientiane
Date: 26 October 2014

09.00 – 09.10	Commencement of the 115 th AFA Council Meeting	President	For info
09.10 – 09.20	Confirmation of the 116 th AFA Council Meeting Agenda	All	For approval
	Approval of the 115 th AFA Council Meeting Report		
09.20 – 09.30	AFA Interim Financial Reports & Proposed Fixed Deposits	Treasurer	For info
09.30 – 09.45	AFA Operational Plan and Budget 2015	Secretariat	For discussion
09.45 – 10.15	Coffee / Tea Break & Group Photo Session		
AFA Task Force Report			
10.15 – 10.30	Task Force 1 – To close the gaps between member bodies and to support member bodies to become member of IFAC Lead: PICPA Members: MAC, LICPA, ISCA, CPA Australia and ICAEW	PICPA	For discussion
10.30 – 10.45	AFA Accounting Standards Group	ISCA	For discussion
10.45 – 11.00	Task Force 2 – To articulate value proposition to AFA member bodies and stakeholder (through brand and thought leadership) Lead: IAI Members: ACCA and CA Australia and New Zealand	IAI	For discussion



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	(previously ICAA)		
11.00 – 11.15	Task Force 3 – For AFA to be recognised as IFAC Acknowledged Accountancy Grouping (AAG) Lead: MIA Members: IAI, BICPA and CPA Australia	MIA	For discussion
11.15 – 11.30	World Bank Report Update	WB Rep	For info
11.30 – 11.45	ASEAN MRA Update	MIA	For info
11.45 – 11.50	AFA Status Report	All	For info
11.50 – 12.00	AFA Council Meetings 2015	All	For discussion
12.00 – 12.15	Other matters <ul style="list-style-type: none">Chartered Accountants Australia and New ZealandInvitations to AFA (IFAC, SAFA, CAPA informal meeting in Rome, etc)MoU AFA & SAFA (2007)Inductions of Ahmadi Hadibroto (IFAC Board) and Prof. Sidharta Utama (IFAC IAESB Board)	All	For discussion
12.15	Conclusion of the 116 th AFA Council Meeting	President	-
12.10 – 13.30	Lunch		
13.30 – 16.30	AFA Workshop		

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***** END OF AGENDA *****



APPENDIX 3 – REPORT OF THE 115th AFA COUNCIL MEETING

REPORT OF THE 115th ASEAN FEDERATION OF ACCOUNTANTS COUNCIL MEETING

Meeting Location : Royal Ambarrukmo Hotel, Yogyakarta

Meeting Date : 13 June 2014

INTRODUCTION

7. The 115th ASEAN Federation of Accountants (AFA) Council Meeting was held on 13 June 2014, at the Royal Ambarrukmo Hotel, Yogyakarta. The meeting was commenced at 09.00, and adjourned at 11.45. The meeting was continued at 17.00 and adjourned at 17.30.
8. The meeting was chaired by Ms. Estelita C. Aguirre (PICPA) – President of AFA, and was attended by the Deputy President, newly inducted Treasurer and Secretary General, eight Primary Members with the absence of FAP and VAA, four Associate Members and the AFA Secretariat. The meeting was also joined by AFA past Presidents and Deputy President, and representative of the World Bank and the Confederation of Asian Pacific Accountants (CAPA) – joining part of the meeting. The list of delegates appears as **APPENDIX 1**.
9. The President introduced:
 - a. The invited past AFA Presidents, Dr. Djoko Susanto and Mr. Ahmadi Hadibroto (IAI), and past AFA Deputy President, Mr. Nik Mohd Hasyudeen Yusoff (MIA).
 - b. The voting members/representatives of the primary members:
 - i. BICPA – Pengiran Haji Moksin;
 - ii. KICPAA – Khoy Kimleng;
 - iii. MIA – Ho Foong Mui;
 - iv. LICPA – Phirany Phissamay;
 - v. PICPA – Violeta J. Josef;
 - vi. ISCA – Gerard Ee; and
 - vii. MAC – Kyaw Tin.
 - c. Representatives of the associate members.
 - d. Ms. Phirany Phissamay as the new President of LICPA (and official representative of LICPA in AFA).
10. The President announced the appointment of the new AFA Secretary General, Ms. Josefe Sorrera-Ty (PICPA) as the successor for Mr. Gerrard B. Sanvictores (PICPA).
11. The President informed the meeting of the resignation of Mr. Khoo Ho Tong (ISCA) as AFA Treasurer. MAC nominated ISCA, for the sake of practicality and continuity, to continue with its role as AFA Treasurer. ISCA has nominated Mr. Frankie Chia (ISCA) to be the new AFA Treasurer. A motion was passed for the election of Frankie Chia as the new AFA Treasurer which



was duly seconded with no objection was raised by the Council members. By unanimous decision the following resolution was passed:

AFA COUNCIL RESOLUTION NO.115-1-2014

Resolved as it is hereby resolved that Frankie Chia of ISCA is elected as the new AFA Treasurer.

12. The President inducted the newly appointed AFA Secretary General and Treasurer. The meeting acknowledged the induction of the new AFA Treasurer and Secretary General.
13. The AFA Secretariat introduced Ms. Monika Nabillya as part of the AFA Secretariat who will be assisting AFA with its programs.

AGENDA ITEM 1 – CONFIRMATION OF AGENDA & REPORT

3. The meeting noted the Secretary General's proposition to defer the approval of the Strategic Planning Session Workshop Report (Cebu), until after the phase 2 of the Strategic Planning Session Workshop (Yogyakarta). The Agenda of the 115th AFA Council Meeting was amended and taken as approved, and appears as **APPENDIX 2**.
4. CPA Australia representative applauded the Secretariat for the preparation of the meeting reports.

AFA COUNCIL RESOLUTION NO.115-2-2014

Resolved as it is hereby resolved to approve the Agenda of the 115th AFA Council Meeting with no amendments as it appears in APPENDIX 2.

AFA COUNCIL RESOLUTION NO.115-3-2014

Resolved as it is hereby resolved to approve the Minutes of the 114th AFA Council Meeting with no amendments as it appears in APPENDIX 3.

AGENDA ITEM 2 – AFA INTERIM FINANCIAL REPORTS

3. PICPA representative questioned the \$500,307 bank balance that comes from the matured fixed deposits. Newly inducted Treasurer clarified that based on the discussion on AFA investment policy in the 114th AFA Council Meeting, investment decision will be made on the newly matured deposit.
4. The meeting noted the change of signatories for AFA financial transactions, taking into consideration the changes of AFA Treasurer and Secretary General.

AGENDA ITEM 3 – MATTERS ARISING FROM PREVIOUS MEETING

AFA Operational Plan and Budget 2014 (non-recurring expenses)



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1. The meeting noted the President's proposition to further discuss the non-recurring expense of particularly, recruitment of AFA dedicated staff after AFA has sorted out its priorities (to be discussed in the AFA Strategic Planning Session – Phase 2).

AFA and the Formal Acknowledgment of IFAC

2. IAI representative shared the analysis on AFA's readiness and capability in meeting IFAC's Acknowledged Accountancy Grouping (AAG), and the potential implications for AFA (costs and benefits) in being recognised as an IFAC AAG.
3. Mr. Hadibroto (Past AFA President and current IFAC Board member) acknowledged Mr. James Dickson (CPA Australia) as the current Chairman of IFAC's Compliance Advisory Panel (CAP). He also shared the history and past considerations of AFA's efforts in gaining IFAC's formal acknowledgment. Some of his key messages were:
 - a. AFA need to accept CAPA's position as the recognised regional organisation that, among others, represents the South East Asia region.
 - b. Considering that most of AFA members are IFAC members, AFA as an organisation need to pursue its plan to gain IFAC's formal acknowledgment.
4. Mr. Yusoff (Past AFA Deputy President) requested AFA to ask the question of what are the real values of AFA to its members. Also, for AFA to mover forward with the idea of getting IFAC's acknowledgement, as this could bring opportunities for AFA in developing the capacity of the organisation, its members, and the profession in the region.
5. Mr. Dickson (CPA Australia and Chairman of IFAC CAP) reiterated that pursuant of IFAC's formal acknowledgment is part of the development of AFA as an organisation. There will be no fees involved. However, AFA need to take into considerations the mutual obligations that follow the acknowledgment. CAP would certainly welcome the AFA's submission to be considered as IFAC AAG.
6. The President acknowledged IAI's analysis and accepted it, together with the World Bank recommendations, as important inputs for the Strategic Planning Session (Phase 2).

AFA Website and AFA Annual Report 2013

7. The Secretariat reported that the migration of AFA website from MIA to the Secretariat has been finalised. The website will be re-launched soon, pending final modifications.
8. The President reiterated the importance for all members to participate in the development and updating of the website, by submitting information on each member's activities and news to the Secretariat, to be uploaded in the website. Mr. Yusoff acknowledged the AFA website as a strategic tool for AFA and its members in promoting the organisation, its activities and the profession in the region (visibility of AFA and its members).
9. The President requested all members to submit to the Secretariat names of person in charge for AFA website updates.
10. The meeting acknowledged the Secretariat information that 200 copies of the AFA Annual report 2013 has been printed, and will be distributed to relevant stakeholders.



AGENDA ITEM 4 – PROGRESS ON THE WORLD BANK SURVEY

2. The President on behalf of the AFA welcomed the World Bank representative, Mr. Christopher Robert Fabling, and appreciated the WB's efforts with the survey.
3. Mr. Fabling presented the WB survey result on the current status of the accounting and auditing profession in the ASEAN region. He reported that the World Bank report is still a preliminary draft and requested AFA members through the Secretariat to review and validate the information disclosed in the report.
4. The high level findings of the report (draft) are:
 - a. Significant variations across ASEAN countries in most of the areas covered;
 - b. All ASEAN countries have or are intending to adopt and implement international accounting and auditing standards;
 - c. Significant “development gap” with capacity constraints hampering progress in “lesser developed” countries;
 - d. Increased harmonization and coordination at a regional level would be beneficial; and
 - e. Profession has limited engagement with the public financial management reform agenda (this represents a huge potential opportunity).
5. The World Bank recommendations disclosed in the report (draft) are on:
 - a. AFA's future mandate and role;
 - b. National PAO development;
 - c. Accounting education;
 - d. Entry requirements for professional accountants and CPD;
 - e. Professional independence and ethics requirements;
 - f. Corporate sector – Accounting, auditing and financial reporting;
 - g. Accounting standards and standard setting;
 - h. Auditing requirements, standard adopted and standard setting;
 - i. Audit regulation, quality assurance and public oversight; and
 - j. Public sector accounting and auditing.
6. ISCA representative acknowledged the difficulties for SMEs in applying IFRS for SMEs. He raised the issue of taking global standards and forcing them to entities, in particular, entities in the ASEAN region where most are in the stage of a developing economy. Taking this into consideration, AFA need to assist its members in developing bigger pool of accounting talents (and technicians).
7. KICPAA representative shared ISCA representative's sentiment, and mentioned that harmonization of standards as one of the World Bank's recommendations should be a long term initiative. For the short term, AFA should focus on the sharing of technical expertise and resources, especially to the less developed members, to close the gaps between the AFA members and their respective countries.

AGENDA ITEM 5 – CAPA'S MATURITY MODEL FOR THE DEVELOPMENT OF THE PROFESSIONAL ACCOUNTANCY ORGANISATIONS



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4. CAPA representative, Mr. Brian Blood, thanked AFA for inviting CAPA to the 115th AFA Council Meeting.
5. CAPA representative distributed three CAPA materials:
 - a. CAPA Annual Report 2013;
 - b. CAPA Improving Financial Management in the Public Sector – The Eight Key Elements of PFM Success; and
 - c. CAPA Maturity Model for the Development of Professional Accountancy Organisations.
6. CAPA representative shared with the meeting the two areas of focus for CAPA in their development stage; PAOs development and public financial management. In developing its program, the key question/principle that is used by CAPA is ‘is it something that other organisations (IFAC or PAOs) can do better than CAPA?’ CAPA focus on things that it believe could do better and add values in the process.
7. On the CAPA Improving Financial Management in the Public Sector – The Eight Key Elements of PFM Success, CAPA representative mentioned the following:
 - a. The document was prepared for PAOs not members of PAOs, to assist in building effective relationship with government, regulators, etc.
 - b. Many CAPA members do not focus on the development of public sector accounting. This would be a good opportunity for AFA and its members to focus on.
8. On the CAPA Maturity Model for the Development of Professional Accountancy Organisations, CAPA representative mentioned the following:
 - a. The document is a public document available for download in CAPA’s website.
 - b. The document present, among others, characteristics of a good PAO, key success area, the five levels of PAO maturity and the guide for PAO in undertaking the self-assessment based on the model. He encouraged AFA members to do the self assessment, and invite members to present back the result at the upcoming AFA event in Vietnam (14 – 16 August 2014).
 - c. CAPA has significant interest in developing the accounting technicians, but there is the resources issue that is hindering possible efforts.
9. The President requested all members to learn the model, present it to each member’s council and attempt the self-assessment.

AGENDA ITEM 6 – AFA STATUS REPORT

3. IAI representative shared the public sector accounting initiative that has been one of the focuses in Indonesia for the last couple of years, culminating in the yearly regional Public Sector Conference.
4. No additional information to the AFA Status Report. The AFA Status Report was taken as accepted.

AGENDA ITEM 7 – CONFIRMATION OF THE 116th AFA COUNCIL MEETING

5. Taking into consideration the WCOAA and MIA International Accountants Conference dates in November 2014, LICPA representative proposed to host the 116th AFA Council Meeting in Vientiane on 24 and 25 October 2014. The dates will be further confirmed with the Secretariat.



AGENDA ITEM 8 – OTHER MATTERS

Compliance with IFAC

9. The President informed AFA members that IFAC, through AFA, would like to remind all AFA members to submit their IFAC Actions Plans on time. Members acknowledged IFAC's reminder.

MIA International Accountants Conference 2014

10. MIA representative informed the meeting of the MIA International Conference 2014 that will be held in Kuala Lumpur on 4 and 5 November 2014.
11. The meeting acknowledged MIA's invitation for all AFA members to attend the Conference.

Singapore Convention

12. ISCA representative informed the meeting of the ISCA Convention that will be held in Singapore on 30 July and 1 August 2014.
13. The meeting acknowledged ISCA's invitation for all AFA members to attend the Convention, and that invitations will be sent to AFA Council members in due course.

Recognition of Service

14. The President would like to put on record, expression of gratitude for the service of:
 - a. Mr. Kuy Lim (KICPAA) – Past AFA President;
 - b. Mr. Chetta Chung (KICPAA) – Past AFA Secretary General;
 - c. Mr. Khoo Ho Tong (ISCA) – Past AFA Treasurer;
 - d. Mr. Tan Boen Eng (ISCA) – Past AFA Council Member; and
 - e. Dr. Ernest Kan (ISCA) – Past AFA Council Member.

The Council members acknowledged and supported the recognition of service.

Expression of Gratitude

15. The President on behalf of AFA thanked IAI for hosting the 115th AFA Council Meeting.

4/29/13 10:08:58 AM

A recess was called by the President at 12:00. It was announced that the Council meeting will resume after the Strategic Planning Session – Workshop (Phase 2) for the approval of the identified priorities.

IDENTIFICATION OF AFA PRIORITY AREAS

1. At the end of the AFA Strategic Planning Session – Workshop (Phase 2), the President reconvened the 115th AFA Council Meeting. Based on the priorities identified during the Strategic Planning



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Session (Phase 1) that was held back-to-back with the 114th AFA Council Meeting, AFA members agreed to change the three (3) priorities,

FROM:

1. To articulate value proposition to AFA Member Bodies and Stakeholders (Including AFA Objectives);
2. To close the gaps between member bodies; and
3. Financial Stability and further funding (new sources of revenue).

TO:

1. To close the gaps between member bodies and to support member bodies to become members of IFAC;
 2. To articulate value proposition to AFA members bodies and stakeholders (through brand and thought leadership); and
 3. For AFA to be recognized as IFAC Acknowledged Accountancy Grouping (AAG)
2. A motion was passed which duly seconded without objection to adopt the following AFA priorities and the following resolution was passed:

AFA COUNCIL RESOLUTION NO.115-4-2014

Resolved as it is hereby resolved to adopt the following AFA priorities:

1. *Priority No.1: To close the gaps between member bodies and to support member bodies to become members of IFAC.*
2. *Priority No.2: To articulate value proposition to AFA member bodies and stakeholders (through brand and thought leadership).*
3. *Priority No.3: For AFA to be recognised as IFAC Acknowledged Accountancy Grouping (AAG).*

3. AFA President asked for volunteers to head the task forces that will focus on the priorities. PICPA volunteered for Priority No.1, IAI for Priority No.2 and MIA for Priority No.3. The rest of the members were requested to join the task forces as members. The following resolution was passed:

AFA COUNCIL RESOLUTION NO.115-5-2014

Resolved as it is hereby resolved that the following task forces be created:

1. *Priority No.1. Lead: PICPA, with the support of MAC, LICPA, ISCA, CPA Australia and ICAEW.*
2. *Priority No.2. Lead: IAI, with the support of ACCA and ICAA.*
3. *Priority No.3. Lead: MIA, with the support of IAI, BICPA and CPA Australia.*



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115th AFA COUNCIL MEETING RESOLUTIONS	
1	Frankie Chia (ISCA) was elected as AFA Treasurer to replace Mr. Khoo Ho Tong (ISCA).
2	The Agenda for the 115h AFA Council Meeting has been taken as approved.
3	The Minutes of Meeting of the 114 th AFA Council Meeting has been taken as approved.
4	The AFA top three (3) priorities have been taken as approved.
5	The AFA task forces (membership) heads and members for the three priorities were designated.

******* END OF REPORT *******

