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For the past 36 years, the ASEAN Federation of Accountants (AFA) has become a bigger accounting profession organisation. By having fourteen member bodies, consisting of ten primary members and four associate members, AFA is getting stronger and more optimistic in achieving the organisation mission, to develop and promote the accountancy profession in the ASEAN region.

Two years from now, the ASEAN member nations will welcome the 2015 ASEAN Economic Community. The euphoria of transformation process of ASEAN into a region with free movement of goods, services, investment, skilled labour, and free flow of capital has encouraged AFA to be an important part of the preparation. To support the 2015 ASEAN Economic Community, AFA will continue to support the development of the accounting profession in the ASEAN region.

Continuing our program, the ASEAN-wide Mutual Recognition Arrangement (MRA) is now becoming our priority. In order to enable accountants across ASEAN to be mutually accepted, acknowledged and recognised, AFA has made another step by establishing the AFA Committee on the Implementation of the ASEAN MRA on Accountancy Services.

Throughout 2012 AFA has reached another stage and I am honoured to have been given the opportunity to serve as the President of AFA. Hopefully, together with this new spirit we wish to take AFA into another level of achievement in the future.

Thank You.

Kuy Lim
President
2011-2012

In 2012 we are welcoming our new member, the Institute of Chartered Accountants in England and Wales (ICAEW). With more than a century of experience in assisting accountancy profession bodies, hopefully ICAEW would give a contribution to AFA and ASEAN in preparing to welcome the 2015 ASEAN Economy Community.

As the organisation is getting bigger, AFA is also eager to attain its goal to establish a medium for closer relation among ASEAN accountants. Mutual Recognition Arrangement (MRA) program has become AFA priority for now, and to make this program be implemented in ASEAN region AFA decided to establish a committee specifically focusing on this particular matter.

I am delighted with the prospect of this committee. Through this committee, AFA will focus on the development of accountancy bodies in the ten primary member countries.

In my first year as the Deputy President of AFA I have faced so many challenges. ASEAN economy has widely grow, so the needs of professional accountants is increasing rapidly. This condition motivates me to contribute more to AFA member countries. Until the end of my period arrived let us keep up the good work, to continue to deliver AFA's mission, to take the accountancy profession in the ASEAN region into a whole new level.

Thank You.



Estelita C. Aguirre

Deputy President
2011-2012



The ASEAN Federation of Accountants (AFA) was organised in March, 1977. It was established to serve as the umbrella organisation for the national associations of accounting professionals of the member countries of the Association of South East Asian Nations (ASEAN). AFA originally had only five member-bodies. These are the national accountancy bodies of Indonesia, Malaysia, Philippines, Singapore and Thailand. Currently, AFA membership comprises of all 10 ASEAN member countries.

AFA is composed of two types of membership. The Primary Members of AFA are the national organisations of accounting professional representing countries within the territorial jurisdiction of ASEAN and must be the recognised national accounting body of that country created under a specific statute or regulation of that particular country, or in the absence of it, the recognised national organisation of accounting professional in the said country. The Associate Members are the internationally recognised bodies of accounting professionals of any ASEAN countries or other countries which are friendly to and supportive of the aspirations of ASEAN, even though they may be outside the territorial jurisdiction of ASEAN.

AFA Objectives

AFA was created with the following objectives:

- To provide an organisation for ASEAN Accountants for the further advancement of the status of the profession in the region with the view to establishing an ASEAN philosophy on the accounting profession.
- To establish a medium for closer relations, regional cooperation, and assistance among ASEAN accountants.
- To enhance the continuous development of the accounting profession in the region through the joint endeavours of accountants representing the ASEAN.
- To identify and highlight vital problems affecting the accounting profession in the ASEAN region and to formulate proposals towards the solution of these problems.
- To provide ASEAN accountants with a venue for the exchange of the significant information on the accounting profession in the ASEAN member countries.
- To represent the ASEAN accountants in their collective dealings with international accounting and other organisations.
- To work in cooperation with ASEAN business regional groupings whose economic development efforts may be complemented by ASEAN accountants.

Vision

To be globally recognised as the body that represents the accountancy profession in the ASEAN region

Mission

To develop and promote the accountancy profession in the region in support of the socio-economic enhancement of the AFA member countries

President : **Kuy Lim** (Cambodia)
 Deputy President : **Estelita C. Aguirre** (Philippines)
 Treasurer : **Khoo Ho Tong** (Singapore)
 Secretary General : **Chetta Chung** (Cambodia)

Brunei Darussalam (BICPA) : **Pengiran Haji Moksin**
Lee Kin Chee
Hjh. Ning Lela DP Hj. Mohammed
Lim Hoon Hui

Cambodia (KICPAA) : **H.E. Ngi Tayi**
Soth Vanthoch
Arthur Law

Indonesia (IAI) : **Sudirman Said**
Dr. Jusuf Halim
Prof. Sidharta Utama
Elly Zarni Husin

Lao PDR (LICPA) : **Prof. Darath Boupna**
Dr. Xayphone Kongmanila

Malaysia (MIA) : **Datuk Mohd Nasir Ahmad**
Abdul Rahim Abdul Hamid

Myanmar (MAC) : **Thein Myint**
Win Thin
Maw Than
Khin San Oo
Kyaw Tin
Wan Tin

Philippines (PICPA) : **Andres R. Cabuyadao**
Jose C. Cabalum Jr.
Josefina G. Chua
Josefe Sorera-Ty
Estelita C. Aguirre

Singapore (ICPAS) : **Dr. Ernest Kan**
Tan Boen Eng

Thailand (FAP) : **Pichai Chunhavajira**
Supot Singhasaneh
Vilai Chattanrassamee
Sarun Supaksarun

Vietnam (VAA) : **Dr. Dang Van Thanh**

AFA COUNCIL MEETINGS IN 2012

Throughout 2012 AFA Council met for three times. The meetings were held as follows:

107th AFA COUNCIL MEETING

InterContinental Hotel, Phnom Penh, Cambodia, 17 March 2012

The 107th AFA Council Meeting held in Phnom Penh, Cambodia was a historical one for the newly elected AFA President, Mr. Kuy Lim of KICPAA. It was the first time the new President chaired the AFA Council Meeting, accompanied by the also newly elected AFA Deputy President, Ms. Estelita C. Aguirre of PICPA, and AFA Secretary General, Mr. Chetta Chung of KICPAA. The three will serve in their respective positions for the next two years.

One of the important highlights of the meeting in Phnom Penh was the discussion on the proposition to establish a dedicated AFA committee, to conduct further studies on the implementation of the ASEAN MRA Framework (on Accountancy Services). This was also to serve as a follow up to the previous AFA - ASEAN Accountancy Regulators Roundtable Meeting held during the previous AFA Council Meeting in Kuala Lumpur. The expected output of this proposed committee was to provide recommendations to AFA on how to move forward with the ASEAN MRA.

AFA members acknowledged the importance of working together in order to prepare themselves to the possibilities of entering into any potential MRAs in the future. This coopera-

tion need also to be extended to the regulators of each AFA members, because good understanding between the professional bodies and the regulators are crucial in ensuring the success of every potential steps that will be taken and considered in the future.

Taking into consideration the degree of importance related to the issue, AFA Council Members agreed to seriously looking at possibilities to establish such dedicated committee. MIA, ICPAS, PICPA together with ACCA and CPA Australia offered their support to kick-start the establishment of this committee, to be further discussed at the next AFA Council Meeting.

108th AFA COUNCIL MEETING

InterContinental Hotel, Manila, Philippines, 23 June 2012

The hustle and bustle of Manila, along with the warmth of the Filipinos, welcomed AFA members to the 108th AFA Council Meeting in the middle of June 2012. This meeting was also attended by a number of distinguished participants from Philippines, such as Dr. Rufo Mendoza, Dr. Mariano M. Lerin, Atty. Francisco Gonzales, Ms. Zenaida P. Alcantara, and Mr. Eduardo de Guia.

The meeting continues with the discussion on the establishment of the AFA committee on the implementation of ASEAN MRA on





Accountancy Services. AFA acknowledged the importance of communicating with the ASEAN Secretariat, and committed to contribute to the discussion at the ASEAN Professional Regulatory Authorities of the MRA Framework on Accountancy Services forum. Philippines as the host reiterated the importance of maintaining a strong level of commitment towards establishing an acceptable MRA that can be realistically agreed and performed. The meeting also recognised the significance of the Government's approval as the key point in establishing the MRA, particularly taking into consideration the licensing aspect of the agreement, and it is the role of the professional bodies to support this endeavour. The establishment of the committee has taken a huge step in this meeting, and scheduled to be finalised at the next AFA Council Meeting.

Among the other agendas discussed during the meeting were the membership application from the Institute of Chartered Accountants in England and Wales (ICAEW), ACCA report on the publication of the AFA - ACCA Report: AFA Training and Development Analysis, MIA International Accountants Conference 2012, and the potential inclusion of Timor Leste (East Timor) accountants in the future.

109th AFA COUNCIL MEETING

The Institute of Chartered Accountants in Australia (ICAA) Office, Sydney, Australia, 3 November 2012

The event in Sydney was started by a workshop held by AFA and ICAA as the host. Mr. Steve Chapman, the Deputy Auditor-General of Australia presented his view on the public sector

auditing, and the role and activities of the International Organisation of Supreme Audit Institutions (INTOSAI).

Aside from the usual attendees, the AFA Council Meeting in Sydney was also attended by a representative of the World Bank, Mr. Christopher Robert Fabling, and representatives from ICAEW, Mr. Arthur Bailey and Mr. Mark Billington. It was truly a monumental moment for ICAEW who was admitted as the new associate member of AFA. All AFA members were delighted and looking forward to work together with ICAEW to improve the accountancy profession in the region.

The Sydney meeting was also a significant milestone in the establishment of the AFA committee on the implementation of the ASEAN MRA on accountancy services. The meeting agreed on the committee Term of Reference and Work Plan, which will be the base of operation on how the committee will perform its duties.

The committee was officially established, with AFA Deputy President, Ms. Estelita C. Aguirre elected as the chair, supported by FAP, IAI, ICPAS, MIA, PICPA, CPA Australia, ACCA, and ICAEW as the committee members. Each mem-



ber assigned an individual to contribute to the committee on a 2 year commitment.

The first task that will be tackled by the committee is to come up with updated information on the country (accountancy) requirements from each ASEAN member states. This information is an important reference that will be used by the committee in assessing the readiness of each country in the region in entering into any potential MRAs in the future. The committee understand its main role is primarily to assist member bodies in getting into an acceptable level to enter into any MRAs, that is to focus on the capacity building of AFA members.

AFA also acknowledged the important role that the World Bank might play in achieving the objectives of this committee, and AFA in general. The World Bank shared its initiative in identifying the gaps in accounting and auditing profession in the ASEAN region, and to work towards minimising those gaps. AFA fully supported this initiative and acknowledged the common interest between the two organisations, which is to focus on the capacity building, and also to improve the quality of the accounting profession in the ASEAN region.

The 109th AFA Council Meeting also acknowledged the departing Mr. Bill Palmer of ICAA, and his influential role in contributing to AFA and the development of the profession in the region.



A MESSAGE FROM AFA COMMITTEE CHAIRPERSON

On the 97th AFA Council Meeting in Philippines, AFA took an important step in realising the vision of the Association of Southeast Asian Nations (ASEAN) leadership by agreeing to accelerate the development of Mutual Recognition Arrangements (MRAs) among its member bodies, through the development of capabilities.

The Indonesian Institute of Accountant (IAI) and the Malaysian Institute of Accountants (MIA) are acknowledged as the first AFA members who have successfully negotiate the first bilateral MRA on accountancy service, focusing on mutual recognition of membership.



One of the MRA objectives is to exchange information in order to promote and take into consideration the development of the best practices on standards and qualifications in the accountancy profession. To attain this objective, AFA has put the MRA program into its priority. In our 109th Council Meeting, AFA committee on the implementation of the ASEAN MRA on accountancy services was established.

Members of this committee are professional who represent AFA member bodies who put their concern to assist and support AFA member bodies to enhance capabilities to be in the same level and be ready to welcome the MRAs.

We are looking forward to work together with AFA member bodies and others participating bodies to achieve the committee objectives, among others with the World Bank and IFAC. I am confident that this committee will be able to assist AFA member bodies in preparing for the 2015 ASEAN Economic Community and possibility of entering into potential MRAs in the future.

Estelita C. Aguirre
Chairperson

COMMITTEE OBJECTIVES

The Committee was created primarily to assist, support and encourage member bodies to enhance capabilities to be in the same level and be ready to enter into multilateral or bilateral MRAs.

The main objective of the committee is capability building to lessen the gaps between member bodies with the end in view of fast tracking the development of accountancy in the ASEAN region and MRA signing.

COMMITTEE WORKING PLAN

- 1 Determine accuracy of data
- 2 Confirm accuracy of data by submitting the confirmed country requirements signed by both the AFA member body and regulator
- 3 Identify capabilities
- 4 Analysis of fundamental similarities and significant differences
- 5 Conduct workshops to discuss significant differences
- 6 Identify capability building measures to minimise differences
- 7 Expression of readiness to enter into MRA

COMMITTEE MEMBERS



CHAIRPERSON

Estelita C. Aguirre (PICPA)



Prof. Sidharta Utama
(IAI)



Abdul Rahim Abdul Hamid
(MIA)



Yee Cheok Hong
(ICPAS)



Vilai Chattanssame
(FAP)



Lucia Real-Martin
(ACCA)



James Dickson
(CPA Australia)



Jonathan Jones
(ICAEW)



The Brunei Darussalam Institute of
Certified Public Accountants
(BICPA)

BICPA ACTIVITIES DURING 2012

The Establishment of Public Accountants Oversight Committee

On 1st November 2012 the Accountant's Order (2010) came into effect. The Order seeks to control and regulate the practice of the profession of accountancy by public accountants, accounting corporations and accounting firms in Brunei Darussalam.

A Public Accountants Oversight Committee (PAOC) was established to assist the Authority in the discharge of the Authority's functions in particular the following area:

1. Assist the Authority in determining, prescribing and reviewing the requirements to be satisfied by persons seeking to be registered as public accountants;
2. Administer the practice monitoring programmes
3. Inquire into
 - Any complaint against any public accountant, accounting corporation, accounting firm or accounting Limited Liability Partnership; or
 - Any information relating to any professional misconduct on the part of any public accountant, accounting corporation, accounting firm or accounting Limited Liability Partnership,
 - and if necessary institute disciplinary proceedings in accordance with the Order.
4. Assist the Authority in determining, prescribing and reviewing of
 - The code of professional conduct and ethics for public accountants; and
 - The standards, methods and procedures to be applied by public accountants when providing public accountancy services.

Public accountancy services means the audit and reporting on financial statements and the doing of such other acts that are required by any writ-

ten law to be done by a public accountant.

Public accountant means a person who has attained the age of 21 years, satisfied the prescribed requirement relating to qualification, practical experience, membership in BICPA and membership of any professional accountancy body or organisation.

5. Advise the Authority on any matter which relates to the profession of public accountancy.

IFRS Adoption

Brunei Darussalam Accounting Standards Council has written to stakeholders for their comments on the use of IFRS for public interest entities. The announcement on the adoption of IFRS is now expected to be early Q3 2012.

BICPA's seminars in 2012

In aim to develop the accounting profession and to support the adoption of IFRS, Brunei Darussalam Institute of Certified Public Accountant BICPA was held number of seminars and educational classes, such as The Practical Guide to Basic Accounting (10-12 April 2012), Transforming from Previous GAAP to IFRS (23-24 April 2012), The Practical Guide to Intermediate Accounting (8-9 May 2012) Financial Auditing (19-20 June 2012), IFRS 13 Fair Value Measurement and Accounting Systems (24-25 September 2012) and First Time Adoption to IFRS for SMEs (3-4 October 2012).



Brunei Darussalam Institute of Certified
Public Accountants (BICPA)

Total members: 57



KICPAA ACTIVITIES DURING 2012



Audit Quality

KICPAA together with the World Bank and the Asian Development Bank (ADB) organised a workshop to disseminate the findings of the Audit Quality Assessment on 2 April 2012. The participants of this workshop are the KICPAA active members, both representatives of member firms and individual members.

Audit Quality Monitoring Project

As part of the the audit quality monitoring project, on August 2012 KICPAA and the World Bank has conducted the audit quality monitoring to Grant Thornton Cambodia. This project is to assess the audit quality in order to accept the World Bank fund for the projects.

KICPAA's Program on Professional Development

From September to October 2012, the KICPAA and the Chartered Institute of Accountants in England and Wales (ICAEW) has jointly

visited local universities and audit firms to understand the prospect and challenges of accounting profession in Cambodia.

National Accountancy Conference

In September 2012, KICPAA, the National Accounting Council and the ACCA has organised a national conference. The conference presided over by His Excellency Keat Chhorn, Deputy Prime Minister of Economy and Finance. There were approximately 600 people attended the conference.



Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA)

Total members: 284



IKATAN AKUNTAN INDONESIA
(The Indonesian Institute of Accountants)

IAI ACTIVITIES DURING 2012

National Accountancy Convention VII and Extraordinary Congress 2012

The seventh Indonesian Institute of Accountants (IAI) National Accountancy Convention was held in the majestic city of Yogyakarta, 27-28 June 2012. It was ceremonially opened by the Vice President of the Republic of Indonesia, Boediono and the Chairman of IAI, Prof. Mardiasmo. In his speech, the Vice President reiterated the importance of accountants as a professional to maintain acceptable level of

Muqoddas, the Governor of Yogyakarta, Sri Sultan Hamengkubuwono X, and the Rector of the Paramadina University, Anies Baswedan. It was quite a blend of speakers and guests from the political, governmental, educational, and also professional background.

The vision promoted by this year's event was to drive forward "The Transformation of Good Governance in Indonesia from Conformity to Culture". In his speech the Vice President also stated the importance of putting forward



integrity and competence, as the most valuable foundation in serving the general public and Indonesia as a continuously developing nation.

Among the honourable speakers and guests who attended the event among others were, the Head of the Indonesian Constitutional Court, Mahfud M.D., the Vice Minister of Defence of the Republic of Indonesia, Sjafrie Sjamsoeddin, one of the chair of the Indonesian Corruption Eradication Commission, Busyro

rules and regulations that are resemblance of higher understanding toward the principal and moral value of good governance, through the establishment of effective code of conduct for Indonesia as a nation. He also added that IAI is a strategic partner for the Indonesian government in achieving the ultimate goal of good governance in Indonesia.

One of the highlight of the seventh Convention was the launching of the new identity

of the IAI's members, illustrated through the re-branding of the membership structure and identity card. It was one of the Institute's program in improving the professionalism of accountants in Indonesia, through betterment of education, professional training, and conformity to a good set of code of conduct.

Extraordinary Congress 2012

Held in conjunction with the seventh National Accountancy Convention was an important and much anticipated agenda of the Indonesian Institute of Accountants Extraordinary Congress. In the build up to the Congress the affected stakeholders, in this case the IAI members have held many discussions, considering the highly significant and sensitive topic.

The main agenda of the Congress was to realign the position taken by the Institute with regard to membership into those that is established by the International Federation of Accountants (IFAC). As a member of IFAC IAI believes that it is important to maintain continuous improvement of the profession in the Indonesia, by using IFAC's guidance as the accepted point of reference. The Congress resolution was to re-establish the membership of the Institute into an individual basis membership, which means eradication of association and entity level membership. Through an intensive and colourful discussion Congress participants raised many points that divide the floor. Although in general members support this resolution, more is expected from IAI in ensuring the success of this transformation.

The 55th Anniversary of IAI

On 19 December 2012 IAI celebrated its 55th anniversary at the Balai Kartini, Jakarta. The celebration was emphasised by holding a series of free training and education sessions for active members of IAI. The chosen theme was "A Journey of Professional Accountants: *Akuntan sebagai Business Leader*". It was one of the benefits provided by IAI to its members, and as a reflection of IAI's role in building the capacity of the Indonesian accountants in preparing for the massive development in the profession.

Some of the chosen topics delivered by the



speakers on fair value measurements, accounting for the insurance industry, and the global economic outlook 2013 and its impact toward accountancy profession worldwide and Indonesia. The prominent speakers were accounting experts in Indonesia, spanning from DSAK IAI members to representative of the valuation industry.

The event was also a historical one for IAI, as it was also mark the launching of the new certification / designation for accountants in Indonesia, namely the Chartered Accountant Indonesia. IAI also launched its new IAI Exchange facility, serving as a major hub for IAI members to communicate with IAI, fellow accountants, and as the major source for the latest and most up-to-date information on accounting in Indonesia.

National Accountancy Symposium XV

On September 22, 2012, the National Accountancy Symposium XV was successfully held in the city of Banjarmasin, in the island of Kalimantan – or Borneo to most people. The economic faculty of the Lambung Mangkurat University was the venue of choice, housing more than five hundreds (500) participants, ranging from practitioners, professionals, and mostly academics.



One of the important agenda of the Symposium was the research presentation from participants from all over Indonesia, who has successfully put their researches forward and be presented during this event. A total of 427 papers were submitted this year, with 118 papers selected to be presented during the event, and three (3) were selected as the best papers. Issues such as tax avoidance, balance scorecard, public environmental accountability, and performance measures were among the topics presented in this year, which is aligned with the theme. This certainly aligned with the recently issued government policy, to require students to publish their research as part of their education requirement. One of the Indonesian Institute of Accountants Council Member, Dr. Khomsiyah believed that the potency and energy of the young researchers are truly a blessing to the profession, and more importantly Indonesia in general.

Joint IAI – ACCA – PPAJP – AFA Seminar

IAI, ACCA, the Accountant Appraiser Supervisory Centre – Ministry of Finance (PPAJP), and AFA hosted a joint seminar at the Hotel Indonesia Kempinski Jakarta on Wednesday, 16 May 2012. The chosen title for the seminar was “Reshaping the Accountancy Profession – Opportunities and Challenges for Indonesia”. The main focus of the seminar was to prepare accountants in



Indonesia in preparing for the ASEAN Free Trade Area (AFTA) 2015. Among the prominent speakers participated in the seminar was the Head of PPAJP, Mr. Langgeng Subur, and the Chief Executive of ACCA, Ms. Helen Brand. Around 150 participants, mostly members of IAI and ACCA in Indonesia attended the seminar, and actively participated in the discussion.



IKATAN AKUNTAN INDONESIA
(The Indonesian Institute of Accountants)



The Indonesian Institute of Accountant
(IAI)

Total members: 12,548



LAO INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
(LICPA)

LICPA ACTIVITIES DURING 2012



soulbluezer.blogspot.com

LICPA's Highlight for 2012

During 2012, Lao Institute of Certified Public Accountant has made some achievements impacting the accountancy profession. Highlight of those activities among others are:

1. Translated new auditing and accounting standard to Lao language.
2. Organised 2nd public hearing related the accounting and auditing Decrees draft with the Accounting Department, Ministry of Finance.
3. Organised discussion meeting related the development of Lao chart of account with the Accounting Department, Ministry of Finance.
4. Continued reforming the organisation and implementation of its Strategic Planning.

5. Launched three accounting course, such as Financial Accounting, Auditing and Taxation for undergraduate degree in Accounting with the Faculty of Economics and Business Management (FEBM), National University of Laos.



LAO INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
(LICPA)



Lao Institute of Certified Public
Accountants (LICPA)

Total members: 172 (as per December 2011)



**MALAYSIAN INSTITUTE
OF ACCOUNTANTS**
ACCOUNTANTS: MANAGERS OF VALUE

INNOVATIVE ACCOUNTANTS - THE KEY TO SUCCESS



On 27-28 November 2012, the Malaysian Institute of Accountants (MIA) hosted the MIA International Accountants Conference 2012 which drew over 2,350 local and international delegates from 26 countries around the world.

Themed 'Innovative Society: Sustaining Business Success', the MIA re-branded annual flagship event tackled issues and challenges reflecting the current and future development of the dynamic, uncertain and evolving business world.

The opening ceremony was officiated by the Deputy Minister of Finance, YB Senator Dato' IR Donald Lim Siang Chai, on behalf of the Minister of Finance II, YB Dato' Seri Ahmad Husni Mohamad Hanadzlah.

The two-day event saw many fellow accountants, corporate leaders, investors, entrepreneurs, policymakers, standard setters and public practitioners as well as key government officials and academicians meet to discuss strategy on moving the accountancy profession forward to an innovative spectrum.

Datuk Mohd Nasir, President of the MIA in his opening remark said, "It is important that accountants continue to be part of an innovative society. Accountants have already moved into strategic roles in corporate management and business leadership. But we need to enhance our strategic thinking abilities and become effective business advisors in recommending new business models and management styles that will add value to the innovative society of today."

The primary aim of the Conference was to explore issues related to key areas that directly and indirectly affect the continued relevance of the professional accountants and financial business leaders to sustain success in an innovative

environment and to prepare them for the future on how to sustain competitive advantages in an uncertain future.

The Conference provided an excellent platform for participants to gain insights on developing organisational creativity and innovativeness, to discover new strategy, to enhance knowledge on dealing with stakeholders, to address latest issues related to the accountancy profession and to network.

The event showcased 30 internationally acclaimed speakers from the public, regulatory and private sectors covering key topics relevant

to the professional accountants and highlighting the accountants' role of value creator and contributor to sustainable growth.



MALAYSIAN INSTITUTE
OF ACCOUNTANTS
ACCOUNTANTS. MANAGERS. OF VALUE



Malaysian Institute of Accountants (MIA)

Total members: 29,179



Myanmar Accountancy Council
(MAC)
Union of Myanmar

MAC ACTIVITIES DURING 2012

MAC

Announcing the New Chairman of Myanmar Accountancy Council (MAC)

On the third quarter of 2012 MAC was delighted to announce the appointment of U Thein Htaik as a new Chairman of Myanmar Accountancy Council. He has been appointed as Union Auditor General since September 7, 2012.

Myanmar Accountancy Council Meeting

Throughout 2012, Myanmar Accountancy Council held two big meeting. On its first meeting, on May 14, 2012 MAC has discussed to amend the Myanmar Accountancy Council Law to allow practising accountants from foreign country and other requirements for changing system of CPA training.

MAC second meeting was held on September 21, 2012. At this time MAC had discussed and decided several important points, such as:

- a. Reformed the Myanmar Accountancy Council and Myanmar Accountancy Council Law and amended the committee composition of relevant professionals and Government Departments.

- b. Selected Professor U Maw Than, (Rector (Rtd) Yangon Institute of Economics), MAC member, as a MAC's official representative to AFA Council.
- c. Replaced the MAC's Secretary and agreed if the new secretary needs to take responsibility of all functions of MAC's sub committee and working committee which consisted former secretary.
- d. Extended the monitoring committee and increased its new members.

MRA Implementation Committee

One of MAC Sub Committee, The MRA implementation committee has discussed and replied for Mid- term Review of AEC Blueprint Implementation Questionnaire for ASEAN Mutual Recognition Arrangement (MRA on Professional Services (Accountancy Services)). Not only about MRA, there is another topic being discussed by the committee, for instance the ASEAN Economic Community and Myanmar: implementation, outcomes, impacts and ways forward (Second draft).



Implementation of International Public Sector Accounting Standard (IPSAS)

As a part of the adoption process, the International Public Sector Accounting Standard (IPSAS) is translated into Myanmar Language. The Myanmar Accounting and Auditing Standard committee with the Sub Committee of Myanmar Accountancy Council have finished the translation process by the end of August 2012.

MICPA

MICPA Highlight for 2012

Myanmar Institute of Certified Public Accountants has done several activities impacting the accountancy profession during 2012. Highlight of those activities are:

1. Discussed with Mr. Mark Billington, Regional Director, and Mr Mark Campbell, Head of Capacity building, Institute of Chartered Accountants England & Wales (ICAEW) and MAC Monitoring Committee and Accounting Professional Institute related advancement for Myanmar Accounting Profession on 8 May 2012 and 1 June 2012.
2. Discussed with Mr. Reza Ali, Head of

Emerging Markets-Asia ACCA to sign MOU between MAC and ACCA on March 8, 2012.

3. Organised various seminars for Myanmar CPAs. From January until October 2012 MICPA has successfully held a number of seminars on topics such as Investment and Public Companies, The crucial role of the Banking Sector and its contribution in Nation Building efforts (An assessment of opportunities and challenges for Myanmar), Prospectus (IPO): The only legal means of raising investment capital from the general public and Conducting an External Audit of The Financial Statements in accordance with International Standards on Auditing.



Myanmar Accountancy Council
(MAC)
Union of Myanmar



Myanmar Accountancy Council (MAC)
Union of Myanmar

Total members: 1,323 (as per December 2011)



PICPA IS PHILIPPINE'S 2012 OUTSTANDING APO

Out of forty-two (42) Accredited Professional Organisations (APO), PICPA emerged as the most outstanding APO under Category A, along with others for categories B and C, in the yearly competition for the award sponsored by the Professional Regulation Commission (PRC). This is the third time the Institute received the award, the first being in 1995 and the 2nd in 2005.

The different APOs were evaluated based on the following criteria:

1. Leadership and initiative in participating in the PRC sponsored program/activities;
2. Quality performance of service of nominees appointed to the Regulatory Boards in terms of validity and reliability of test questions prepared and asked in the licensure examination; participation in other regulatory functions and in PRC programs and projects;
3. Quality and relevance of CPD Programs administered and implemented by the organisation;
4. Significant achievements as a corporate:
 - (a) In attaining the objectives of the organisation;
 - (b) In the enhancement of the welfare of its members in terms of placement and assistance in the practice of the profession and
 - (c) In the enhancement of the stature/prestige of the profession;
5. Effective discharge of the profession's social responsibility through meaningful participation in socio-civic related activities;
6. Relationship of the officers and members of the APO with the officers and members of the other registered professional organisations in the same profession in term of camaraderie, fel-



- lowship, cooperation in national programs and activities of the profession;
7. Leadership and initiative in undertaking programs, projects and activities related or unrelated to the solution of problems affecting the profession which redound to the benefit of its members and to the community/ country in general;
8. Healthy relationship with the PRC and the PRB concerned in terms of cooperation and coordination;
9. Smooth turn-over of duties and responsibilities of outgoing to the newly-elected and inducted national officers of the organisation, through peaceful and orderly elections, and initiative and leadership in the integration of all professionals into one national organisation;
10. Sponsorship of international conventions, conferences, workshops, symposia and other similar gatherings of professionals;
11. Regular publications of news bulletins and technical journals and submission of Annual Reports (Financial and Operations) to PRC and the Securities and Exchange Commission (SEC);and
12. Acquisition of own building and maintenance of the financial solvency of the association.

The performance of the Institute was evaluated through a bid paper by a panel of judges composed of Justice Arturo B. Buena as Chairman, and Justice Apolinario D. Bruselas Jr and Justice Jose C. Reyes Jr. as members. A presentation of the bid paper was made by Dr. Ruperto Somera before the panel, followed by a question-and-answer segment handled by President Josefina Chua, VP Gerard Sanvictores and Executive Director Estelita Aguirre.

As noted in the bid papers, the Committees and Chapters of the Institute under the leadership of President Josefina G. Chua relentlessly continued to pursue all the projects that were launched in the past and initiated new remarkable Continuing Professional Development projects that benefited the members. The Institute



actively participated in conferences of AFA, CAPA and IFAC and entered into Memorandum of Understanding with each of the following: the Association of Chartered Certified Accountants (ACCA), the Institute of Chartered Accountants of England and Wales (ICAEW), the National Council of Philippine American Canadian Accountants (NCPACA) and the Mongolia Institute of CPAs (MONICPA) to provide essential and relevant opportunities to develop knowledge and skills of members.

The announcement was made on June, 2012 at the historical Manila Hotel on the occasion of the 39th PRC Anniversary Celebration and Awarding Ceremonies. FY 2011-2012 President Josefina Chua received the award on behalf of the Institute during the affair. FY 2012-2013 President Josefe Sorera-Ty and the members of the outgoing Board of Directors witnessed the ceremony.



Philippines Institute of Certified Public Accountants (PICPA)

Total members: 22,567



ICPAS ACTIVITIES DURING 2012

The Institute of Certified Public Accountants of Singapore (ICPAS) is the national accountancy body that develops, supports and enhances the integrity, status and interests of the profession in Singapore. The Institute's vision is to be a globally recognized professional accountancy body, bringing value to our members, the profession and the wider community. A key focus for the Institute in 2012 has been to raise the technical capability and competence of our members, particularly in raising audit quality and productivity.

Building Technical Capabilities

a. Quality Assurance Framework for Small and Medium Practices

ICPAS rolled out the Quality Assurance Framework for Small and Medium Practices (SMPs) in 2012. To raise audit quality, the Quality Assurance Review Programme (QARP) was launched in October 2012. This is a voluntary programme that aims to help our participating SMP members improve their audit practices by identifying opportunities for improvement in audit procedures and documentation through the review of signed-off engagement files. To encour-

age and support our SMP members in their implementation of the Singapore Standard on Quality Control 1 (SSQC 1), which is Singapore's equivalent of the International Standard on Quality Control 1 (ISQC1), ICPAS rolled out a number of initiatives beginning September 2012. These include issuing practice guides, publishing a series of articles and organizing a series of courses, technical clinics and workshops on SSQC1.

b. Seminar on Observations by ICPAS Financial Statements Review Committee

Over 420 participants from accounting firms, commercial entities and statutory boards attended the "Seminar on Observations by ICPAS Financial Statements Review Committee" on October 2012. Through the observations presented by the Committee, the participants found out more about the Singapore Financial Reporting Standards (SFRSs) and Singapore Standards on Auditing (SSAs), in particular, the common areas where the presentation or content of financial statements fell short of compliance and how these areas could be addressed.

c. Online Technical Forum

An online technical forum was established by ICPAS in October 2012 to provide an avenue for members to share their views on a range of financial reporting, auditing and accounting related topics. ICPAS members can access information and share their insights via their computer or mobile phone.



• The first edition of SSQC 1 Practice Guides has a total of six guides. Each guide focuses on the major components of each element and contains numerous practice aid templates.

Enhancing Membership

a. Professional Certificate in Audit Skills programme.

To enhance the auditing skills of our members, ICPAS launched the Professional Certificate in Audit Skills programme. This move comes on the back of an effort to put greater emphasis on improving the quality of audit practices.

b. ICPAS CFO Survey

In September 2012, ICPAS Research Department conducted a CFO needs survey to better understand the needs of Chief Financial Officers (CFOs) and senior finance and accounting professionals. The survey re-affirmed the increasing perception that the CFO's portfolio has expanded in breadth and depth, often stretching beyond their roles as financial stewards to that of being a strategic business partner to their CEOs and requiring an increased focus in the areas of risk management. The survey findings will help ICPAS roll out targeted programmes to better serve the needs of our members who are professional accountants in business (PAIBs).

c. CPAS Apps for iPhone and iPad

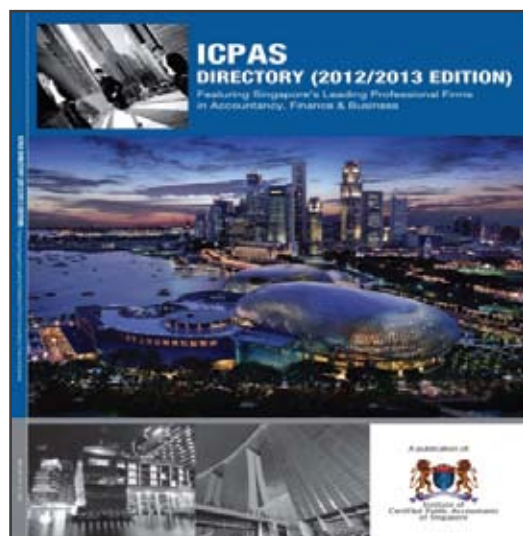
With the rising popularity of smart phones and social media, ICPAS rolled out ICPAS applications (apps) for the iPhone and iPad in 2012. These apps provide our members with instantaneous updates on the latest industry news, continuing professional education courses, events and more.

Working in Partnership

a. Profiling the Profession

The ICPAS Directory was launched in November 2012 to promote the accountancy industry. The newly established directory features more than 600 of Singapore's leading professional service firms in accountancy, finance and business.

As one of the Institute's key publications, the ICPAS Directory, supported by key



• ICPAS Directory

government agencies and associations, is the first and only dedicated platform providing key contact information for Singapore's CPA firms and their affiliated businesses.

b. ICPAS SME-SMP Forum

The ICPAS SME-SMP Forum was held back-to-back with IFAC SMP Forum in March 2012. The ICPAS event was conducted with the objective of profiling our SMP members among the SMEs and providing networking opportunities between the two. The ICPAS SME-SMP Forum attracted over 300 business owners and SMP practitioners. Its aim was to discuss the current business landscape and identify opportunities for SMEs, particularly in business expansion overseas, and explore how SMPs can better work with and support them.

Developing an International Footprint

In 2012, ICPAS actively engaged international organisations and participated in global and regional events to enhance relations and forge partnerships with key bodies.

In March 2012, ICPAS co-hosted the sixth annual IFAC SMP Forum, which was attended by over 200 delegates from 40 professional accountancy organisations in 36 countries. The event featured a key note address by Ms Jessica



• At the IFAC SMP Forum 2012 (From left) ICPAS President Dr Ernest Kan; current IFAC President Mr Warren Allen; ACRA Assistant CE (Accountancy) Ms Julia Tay; IFAC SMP Committee Chairman Dr Giancarlo Attolini, and IFAC Quality and Member Relations Director Ms Sylvia Tsen

Tan, Chairman of the Government Parliamentary Committee for Finance and Trade & Industry in Singapore, and speakers from the Singapore Business Federation and Accounting and Corporate Regulatory Authority.

ICPAS also cooperated with IFAC to adapt the article titled “Coping with Pressure to Lower Fees” with localised content for the cover story in CPA Singapore’s November issue. The adapted article was later published by IFAC on its website.

ICPAS fostered closer ties with the World Bank. The Institute hosted Mr Anthony M Hegarty, Chief Financial Management Officer

and Head of the Financial Management Sector Board, World Bank, in August 2012. He shared insights on the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MOSAIC), signed between IFAC and the donor community, leading to the possibility of collaboration to improve the accountancy profession across the ASEAN region. ICPAS senior management and Mr Hegarty subsequently exchanged views about how ICPAS and the World Bank could collaborate in this area.

Mr Mark Spofforth, President, Institute of Chartered Accountants in England and Wales (ICAEW) visited ICPAS. Both ICPAS and ICAEW engaged in broad-ranging and insightful discussion including the global trends affecting the profession and how our respective Institutes could play a role in members of the profession better address their implications.



• Mr Mark Spofforth, President, ICAEW (3rd from left), and Mr Mark Billington, Regional Director, South East Asia, ICAEW (5th from left), met with the ICPAS team (from left) Mr Yee Cheok Hong, Executive Director, Mr Lee Fook Chiew, CEO, Dr Ernest Kan, President and Ms Evelyn Tan, Manager, International Development and Relations



Institute of Certified Public Accountants
of Singapore (ICPAS)

Total members: 25,726



FEDERATION OF
ACCOUNTING PROFESSIONS
(FAP)



During the year, the Federation of Accounting Profession has provided a number of training courses and seminars for auditors, educators and regulators. Since the new set of Thai

Financial Reporting Standards (TFRS) and Thai Financial Reporting Standards for Non-publicly Accountable Entities (TFRS for NPAEs) are being effective in 2012, the focus of FAC seminars is in on the implementation of these standards.

19th National Conference of Thai Accountants

The Federation of Accounting Professions (FAP) has scheduled to hold the 19th National Conference of Thai Accountants in Bangkok at the Centara Grand @ CentralWorld between December 2-3, 2013. This two-day Conference will be the largest and most prestigious accountancy conference in Thailand during the last 10 years period as the 18th Conference was held in the year 2003.

The Conference will be the perfect occasion to highlight the theme “2020s...Where We Are?.. Roles of Accountants in the Next Decade”. The organising committee chaired by Mr. Prasan Chuaphanich, FAP Vice President expects to attract participation of more than 1,500 accountants and management executives including faculties and senior students from all over the country. “One of the objectives of this national conference is preparation for an upcoming international conference of accountant in this region”.

ISQC 1 Practice in Thailand

FAP set out Thai Standard on Quality Control

FAP ACTIVITIES DURING 2012

(TSQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, since 2011 with effective date on 1 January 2014. This standard is in compliance with International Standard on Quality Control 1 (ISQC 1), published by International Federation of Accountants (IFAC).

Following the promulgation of the TSQC1, in 2012 FAP has set up Department of Development and Supervision on Quality Control Review of Auditors with full time employee working under supervision of the Subcommittee of Development and Supervision on Quality Control Review of Auditors. One of its key missions is to promote and develop audit firms and auditors in implementing the system of audit quality in accordance with international standards as this will enhance the audit quality, promote public trust in both financial reporting and auditing profession, as well as reduce the risks of auditing failures which will negatively affect capital market and overall economy.

To carry out the above mission, we have categorised practitioners into 3 groups being (i) firms that audit listed companies, (ii) small and medium firms that audit non-listed companies and (iii) sole practitioners. Various trainings and seminars including workshop have been and will be organised throughout this and next year to support the practitioners in each group according to their needs. Practical guide to quality control for small and medium audit firms will be published in July 2013 to provide firms with guidelines and tools to be implemented in order to be in compliance with TSQC1. An initiative project has been launched to have sole practitioners participate in developing a practical guide. The project will be completed within 2013. Useful and interesting articles relating to audit quality have been posted on websites. These will help Thai audit firms and auditors

to have a better understanding of audit quality control system and be able to work more efficiently with better quality.

While FAP is working on its quality control review program, we also see the necessity of engaging other stakeholders i.e. audit committee and management, and regulators to work together with FAP in promoting audit quality. At the same time, public awareness will be raised as to the importance of roles and responsibility of auditors and the audit oversight by regulators.



Federation of Accounting Professions
(FAP)

Total members: 54,319



Vietnam Association of
Accountants and Auditors
(VAA)

VAA ACTIVITIES DURING 2012



VAA Highlight for 2012

The Accounting Management Team, under VAA has organised a number of activities in aim to support the development of accountancy profession in Myanmar. On February 17, 2012 the Accounting Management Team has organised the conference to summarise the accounting work in 2011. There are more than 50 delegates participated in the conference. The Accounting Management Team was also published a list of practicing accountants with 14 accounting firms include 27 accounting practitioners in April 2012.

Through 2012 VAA also continued to held several trainings for its members. VAA trainings raise various topics such as training for Enterprise's Chief Accountant, courses for chief accountant in business, courses for chief accountants in SMEs. Since August up to now, VAA coordinated with members to held open courses for 100 business chief accountants, accounting basic courses and course for National treasury official.

As a part of its activity, VAA has participate actively in compiling the Vietnam Standards on Auditing, published the Accounting and Auditing review monthly and formed the VAA trade union directly under the VUSTA Trade union. To maintain the communication between the member, VAA had launched its new website www.vaa.net.vn on October 2012.



Vietnam Association of Accountants and
Auditors (VAA)

Total members: 8,000



CPA AUSTRALIA 2012

CPA Australia is one of the world's largest accounting bodies, with more than 144,000 members across 127 countries. Our core services to members include education, training, knowledge exchange, technical support, networking and advocacy.

CPA Australia currently has five offices and over 16,000 members in the ASEAN region.

Board of Directors

John Cahill, FCPA

Director, President and Chairman of the Board
BBus, GDipBus (Acc), GAICD

John Cahill now works as an independent non-executive director. He has over twenty-five years' experience working in senior treasury, finance, accounting and risk management positions, predominantly in the energy utility sector and during his career held the positions of Chief Executive Officer of Alinta Infrastructure Holdings and Chief Financial Officer of Alinta Ltd.

John is a non-executive director of Emeco Holdings Ltd and Chairs its Audit and Risk Committee and is a member of the Remuneration and Nomination Committee. He is Deputy Chairman of Electricity Networks Corporation, trading as Western Power, where he Chairs its Finance and Risk Committee and is a member of its People and Performance Committee. John is also a Councillor of Edith Cowan University and is Chair of the university's Resources Committee and a member of the ECU Foundation Board.

John has served on Western Australia Divisional Council and was President of that division in 2008. He was appointed to the Board in 2007, elected as Deputy President in 2009, and then elected as President and Chairman of the Board in 2011. John has previously served as

Chair of the Finance Committee and is a current member of the Nomination and Remuneration Committee.

John represents the Australian Accounting bodies on the Professional Accountants in Business (PAIB) Committee of the International Federation of Accountants (IFAC) and is deputy chairman of that committee.

Penny Egan, FCPA

Director, Deputy President BBus (Acc), GAICD

Penny Egan works within the Tasmanian Government. She is the former CFO of the Department of Health and Human Services in Tasmania and the CFO of Forestry Tasmania. She has had more than twenty years' experience in industry and commerce, principally within the forestry industry.

Penny has served on the Tasmanian Divisional Council and was President of that division. Penny was appointed a Board Director in 2005 and was elected as a Deputy President in 2010. She is a former Chair of the Audit and Risk Committee, and is the current Chair of the Finance Committee and a member of the Nomination and Remuneration Committee.

Graeme Wade, FCPA

Director, Deputy President BBus (Acc)

Graeme Wade has operated at partner level in public practice for more than twenty-five years. He holds a number of non-executive directorships and has consulted widely across the private sector, specialising in mergers and acquisitions and the agribusiness sector. Graeme has also provided advice to the Australian Government for many years.

Graeme has served on the Victorian Divisional Council and was President of that division. He was appointed a Board Director in 2006 and

was elected as Deputy President in 2011. He is a past Chair of the Policy Governance Committee and is the current Chair of the Audit and Risk Committee.

Professor Tyrone Carlin, FCPA

Director

BCom, LLB (Hons), MCom (Hons), LLM, PhD

Tyrone Carlin is Pro Vice Chancellor (Education Operations) at the University of Sydney. He has served in a number of senior leadership positions within the Australian higher education sector.

Tyrone was appointed a Board Director in 2011 and is currently a member of the Policy Governance Committee. He was a member and Chair of the International Advisory Committee from 2007 to 2011, a New South Wales Divisional Councillor and a member of the Representative Council from 2009 to 2011.

Jim Dickson, FCPA

Director

GAICD

Jim Dickson has vast experience and interest in the accountancy profession and its development, both in Australia and internationally, including working with international, regional and national accountancy bodies. Jim is Deputy Chair of IFAC's Compliance Advisory Panel and a long-standing advocate for monitoring and improving the standards of the profession globally.

Jim was appointed a Board Director in 2010 and is a member of the Policy Governance Committee.

Peter Dowling AM, BA (Acc), FCPA, FAICD

Director

Peter Dowling holds a number of directorships including in the finance, insurance, health and technology sectors. He is also Chair or Member of the Audit and Risk Committees for several major government organisations.

Peter is a former partner of international accounting firm Ernst & Young in the Tax and Business Advisory area. He is a Member of the

Order of Australia and a Centenary of Federation Medal recipient for services to accounting and the community. He is also the Queensland Honorary Consul for Botswana.

Peter was appointed a Board Director in 2010 and is Chair of the Policy Governance Committee.

Christina Foo, FCPA

Director

BBus (Acc), CA (Msia)

Christina Foo is Managing Director and Co-Founder of Priority One, a consulting firm providing strategic business building solutions.

Christina has over twenty-six years' experience in professional services and the private sector. She is formerly a Director of Ernst & Young in Malaysia. Christina has served on the Malaysian Divisional Council and was a past President. She was also the Vice-President of the Malaysian Institute of Accountants and a Board Director of the Confederation of Asia and Pacific Accountants.

Apart from her other Board directorships, she is currently a member of IFAC's Small and Medium Practices Committee.

Christina was appointed a Board Director in 2007 and serves on the Finance Committee.

Mark Grey

Director

BA, CPM, GDACG, ACIS, FAMI, FAICD, FAIM

Mark Grey is Chairman of Livingstones Australia, an Industrial Relations advocacy and Organisational Development consultancy group. He is also CEO of the Queensland Eye Hospital. He was formerly CEO of Pan Asian marketing service group Batey Redcell in Hong Kong and China and Global Communications Director for the Singapore Airlines business.

Mark is also a Director of the Independent Ophthalmic Network Limited and Forest and Wood products Australia Ltd, where he is Chair of the Audit and Risk Committee.

Mark was appointed a Board Director in 2007 and sits on the Audit and Risk Committee and the Finance Committee.

Professor Richard Petty, FCPA

Director

BCom (Hons, 1st Class, University Medal),
MCom (Hons), PhD

Richard Petty is Professor of Management (Accounting and Finance) and Executive Director International at Macquarie Graduate School of Management, and also Chairman of an investment company headquartered in Hong Kong.

Richard has been involved in the establishment, management and sale of a range of businesses, and currently serves on several Boards. He started practice with Ernst & Young and has published extensively in both academic and professional journals.

Richard was appointed a Board Director in 2006, served as Deputy President from 2007 to 2009 and as President from 2009 to 2010. He is currently Chair of the Nomination and Remuneration Committee. Richard was made a life member of CPA Australia in 2010.

Kerry Ryan

Director

LLB, BA, GAICD

Kerry Ryan is Special Counsel (and former partner) at international law firm Norton Rose, and has over twenty years' experience as a corporate and commercial lawyer in Australia and Asia. Kerry's Asian experience includes five years in Norton Rose's Jakarta office and an in-house counsel role with Publishing and Broadcasting Limited in India. She has broad commercial experience acting for companies from a wide variety of industries in relation to their commercial business dealings, intellectual property issues and offshore investment.

Kerry is also a member of the Federal Government advisory body, International Legal

Services Advisory Council (ILSAC), which advises the Federal Attorney General on international legal services issues. Kerry was appointed a Board Director in 2007, and sits on both the Audit and Risk Committee and the Nomination and Remuneration Committee.

Bruce Trebilcock, FCPA

Director

MBA, FAICD, FCIS

Bruce Trebilcock has more than forty years' experience across a number of industries including manufacturing, food and agribusiness, banking and finance, defence contracting and electronics.

Bruce served on the South Australian Divisional Council and was President of that division. Bruce was appointed a Board Director in 2007 and sits on both the Audit and Risk Committee and Policy Governance Committee.

Low Weng Keong, FCPA

Director

Low Weng Keong is a company Director who retired in 2005 from Ernst & Young Singapore where he was a former Country Managing Partner. He currently sits on the Boards of a number of listed companies.

Weng was appointed to the Board in 2005. He was appointed a Vice-President of the Board in 2006, Deputy President in 2007 and served as President of CPA Australia from October 2010 to September 2011. He still serves on the Singapore Divisional Council. Weng is a former member of the Finance Committee and a former member and Chair of the Nomination and Remuneration Committee. Weng was made a life member of CPA Australia in 2011.

CPA Australia Representatives in AFA

- Jim Dickson, CPA Australia Board Director
- Rob Thomason, Executive General Manager - Business Development
- Cassandra Kow, General Manager - Emerging Markets

Vietnam

Marking strategic cooperation with government agencies

CPA Australia supported the Ministry of Finance to develop the Independent Auditing Law which was approved by the National Assembly and came into effect in January 2012.

CPA Australia has offered technical advice for senior experts at the Ministry of Finance, including the sharing of information and publications and delivering technical presentations at a series of workshops.



- Agreement Cooperation Signing Ceremony between CPA Australia and Ministry of Finance, May 2012:
Front centre: Chief Executive Officer of CPA Australia, Alex Malley; Deputy Minister of Finance, Truong Chi Trung
Back centre: Former Australian Ambassador to Vietnam, Alistaire Cox; Minister of Finance, Vuong Dinh Hue

Vietnamese Finance Minister visits CPA Australia head office

At the invitation of Deputy Prime Minister and the Treasurer of Australia, Wayne Swan, Vietnamese Minister of Finance Vuong Dinh Hue paid a visit to Australia from December 10-13. During the visit, Vuong Dinh Hue visited CPA Australia's Melbourne head office.

CPA Australia Executive General Manager, Rob Thomason said, "The visit by Finance Minister Vuong Dinh Hue marks a key further step in CPA Australia's links with Vietnam and its activities in that nation. We look forward to further fruitful collaboration with leaders in government, business and education to help Vietnam fully realise its rich potential. The importance of a strong legal framework to underpin a strong accounting profession as well as a skilled workforce to operate within this framework cannot be over-emphasised".



- From L to R: Vietnamese Finance Minister, Vuong Dinh Hue; CPA Australia's Executive General Manager, Robert Thomason

Strengthening Cooperation Relationships with Professional Bodies

Since the first Memorandum of Understanding between the two professional bodies was signed in 2006, CPA Australia and the Vietnam Association of Certified Public Accountants (VACPA) have maintained a mutual relationship which has delivered practical and sustainable benefits to their members.

To continue the development of this strong alliance, VACPA and CPA Australia signed an Agreement of Cooperation in September 2012.

The Victorian Assistant Auditor General Visits Vietnam

The Victorian Assistant Auditor General, Ellen Holland, FCPA (Australia) visited Hanoi and provided an international perspective of auditing and management of natural resources at workshops with the State Audit of Vietnam and the Vietnam Association of Certified Public Accountants.

Ms Holland also shared her leadership insights and inspirational success story with 200 students majoring in accounting and auditing at the Banking Academy.

Ms Holland's trip helped strengthen CPA Australia's relationship with Vietnam's government agencies and professional bodies, which also contributes to the development of the local auditing industry in the long term.

Active partnership with top universities in Vietnam

CPA Australia signed a Cooperation Agreement with a number of Vietnamese universities in May 2012, including the Foreign Trade University (Hanoi) and the University of Economics and Law (Ho Chi Minh City).

The agreements enable the parties to collaborate on professional and career development for students and university teaching staff by providing them with access to CPA Australia's global networks and extensive events and seminar programs.



- The Agreement Cooperation Signing between CPA Australia and the University of Economics and Law, May 2012
From L to R: Principal of University of Economics and Law, Nguyen Tien Dung; Chief Executive Officer of CPA Australia, Alex Malley

EGM of CPA Australia attended International Workshop jointly organized by VACPA and CAPA

Robert Thomason, Executive General Manager, CPA Australia attended an International Workshop hosted by Vietnam Association of Certified Public Accountants (VACPA) and jointly organised by the Confederation of Asian and Pacific Accountants (CAPA) in Hanoi in August 2012.

INDONESIA

CPA Australia Support the Activities of Local Accounting Bodies

CPA Australia conducted a joint seminar in Jakarta in March 2012 with the Indonesian Institute of Accountants (IAI) and the Indonesian Institute of Management Accountants (IAMI). The

theme was "The Latest Update of IFRS and Its Impact to Business & Corporate Social Responsibility and Business Ethics".

CPA Australia supported the Indonesian Institute of Accountants by sponsoring IAI's 7th National Accounting Convention conducted in June 2012 in Yogyakarta.

Strengthening the Accounting Profession in Indonesia: CPA Australia collaborates with Local Accounting Bodies and Universities

CPA Australia has successfully engaged with various partners in Indonesia, including members, government bodies, local associations as well as academic institutions.

CPA Australia is working to strengthen the Indonesian accounting profession by collaborating with local association and academic institutions, including the Indonesian Institute of Management Accountants, University of Indonesia, Bina Nusantara University, Atma Jaya Catholic University and Perbanas Institute.



- Press Conference - Mr Agus Suparto, Head Accountant Development Division, The Accountant & Appraiser Supervisory Centre, The Ministry of Finance (left), Mr Rob Thomason, Executive General Manager CPA Australia, Mr Adam Awty CPA, Chief Operating Officer CPA Australia and Mr Ferdinand Sadeli CPA, President CPA Australia – Indonesia (right)

1st Anniversary Celebration

CPA Australia celebrated its first anniversary of the opening of the Jakarta office. The function was attended by approximately 180 members and representatives of the Indonesian and Australian governments and the profession in Indonesia. The event was opened with Rampak Gendang performance and marked by the cutting of local traditional cuisine by Mr. Adam Awty, Chief Operating Officer of CPA Australia.



• Rampak Gendang Performance

CPA Australia supports inaugural Australian Graduate Job Fair

CPA Australia was a major sponsor of the inaugural Australian Graduate Job Fair, held in conjunction with The Indonesian Australian Alumni Association and Australian Trade Commission.

The event, attended by 282 graduate students/alumni, offered CPA Australia the opportunity to reach graduate students and recognised employers.



SINGAPORE

International Tax Forum 2012

International tax experts came together at the inaugural International Tax Forum to share views on how tax professionals can better respond to the changing tax landscape across Asia Pacific.

Jointly organised by the Tax Academy of Singapore and CPA Australia, the two-day forum was themed "Global Tax Trends and the Asian Growth Story". The event attracted about



• Josephine Teo, Singapore Minister of State for Finance and Transport, delivers the opening address for International Tax Forum 2012.

200 participants, and specifically covered topical issues on Transfer Pricing and Tax Due Diligence, Managing Supply Chain and Business Restructuring and the challenges posed to multinational enterprises.

Mrs Josephine Teo, Singapore Minister of State for Finance and Transport, was the Guest of Honour.

International Accountants Day 2012

CPA Australia, in partnership with the Singapore Accountancy Commission, co-organised the first International Accountants Day celebrations in Singapore. The event drew more than 2,000 people from the accounting and finance profession to Singapore's new downtown at the picturesque Marina Bay.

Guest of Honour Mrs Josephine Teo, Singapore Minister of State for Finance and Transport, led the participants to set a record for the longest chain of business cards of accountants and finance professionals and those who work



• Josephine Teo, Singapore Minister of State for Finance and Transport, leads the accounting profession in a mass dance to celebrate International Accountants Day

to support the profession in Singapore. The event had the strong support of top executives from the Big 4 and mid-tier accounting firms as well as the local universities.

More than 10 charities also participated to create awareness of their work, sign up volunteers, or sell various products to raise funds.

CFO Series

CPA Australia launched a CFO Series of industry and skills briefings, in collaboration with the Big 4 accounting firms. The Series equips CFOs and C-suite executives with relevant industry knowledge as to alternate between industries during career. Topics that were covered included property, financial services, evolving roles of CFOs, and mergers and acquisitions.

Extending our thought leadership

CPA Australia in Singapore extends thought leadership in the areas of financial reporting, business management and governance.

The first volume of the series, Corporate Governance Case Studies, was published in April in collaboration with Assoc Prof Mak Yuen Teen FCPA (Aust.), one of the leading authorities on the subject. This collection promoted thoughtful discussions on key corporate governance issues across several markets, including Asia, and has been used in the CPA Program, as well as post-graduate programmes by the City University of Hong Kong and San Beda College in Manila.

CPA Australia also supported Singapore's national drive to increase productivity. In August 2012, we partnered the Singapore Management University to publish a guidebook entitled "Accounting and Productivity: Answering the Big Questions." This publication provided perspectives on what enhancing productivity means to accountants and offered suggestions on how the profession can improve productivity. It was endorsed by the Accounting and Corporate Regulatory Authority.

CPA Australia also collaborated with KPMG to produce a joint report entitled Family Business in Singapore. This report will be augmented by a series of video case studies featuring the experiences of family businesses operating in the Singapore market.

Careers@Singapore 2012

More than 700 job-seekers attended the Careers@Singapore employment fair for the financial and accounting services industry. The 2012 turnout was 60 per cent higher than 2011 and attracted both fresh graduates and experienced hands. Nineteen organisations, including Big 4 and mid-tier public accounting firms, participated in the event. It was supported by Contact Singapore, an alliance of the Singapore Economic Development Board and Ministry of Manpower.

The day's packed programme included two panel discussions, involving partners and directors from the Big 4 and mid-tier accounting firms as well as financial institutions. The panel fielded questions at the top of job-seekers' minds, such as "Getting the job you want in tough times" and "Vital strategies to maximise your career prospects". Participants also got insights into the employment outlook for accountants and life as associates in accounting firms.



• Careers@Singapore 2012 gives insights on job prospects in the accounting and finance profession.

Showcasing careers in public practice

To help professionals progress their careers and promote the public practice sector, CPA Australia produced a new series of videos featuring personal interviews with senior practitioners in Australia, Singapore, Hong Kong and Malaysia. The videos aimed to inspire and promote public practice as a desirable sector to work in and were targeted at potential members of the accounting sector, such as students, and existing members, including employers and strategic partners.

CPA Forum 2012

Corporate governance and transparency issues were hotly-debated at the CPA Forum 2012 in April. Based on the theme “Sound corporate governance - the sustainable advantage”, delegates heard from experts and industry why entrenching the spirit of good governance and transparency in corporate culture is critical to building successful and sustainable businesses.

The forum attracted more than 240 chief executives, chief financial officers, directors of listed companies and CPA Australia members.

CPA Australia also sponsored the Governance and Transparency Index (GTI), whose results were released at the event. The GTI, now into its fourth edition, ranked a total of 674 Singapore-listed companies which released their annual reports in 2011.

The top five companies in GTI 2012 were honoured with awards at the CPA Forum presented by the Guest of Honour, Mrs Josephine Teo, Singapore Minister of State for Finance and Transport.



- Panellists in a robust debate on corporate governance at the CPA Forum 2012. L to R – Moderator: Melvin Yong, General Manager – Singapore, CPA Australia; Panellists: David Smith, Head of Corporate Governance, Aberdeen Asset Management Asia; Lawrence Wong, Head of Listings, Singapore Exchange; Deborah Ong, Divisional President – Singapore, CPA Australia;

CPA Congress 2012

The annual flagship CPA Congress attracted about 300 leaders from the accounting profession, multinational corporations, financial institutions, business community and public sector. This year's theme ‘Your guide through uncharted territory’ acknowledged that the world is changing at an unparalleled rate.

In her Keynote Address, Guest of Honour

Ms. Lim Soo Hoon, Chairman of the Accounting and Corporate Regulatory Authority (ACRA), urged business leaders to take a collective responsibility to help make Singapore a destination for business investment.

Accountants were also updated on the latest developments in accounting standards, including Fair Value Measurements, Revenue Recognition, Leases, and Consolidated Financial Statements.



- Guest of Honour Lim Soo Hoon, Chairman of Accounting and Corporate Regulatory Authority Singapore, receiving a memento from Deborah Ong, Divisional President – Singapore, CPA Australia at CPA Congress 2012.

MALAYSIA

President's award for Securities Commission Chairman

On 22 May, CPA Australia hosted a special dinner to confer the CPA Australia President's Award on Datuk Ranjit Ajit Singh FCPA (Aust.), Chairman of the Malaysian Securities Commission, in recognition of this outstanding contribution to the Malaysian Capital Market system and distinguished service to CPA Australia. The award was presented by Board Director, Christina Foo in the presence of CPA Australia's key stakehold-



- Datuk Ranjit receiving the President's Award from Board Director Christina Foo.

ers comprising senior members as well as employer and academic partners.

Datuk Ranjit was appointed Chairman of the Malaysian Securities Commission in March 2012 by the Prime Minister of Malaysia.

On the CPA Australia front, Datuk Ranjit served on the Malaysian Branch Council and thereafter the Divisional Council, for three years from 2005. He served as Deputy President as well as Chairman of the Membership Committees and demonstrated strong commitment in advancing the interest of members in Malaysia.

2012 CPA Australia CEO survey in collaboration with Monash University

Four CPA Australia members were part of a round table that promoted dialogue between business leaders on the Malaysian business climate.

The discussion highlighted the most pressing challenges for CEOs managing their companies as raised in the 2012 CEO Survey: The Climate of Our Business - A perspective from Malaysian Executive conducted by Monash University Sunway Campus, Butler University (United States) and the Minority Shareholder Watchdog Group.

The round table centred on how these challenges affected business leaders and the strategies they employed to overcome them.

The survey findings will help refine policies and the development of strategies to strengthen Malaysia's innovation ecosystem, a key catalyst for enhancing the Malaysian corporate sectors' competitiveness. The survey will be continued in order to monitor CEO opinions and report on the consistencies and future trends.



• CEOs in the discussion in 2012 CEO Survey

CPA Congress Kuala Lumpur 2012

Close to 200 business and finance professionals attended the CPA Congress in Kuala Lumpur. It attracted a broad spectrum of Malaysian members and other interested stakeholders. The keynote was presented by Dato' AK Nathan, Executive Chairman and Group Managing Director, Eversendai Corporation Berhad who delivered a compelling account of his journey in building Eversendai into a world class company.

Aside from the keynote, the program included plenary sessions and two riveting dialogues with CPA Australia's CEO Alex Malley. The first plenary session was on Malaysia in the Asian Century - pacesetter or follower, while the second was on the naked truth about doing business in the digital age. Seasoned speakers shared statistics and facts to support their stand.



• Alex Malley FCPA (Aust.) and Azran Osman-Rani FCPA (Aust.), CEO of AirAsia X having a discussion on 'The era of budget airlines' during the CEO dialogue

CPA Australia - Multimedia University partnership to build local capacity

CPA Australia and Multimedia University entered into a co-operation agreement to offer an accelerated entry into the CPA Program for Masters of Accounting and Bachelor of Accounting students in Multimedia University.

The agreement is the first agreement of its kind outside Australia. Alex Malley, Chief Executive Officer, CPA Australia said, "As accountants increasingly act as strategic advisers for businesses, we need more well trained, highly competent and highly ethical professional accountants in the world. Building local capacity is imperative to increase the percentage of skilled workforce in business services here."



- From left John Cahill, President, CPA Australia, Alex Malley, Prof. Dato Dr. Muhamad Rasat Muhamad and Associate Professor Dr. Mazlina Mat Zain, Dean, Faculty of Management, MMU

CPA Australia signs MoU with Financial Sector Talent Enrichment Programme

CPA Australia signed a Memorandum of Understanding with the Financial Sector Talent Enrichment Programme which will enable both parties to collaborate and explore opportunities in talent enrichment. In addition to providing learning and development opportunities for CPA Australia members, CPA Australia will be able to promote the Foundation Program and CPA Program to participants of the programme.

The Programme is a project initiated by Bank Negara Malaysia and managed by the Institute of Bank- Bank Malaysia to enrich and develop talent for the financial services sector in Malaysia. It's driven by the financial services industry with the objective to train and prepare high calibre graduates for employment in financial services institutions.



- Josephine Phan, Malaysia Division President and FSTEP's Head of Financial Sector Talent Enrichment Programme, Lee Khoo Joo. Looking on is Tan Sri Azman Hashim, Chairman of IBBM and Ambank

Women on Top series

CPA Australia in collaboration with Talentcorp Malaysia has kicked off its Women on Top series to celebrate the innovative capacity of its women members who are at the top of their game.

The first session was held in Universiti Sains Malaysia with two of Malaysia's leading women CPA Australia members sharing their success stories with close to 200 3rd and 4th year accounting students.

The concept of the Women on Top Series is to invite respected CPA Australia female business leaders who have an interesting story and/or are experts in their field to address graduating female students and up and coming female finance, accounting and business professionals in a forum for interactive discussion around an inspiring and relevant topic.

Pauline Ho FCPA (Aust.) PwC Malaysia's Assurance leader joined Wong Kah Lin CPA (Aust.), the co-founder of The Chicken Rice Shop, one of Malaysia's leading food chains, to inspire the audience.



- From left Wong Kah Lin, Dr. Amirul Shah Md Shahbudin, Head of Accounting, School of Management, Universiti Sains Malaysia, Pauline Ho, Johan Mahmood Merican and Priya Terumalay CPA (Aust.) General Manager - Malaysia, CPA Australia



Certified Practicing Accountants Australia
(CPA Australia)

Total members: 144,000



ACCA ACTIVITIES 2012

AFA and ACCA Analyse Training and Development Needs of Accountants in ASEAN

A new report from the ASEAN Federation of Accountants (AFA) and ACCA examines the training and development needs of the accountancy profession in the 21st century.

The research report sought the views of nine other professional bodies from Australia to Vietnam with the aim of understanding the current and future training needs of accountants in the region, especially in the context of a rapidly evolving profession and the skills and knowledge needed in the future.

The report asserts that having a robust training framework is essential to ensure that the knowledge, skills, values, ethics and attitudes of professional accountants are developed and will also ensure relevance to both their current and future work and professional responsibilities.

The findings show that:

1

Training delivery to members across the ASEAN region is broadly consistent, with conferences, seminars and Continuous Professional Development events being popular ways to deliver training to members.

2

Partnerships are also important, with membership bodies working together with commercial training providers to supply training into members - a number of AFA members bodies also partner with key employers in their markets as well as universities to provide training for their members.

3

E-learning will grow in popularity as younger generations start entering the profession and demanding, embracing and adopting new technologies to meet their own training needs.

4

Analytical and communication skills were also cited in the report as being essential aptitudes for the future. This reflects the needs for professional accountants to take on a more strategic role than in the past, a role that demands greater analysis and communication to various stakeholders.

5

All respondents to the research said that it is essential for membership bodies to provide their members with financial reporting training, with provision of internal and external audit, risk management and financial management being seen as crucial.

Kuy Lim, president of the ASEAN Federation of Accountants, said: 'This report has been conducted by ACCA on behalf of AFA and is a representation of how a globally recognised professional body such as ACCA can assist in the development of the region, together with AFA. This is a truly collaborative effort and I would like to thank the other nine participants for being so forthcoming about training and development futures, something which is important for the ASEAN Economic Community (AEC) blueprint for economic development to forge ahead. The AEC blueprint will transform ASEAN into a single market and production base, and make the region fully integrated in the global economy. A well trained and skilled accountancy profession can further support the AEC blueprint and help ASEAN achieve its vision of greater economic integration and partnership.'

Helen Brand, chief executive of ACCA, said: 'It is clear from this report that a holistic and collaborative approach to training and development of professional accountants within ASEAN is a vital issue for all AFA's member bodies; it is also one that must be addressed if their members are to fulfil their potential and to thrive in this increasingly complex and challenging

world. I am delighted that this report is the result of a successful collaboration between ACCA and AFA, drawing on both organisations' insights and experience. I echo Mr Lim's comments the help and participation of the member bodies within AFA for their participation in this very important and project - they're input is greatly appreciated.'

KPMG and ACCA Report Calls on Standard Setters and Islamic banks to Work Together to Harmonise Financial Reporting

The rapid global growth in Islamic finance means that action must be taken to ensure that the way in which it is reported financially is harmonised and made more consistent, a report, based on a series of high level international roundtables, by KPMG and ACCA concluded.

The report, issued in November 2012, called on the International Accounting Standards Board (IASB) and the Islamic Finance industry to work together to develop guidance, standards and educate the investor community on key issues.

The roundtables in Kuala Lumpur, Dubai and London, which brought together experts in Islamic Finance, bankers and finance professionals working in the sector, along with regulatory authorities, academics and ratings agencies, made a number of recommendations to both the IASB and Islamic Finance Institutes (IFIs), which are highlighted in the report titled, "Global Alignment: Bringing Consistency to Reporting of Islamic Finance through IFRS" published by KPMG and ACCA.

AUSTRALIA

Professor Barry J Cooper Elected President of ACCA

Leading accountancy academic Professor Barry J Cooper from Australia was elected President of ACCA in September 2012.

Professor Cooper has a Bachelor of Commerce, Master of Education and PhD degree, and is a Fellow of ACCA. During his term on ACCA Council, Professor Cooper has chaired a number of ACCA committees, including the Research and Resource Oversight Committees. He has also been a member of the Technical Liaison





Committee, ACCA's Nominating Committee and the Education Advisory Committee. He has also chaired the Editorial Board of the Accounting and Business magazine.

Professor Cooper is Head of the School of Accounting, Economics and Finance at Deakin University, Melbourne, Australia.

Previously, he has been Head of the Accounting Schools at the Hong Kong Polytechnic and RMIT University, Melbourne, and played a key role in establishing the ACCA Qualification in China.

Professor Cooper moved to Deakin University in 2007, where, in addition to his role as Head of the School of Accounting, Economics and Finance, he teaches and researches in the areas of auditing, professional ethics, corporate governance and accounting education.

Professor Cooper said: "I am honoured and delighted to have been elected as ACCA President. I look forward to playing my part in ensuring that ACCA continues to work closely with employers, and that we meet their needs in an increasingly global economy. I also look forward to meeting with as many members and students

People

ACCA made a number of important appointments throughout the past 12 months including:

Leong Soo Yee
(Head of ACCA Singapore)

And

Mulyadi Setiakusuma
(Head of ACCA Indonesia)

as possible, to ensure that we continue to prioritise the issues which are important to them, and to represent those views at a global level". ACCA Council also elected management consultant

Martin Turner as Deputy President. Mr. Turner, who has been Chairman and Chief Executive of Hywel Dda Health Board and Chief Executive of the Central Northern Adelaide Health Service, has been a Council member since 2004, and currently chairs ACCA's Remuneration Committee.

Vice President for 2012/13 is Anthony Harbinson, who is Director of Justice Delivery, at the Department of Justice in Northern Ireland.

CAMBODIA

Workshop on Roles and Responsibilities of Directors and Board for Listed Companies

The Securities and Exchange Commission of Cambodia (SECC) and ACCA jointly held a half-day workshop on the "Roles and Responsibilities of Directors and Board for Listed Companies" in Phnom Penh on January 12, 2012 at the Phnom Penh Hotel.

Stakeholders who are involved in the development of the capital markets in Cambodia attended the event. Senior executives from securities firms, accounting firms, law firms, commercial banks, underwriters, key government ministries and SOEs attended the event, including His Excellency Dr. Huot Pum, Deputy Director General of the Securities Exchange Commission of Cambodia; Mr. Kuy Lim, Head of Kampuchea Institute of Certified Public Accountants and Auditors; and Mr. Lim Channa, Acting Head of Corporate Governance Division of Securities Issuance Supervision Department.



• National Conference on Accountancy, Cambodia, 2012.

National Conference on Accountancy

The National Accounting Council of Cambodia, the Kampuchea Institute of Certified Public Accountants and Auditors, and ACCA jointly organised the National Conference on Accountancy in August 2012. The conference focused on the accountants and the capital markets in Cambodia. His Excellency Keat Chhon, Deputy Prime Minister and Minister of the Ministry of Economy and Finance, His Excellency Ngy Tayi Secretary of State, Ministry of Economy and Finance and Chairman of the National Accounting Council, and Mr. Kuy Lim, President of the Kampuchea Institute of Certified Public Accountants and Auditors, were among the distinguished guests at the National Conference on Accountancy.

Workshop by ACCA and PRASAC Microfinance Institution

The critical importance of small and medium sized enterprises (SMEs) to Cambodia's developing economy was explored in a high level workshop organised by ACCA and PRASAC Microfinance Institution in Phnom Penh in November 2012.

More than 200 participants, including micro financiers, local and international companies, development agencies and ACCA members attended the workshop at the Phnom Penh Hotel.

Speakers from ACCA, PRASAC, leading micro financiers and successful companies looked at global trends in the SME sector; the benefits and burdens of Corporate Social Responsibility (CSR) for SMEs in Cambodia; finance solutions for SMEs; business support and how SMEs can become more competitive.

INDONESIA

ACCA, IAI, PPAJP, and AFA Joint Conference

The first ever joint conference between ACCA (the Association of Chartered Certified Accountants), IAI (Ikatan Akuntan Indonesia), PPAJP (Pusat Pembinaan Akuntan dan Jasa Penilai) and AFA (the ASEAN Federation of Accountants) took place on the 16th of May 2012 at the Kempinski Hotel Indonesia in Jakarta.

The theme of the conference was "Reshaping the Accounting Profession: Opportunities and Challenges for Indonesia". The conference addressed key challenges facing the global business environment and the profession's need to respond to change to restore confidence with key stakeholders. Evolving regulatory models, regional integration and the changing role of accountants in Indonesia were also discussed at the conference.

Speakers included Pak Langgeng Subur, Director, PPAJP; Pak Ahmadi Hadibroto, IFAC Board Member; Mr. Jusuf Halim, IAI National Council Member; and Helen Brand, Chief Executive, ACCA.



• ACCA, IAI, PPAJP and AFA Joint Conference (ACCA Indonesia, 2012)

MALAYSIA

MIA Public Practitioners Seminar

Malaysian Institute of Accountants (MIA) partnered ACCA for the Public Practitioners Seminar held in March 2012 with the theme "Facing the Changing Practice Landscape". The seminar covered topics such as competitiveness of SMPs in the region, practice management skills, changes in regulatory framework and the future of the audit profession. At the seminar, the ACCA Head of Policy for Asia Pacific shared insights on the European Union (EU) Audit Reforms, and the impact on the audit profession.

Asia Finance Shared Services and Outsourcing Summit 2012

Seeing the growth in the finance shared services and outsourcing sector in Malaysia and the potential finance talent required by this sector, ACCA Malaysia organised ACCA's inaugural Asia Finance Shared Services and Outsourcing Summit 2012 in Kuala Lumpur in May 2012. The event was organised in partnership with the Multimedia Development Corporate of Malaysia. The Summit attracted 130 delegates including 20 international delegates from Sri Lanka, Vietnam, Singapore, Hong Kong and Maldives. The event shared insights on finance transformation, and the opportunities for finance professionals within the sector. The Summit showcased high-profile speakers, including senior level officials from Shell, Standard Chartered, PwC, Deloitte and E&Y.

ACCA Malaysia Annual Conference 2012

The ACCA Malaysia Annual Conference 2012 was held in October 2012 in Kuala Lumpur, and attracted 300 delegates. The theme of the conference, "Accounting for the future" was part of ACCA's global Accounting for the Future week. Distinguished speakers from key employers spoke at the Conference on concepts and models of integrated reporting, the process and framework of innovation for growth as well as a panel discussion among experts on the future roles and expectations of finance professionals. In addition, the technical segment covered the highlights and implications of the Malaysian

Budget 2013 and updates on the Malaysian Accounting Standard Board's framework.

ACCA Learning Partners Conference 2012

In September 2012, ACCA Malaysia brought together 150 stakeholders from ACCA's Approved Learning Partners - Student tuition and Exemptions at the ACCA Learning Partners' Conference. With the topic focused on the rise of e-professionals, discussions were rife to identify the challenges and benefits of embracing learning technologies which ultimately create work-ready professionals for the accountancy profession.



• Annual Conference (ACCA Malaysia, 2012)

Corporate Governance Programme

In October 2012, ACCA, in conjunction with the Bursa Malaysia Corporate Governance Programme, organised a forum on "What keeps an Audit Committee up at night?". The forum highlighted key components of establishing and maintaining a world-class audit committee reporting capabilities. The event was attended by 150 delegates, consisting mainly of Directors of public listed companies, audit committee members, and regulators.

MYANMAR

ACCA and MICPA Sign Historic MoU

MICPA (the Myanmar Institute of Certified Public Accountants) and ACCA (the Association of Chartered Certified Accountants) signed a memorandum of understanding (MOU) on 27 January 2013.

MICPA and ACCA seek to work together to achieve and promote the highest professional, ethical, and governance standards, advance

public interest in the profession, and support it in Myanmar.

The MoU, signed in the spirit of mutual co-operation, is aimed at developing the accountancy profession in Myanmar and to collaborate towards building capacity within the finance profession in Myanmar to support the country's economic development.

The signing ceremony took place at the Republic of the Union of Myanmar Federation Chambers of Commerce and Industry. The MoU was signed by U Kyaw Tin, Chairman of MICPA, and Mr. Reza Ali, Head of Emerging Markets - Asia at ACCA, in the presence of the MICPA Executive Committee and members.

The signing ceremony was followed by a panel discussion highlighting the vital role of the accountancy profession in the rapidly emerging Myanmar economy. The panel was moderated by U Moe Kyaw, Managing Director, Win Thin Associates, and speakers included Professor. U Maw Than and U Kyaw Tin from MICPA, Mr. Reza Ali, Head of Emerging Markets - Asia at ACCA, and Mr. Boonlert Kamolchanokkul, Partner at PwC Thailand. Mr. Kamolchanokkul is also an ACCA member and a representative member of the ACCA International Assembly.

U Kyaw Tin, Chairman of MICPA said, "MICPA is pleased to be cooperating with ACCA. We share a strong common interest in advancing the accountancy profession in Myanmar, especially in relation to strengthening professional capacity and building the accountancy infrastructure. The MOU paves the way for MICPA and ACCA to work together on future initiatives and co-operation in areas relating to professional training, education, examinations, and research."



• ACCA MICPA MOU (ACCA Myanmar, 2012)

PHILIPPINES

PICPA and ACCA Sign Memorandum of Understanding

The Philippines Institute of Certified Public Accountants (PICPA) and ACCA signed a MoU to mark closer collaboration which will include capacity building to support the profession mutually in the Philippines, joint research and insights in the Philippines, and support to each other as global and national body in the Philippines.

AFA, PICPA and ACCA also co-organised the first joint conference on the subject of "ASEAN Accountancy Landscape 2013 and Beyond: Challenges and Opportunities" with speakers including ACCA members, Ibu Rosita Uli Sinaga, Chair for Indonesian Financial Accounting Standards Board & Deloitte Partner; Abdul Rahim Hamid, MIA Deputy President; Datuk Nur Jaslan, Member of Parliament, Malaysia and Reza Ali, Head of Emerging Markets – Asia, ACCA.

SINGAPORE

ACCA Annual Conference in June 2012

More than 320 delegates attended the conference which brought together industry leaders in June for a day of learning and discussion centered on the theme "Creating & Sustaining Value in Uncertain Times".



• Annual Conference (ACCA Singapore, 2012)

High Profile Research and Insights

Green Economy

In April, the World Wide Fund for Nature and ACCA hosted a high-level roundtable on the green economy. The roundtable brought together leading experts in the fields of business, accountancy, investment and nongovernmental organisations to discuss the green economy and

its impact, influence and effect on these specific groups. They provided insights on how governments are developing new policies in the green economy; how businesses are adapting the way they operate; the risks and opportunities presented by the green economy; how sustainability can lead to shareholder value; and the need for new business models and investment strategies as the business as usual methods are no longer viable.

Talent Management

ACCA was commissioned by the Accounting and Regulatory Authority (ACRA) to conduct a talent attraction and retention survey covering the big-four accounting firms and five other medium-sized accounting firms ('mid-tier' firms) in Singapore. The subsequent report, entitled Talent Attraction and Retention in Larger Accounting Firms, was published in August. The report provided an action plan for larger accounting firms to improve productivity, with a particular focus on talent management. ACCA presented the report at ACRA's high-level annual Public Accountants Conference.

Attributes and Competencies of the Ideal CFO

Two roundtables, commissioned by the ProTem Singapore Accountancy Council (PSAC) and organised by ACCA and the Singapore CFO Institute, were conducted in April and October. Views were sought from Board directors on the attributes, competencies, specific actions and deliverables expected from the CFO in the near future. The subsequent reports, entitled, "The Value of the Modern CFO - Board Directors' Perspective", published in August; and "The Value of the Modern CFO - CEOs' Perspective", published in November, included a framework setting out the attributes and competencies of the ideal CFO which is expected to guide the Singapore CFO Institute in rolling out relevant professional development programmes for CFOs. The reports were presented at high-level CFO events organised by the Singapore CFO Institute.

Value of Audit

Two roundtables, organised in partnership with the Singapore Institute of Directors (SID), were conducted in March and April to explore, from the perspectives of directors, on whether auditors are providing sufficient value to Board directors and how this value may be enhanced. The report entitled "Enhancing the Value of Audit - Board Directors' Perspective" was published in July.

Productivity and Effectiveness in Finance Functions

The PwC-ACCA Finance Effectiveness Survey is a collaborative effort between PricewaterhouseCoopers LLP Singapore and ACCA to gather insights on the current state of productivity and effectiveness in finance and accounting functions in businesses and to identify key trends and areas for improvement. The subsequent report was published in August.

TIMOR-LESTE

ACCA – Timor-Leste Accountants' Association Meeting

On the 18th of June 2012, ACCA met with the newly-established Timor-Leste Accountants' Association (ACTL). This meeting was initiated on the request of IFAC as well as the United Nations.

The delegation was led by Mr Shane Cave, Transparency, Accountability, Anti-Corruption Advisor for the UN and Mr Apolinario Guterres, President of ACTL.

The key agenda item for the meeting was assistance and guidance for ACTL in developing a work plan. As a newly formed Professional Accounting Organisation (PAO) and with their development very much in the infancy, they wanted to meet with the Malaysian national bodies and ACCA to understand how they should continue their development as a PAO. East Timor as a nation is one of the world's newest countries and is still very much in a state of development. However the discovery and extraction of oil and gas resources have created an economic boom and a resulting demand for qualified professionals.

VIETNAM

Ministry of Finance and ACCA Sign Agreement of Cooperation on Joint Examination Scheme

The Ministry of Finance and ACCA Vietnam entered into an agreement on Joint Examination Scheme in Vietnam. Deputy Finance Minister Nguyen Huu Chi and CEO of ACCA Helen Brand inked the agreement on 18 April 2012 under witness of Finance Minister Vuong Dinh Hue and the UK Ambassador to Vietnam Antony Stokes.

ACCA will support the Ministry of Finance in providing high quality services, support members in training, updating professional knowledge, assist members in obtaining and maintaining high standards on professionalism, professional moral and qualification. In addition, ACCA committed to fund full scholarships to MOF officers to attend ACCA courses, in order for the MOF to build a workforce of accountants having intensive experiences and reaching international standards, prepare for the future succession, and contribute to bridge the gap between Vietnam and other countries in the accounting and auditing field.

The agreement, replacing the MOU signed on 6 December 2003 and extended on 12 January 2009, will take effect in 5 years from 18 April 2012 to 17 April 2017. The agreement marks a new developing step after 10 years of cooperation between ACCA and the MOF in pursuing the target of 'internationalism' of Vietnamese auditors, towards integration into regional and global accounting and auditing profession.



• MOF and ACCA JES (ACCA Vietnam, 2012)

ACCA Vietnam 10th Anniversary

In April 2012, ACCA celebrated the 10th anniversary of ACCA Vietnam. The celebrations took place in Hanoi and Ho Chi Minh City. ACCA was

the first international professional organisation to locate its offices in Vietnam.

ACCA has seen sustainable growth in Vietnam, where there are over 5,000 students registered in ACCA programs and 450 out of them have received ACCA certificates, accounting for a significant proportion in 2,044 professional accountants in Vietnam.

Speaking at the 10-year anniversary of ACCA Vietnam in Hanoi on April 18, Minister of Finance Vuong Dinh Hue confirmed ACCA's significant contribution to the profession, and expressed appreciation for the Association's effective cooperation with the Ministry, State Audit of Vietnam to develop and complete the legal framework and professional standards required for the country. The Minister also highlighted ACCA's collaboration with Vietnam's universities and professional organisations in training, updating knowledge and enriching experiences for the country's accounting staff in recent years.

Audit Efficiency in Public Investment Workshop

ACCA and the State Audit of Vietnam jointly organised the workshop entitled Audit Efficiency in Public Investment in Hanoi in August 2012. ACCA contributed an in-depth article on the UK point of view on the value of audit in public investment written by Gillian Fawcett, Head of Public Sector, ACCA. The seminar attracted interest from the media and public.

International Conference by VACPA and CAPA

VACPA (the Vietnam Association of Certified Public Accountants) and CAPA (the Confederation of Asian and Pacific Accountants) held an international conference on the vital role of professional accountancy organisations in August 2012. Reza Ali, Head of Emerging Markets - Asia gave a speech with an account on the experiences of leading a professional accountancy organisation.

Lighting Up Your Future Scholarship Fund

During the CEO of ACCA, Helen Brand's visit to Vietnam in April 2012, ACCA Vietnam in conjunction with Deloitte Vietnam launched the 'Lighting Up Your Future' scholarship fund. The

launch ceremony was attended by 350 students, lecturers, and stakeholders from both ACCA and Deloitte. Many students were keen on applying for the scholarship, and there were numerous enquiries made to the scholarship hotline. Three days after the launch ceremony, ACCA Vietnam received 45 online registrations.

Risk Management Seminar

ACCA Vietnam organised the risk management seminar on 15 March 2012. Over 150 CEOs, CFOs, and ACCA members attended the seminar. Speakers included Mr. Andrew Leck, Head of ACCA; Ms. Nguyen Anh Xuan Trang, Director, Risk Consulting Practice; and Mr. Pham Hong Hai, Head of Global Markets, HSBC Bank Vietnam.

Putting Investors at the Heart of Financial Systems

ACCA Vietnam and Grant Thornton held a roundtable on 'putting investors at the heart of the financial systems' in Ho Chi Minh City on 17 September 2012, and Hanoi on 18 September 2012. The roundtable featured representatives from Ministry of Finance, State Securities Commission of Vietnam, and institutional investors. Participants included Mr. Dang Thai Hung, Director of Accounting and Auditing Policy Department, Ministry of Finance; Mr. Bui Hoang Hai, Deputy Director of Securities Issuance Department, State Securities Commission of Vietnam; Mr. Andy Ho, Managing Director, VinaCapital; Mr. Marc Djandji, Senior Vice President, Indochina Capital; Mr. David Do, Managing Director, Vietnam Investment Group; Mr. Bradley C. Lalonde, Co-Founder and Managing Partner, Vietnam Partners LLC; Mr. Quach Manh Hao, Deputy CEO, MBS Vietnam; and Ms. Do Khanh Van, Finance Consulting Manager, Mekong Capital.

Vietnam CFO Forum 2012

ACCA Vietnam, in conjunction with VN CFO Club, International Association of Financial Executives Institutes (IAFEI), Japan Association of CFOs, hosted the Vietnam CFO Forum 2012. The theme of the conference was "Financial restructuring to overcome the crisis". The event garnered significant interest, and was attended

by more than 200 CEOs, CFOs, finance leaders, and other senior executives.

SME Conference 2012

ACCA Vietnam and the Vietnam Chamber of Commerce and Industry organised the SME Conference 2012 in November 2012. The conference was supported by the Ministry of Planning and Investment (MPI), Ministry of Science and Technology (MOSTE), Deloitte, ANZ, and SME representatives.



• Vietnam CFO Forum (ACCA Vietnam, 2012)

There were 200 guests in the Ho Chi Minh City event and 120 Guests in the Hanoi event. The presentations provided information and guidance for SMEs. Rosana Mirkovic, Head of SME Policy, ACCA shared the current global trends and developments pertaining to SMEs. The MPI presented the plan for SME development 2011-2015, and the SME Support Center presented on improving the SME's market approach and capacity. ANZ shared finance solutions for SMEs and Deloitte shared business support options for SMEs.

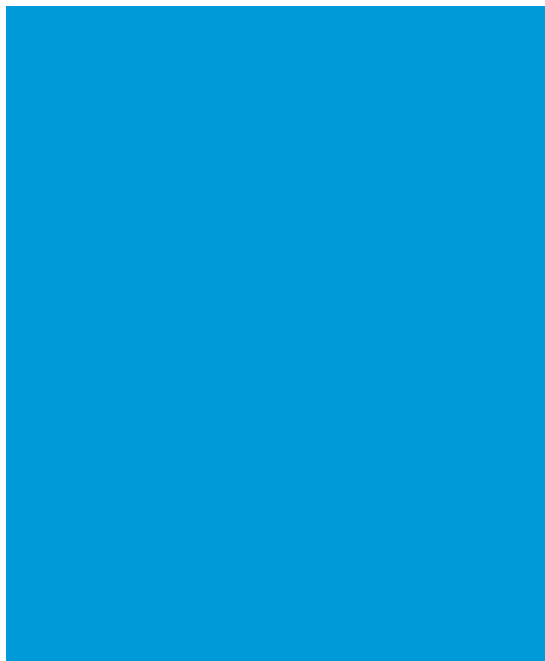


The Association of Chartered Certified Accountants (ACCA)

Total members: 154,337



FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR
ENDED
31 DECEMBER 2012



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ASEAN FEDERATION OF ACCOUNTANTS



FEDERATION PROFILE

Primary Members

Brunei	Brunei Darussalam Institute of Certified Public Accountants (BICPA)
Cambodia	Kampuchea Institute of CPAs and Auditors (KICPAA)
Indonesia	Ikatan Akuntan Indonesia (IAI)
Laos	Lao Institute of Certified Public Accountants (LICPA)
Malaysia	Malaysian Institute of Accountants (MIA)
Myanmar	Myanmar Accountancy Council (MAC) Union of Myanmar
Philippines	Philippines Institute of certified Public Accountants (PICPA)
Singapore	Institute of Certified Public Accountants of Singapore (ICPAS)
Thailand	Federation of Accounting Professions (FAP)
Vietnam	Vietnamese Association of Accountants and Auditors (VAA)

Associate Members

Australia	CPA Australia
Australia	The Institute of Chartered Accountants in Australia (ICAA)
United kingdom	The Association of Chartered Certified Accountants (ACCA)

Office bearers for the year ended 31 December 2012

AFA President	Mr. Kuy Lim (KICPAA)
AFA Deputy President	Ms. Estelita Aguirre (PICPA)
AFA Secretary-General	Mr. Chung Chetta (KICPAA)
AFA Treasurer	Mr. Khoo Ho Tong (ICPAS)

Office of the Federation

Ikatan Akuntan Indonesia
Grha Akuntan
Jalan Sindanglaya No. 1
Menteng
Jakarta 10310
Indonesia

Independent Auditor



Baker Tilly TFW LLP
Public Accountants and Certified Public Accountants
Singapore

ASEAN FEDERATION OF ACCOUNTANTS

STATEMENT BY COUNCIL

In the opinion of the Council:

- (i) the financial statements set out on pages 4 to 11 are properly drawn up so as to give a true and fair view of the state of affairs of Asean Federation of Accountants (the "Federation") at 31 December 2012 and of the results, changes in accumulated fund and cash flows of the Federation for the financial year then ended in accordance with Singapore Financial Reporting Standards; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they fall due.

On behalf of the Council



Kuy Lim
President
(2012 - 2013)



Khoo Ho Tong
Treasurer

6 April 2013



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INDEPENDENT AUDITOR'S REPORT TO THE PRIMARY MEMBERS OF ASEAN FEDERATION OF ACCOUNTANTS

Reports on the Financial Statements

We have audited the accompanying financial statements of Asean Federation Of Accountants (the "Federation") set out on pages 4 to 11, which comprise the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in fund and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with the Singapore Financial Reporting Standards, and for such internal control as Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Federation are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Federation as at 31 December 2012 and the results, changes in accumulated fund and cash flows of the Federation for the financial year ended on that date.

Baker Tilly TFW LLP
Public Accountants and
Certified Public Accountants
Singapore

6 April 2013

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ASEAN FEDERATION OF ACCOUNTANTS

STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 December 2012

	2012 \$	2011 \$
Income		
Membership fees	24,750	24,750
Interest income	1,004	968
Other income	–	3,047
	<u>25,754</u>	<u>28,765</u>
Less: Other expenses		
Auditor's remuneration	1,500	1,500
Bank charges	390	210
Courier charges	281	–
Exchange loss/(gain)	408	(35)
Meeting expenses	6,756	4,828
Printing & stationery	60	245
Publications	2,438	–
Sundry expenses	875	300
Travelling expenses	6,102	7,263
	<u>18,810</u>	<u>14,311</u>
Net surplus and total comprehensive income for the year	<u>6,944</u>	<u>14,454</u>

The accompanying notes form an integral part of these financial statements.

ASEAN FEDERATION OF ACCOUNTANTS

BALANCE SHEET
At 31 December 2012

	Note	2012 \$	2011 \$
Current asset			
Trade and other receivables	3	492	5,563
Cash and cash equivalents	4	478,561	460,238
		<u>479,053</u>	<u>465,801</u>
 Current liabilities			
Other payables and accruals		11,153	4,845
		<u>11,153</u>	<u>4,845</u>
 Net assets		<u>467,900</u>	<u>460,956</u>
 Accumulated Fund		<u>467,900</u>	<u>460,956</u>

The accompanying notes form an integral part of these financial statements.

ASEAN FEDERATION OF ACCOUNTANTS

STATEMENT OF CHANGES IN ACCUMULATED FUND
For the financial year ended 31 December 2012

	\$
Balance at 1 January 2011	446,502
Net surplus and total comprehensive income for the year	14,454
Balance at 31 December 2011	<u>460,956</u>
Net surplus and total comprehensive income for the year	6,944
Balance at 31 December 2012	<u><u>467,900</u></u>

The accompanying notes form an integral part of these financial statements.

ASEAN FEDERATION OF ACCOUNTANTS

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2012

	Note	2012 \$	2011 \$
Cash flows from operating activities			
Net surplus for the year		6,944	14,454
Adjustment for:			
Interest income		(1,004)	(968)
Operating surplus before movements in working capital		5,940	13,486
Trade and other receivables		5,297	(3,047)
Other payables and accruals		6,308	(2,221)
Cash from operations		17,545	8,218
Interest received		778	968
Net cash from operating activities		18,323	9,186
Net increase in cash and cash equivalents		18,323	9,186
Cash and cash equivalents at beginning of year		460,238	451,052
Cash and cash equivalents at end of year	4	478,561	460,238

The accompanying notes form an integral part of these financial statements.

ASEAN FEDERATION OF ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2012

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

The office of the Federation is at Jalan Sindanglaya No. 1, Menteng, Jakarta 10310, Indonesia.

The principal activity of the Federation is the advancement of the accounting profession in the ASEAN region.

2 Significant accounting policies

(a) Basis of preparation

The financial statements, expressed in Singapore dollars (“\$”) which is the Federation’s functional currency, have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Federation’s accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the financial year. These estimates and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no significant judgement and estimates made during the financial year.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables and provisions approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial period, the Federation has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS and INT FRS did not have any material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2012 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Federation.

2 Significant accounting policies (cont'd)

(b) Financial assets

The Federation's only financial assets are "loans and receivables" which comprise trade and other receivables and cash and cash equivalents.

Loans and receivables

Loans and receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method less impairment. The Federation assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in income or expenditure. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited as income.

(c) Financial liabilities

Financial liabilities, which comprise other payables and accruals are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

(d) Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of are measured using the currency that best reflects the economic environment substance of the underlying events and circumstances ('the functional currency').

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in income or expenditure.

(e) Income taxes

The Federation's income from its principal activities is exempt from income tax under Section 11(2) of the Income Tax Act because the Federation is deemed not to be a carrying on a business in Singapore.

(f) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Federation and the amount can be reliably measured.

Members' annual and admission fees are recognised when due.

Contribution from AFA members are recognised when due.

Interest income is recognised as the interest accrues based on effective interest method.

2 Significant accounting policies (cont'd)

(g) Provisions

Provisions are recognised when the Federation has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Federation expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

3 Trade and other receivables

	2012 \$	2011 \$
Trade receivables	–	5,297
Interest receivables	492	266
	<u>492</u>	<u>5,563</u>

4 Cash and cash equivalents

	2012 \$	2011 \$
Fixed deposits	420,000	387,917
Bank balances	58,561	72,321
	<u>478,561</u>	<u>460,238</u>

Cash and cash equivalents are denominated in the following currencies:

Singapore dollars	473,376	454,706
United States dollars	5,185	5,532
	<u>478,561</u>	<u>460,238</u>

Fixed deposits bear interest rates ranging from 0.15% to 0.95% (2011: 0.25%) per annum and mature between 11 and 17 months (2011: 3 months) from the balance sheet date.

5 Financial instruments

a) Categories of financial instruments

	2012 \$	2011 \$
<i>Financial assets</i>		
Loans and receivables	479,053	465,801
<i>Financial liabilities</i>		
At amortised cost	11,153	4,845

5 Financial instruments (cont'd)

b) Financial risk management

The main risks arising from the Federation's financial management are interest rate risk, credit risk, liquidity risk and foreign currency risk. The Federation reviews and agrees policies for managing each of these risks and they are summarised below:

Credit risk

The Federation's exposure to credit risk arises from the failure of a counterparty to settle its financial and contractual obligations to the Federation, as and when they fall due. The Federation manages this risk by monitoring credit ratings and limiting the aggregate financial exposure to any individual counterparty.

The Federation places its cash and fixed deposits with banks and financial institutions which are regulated.

At balance sheet date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange risk

The Federation has no significant exposure to foreign exchange risk as its financial assets and financial liabilities are mainly denominated in Singapore dollars. The Federation does not use financial instruments to hedge its foreign exchange risk. The Federation, however, monitors its exposure to foreign exchange risk closely to assess the necessity to hedge the risk.

Interest rate risk

The Federation is exposed to interest rate risk through the impact of rate changes on its interest-bearing fixed deposits. The Federation's policy is to review the terms of these deposits to take advantage of the best market rates in order to optimise the income received from these deposits. The sensitivity analysis for changes in interest rate is not disclosed as the effect in income and expenditure is considered not significant.

Liquidity risk

In the management of liquidity risk, the Federation monitors and maintains a level of cash and bank balances deemed adequate by the Council to finance the Federation's operations and mitigate the effects of fluctuations in cash flows.

c) Fair values

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Federation approximate their fair values.

6 Fund management

The Federation's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern. The Council considers the accumulated fund as the capital of the Federation and no changes were made to the Federation's fund management objectives during the financial years ended 31 December 2012 and 31 December 2011.

7 Authorisation of financial statements

The financial statements of the Federation for the financial year ended 31 December 2012 were authorised for issue in accordance with a resolution of the Council dated 6 April 2013.

PRIMARY MEMBERS



Countries in which AFA Primary Members are located are marked with its respective country flags.

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