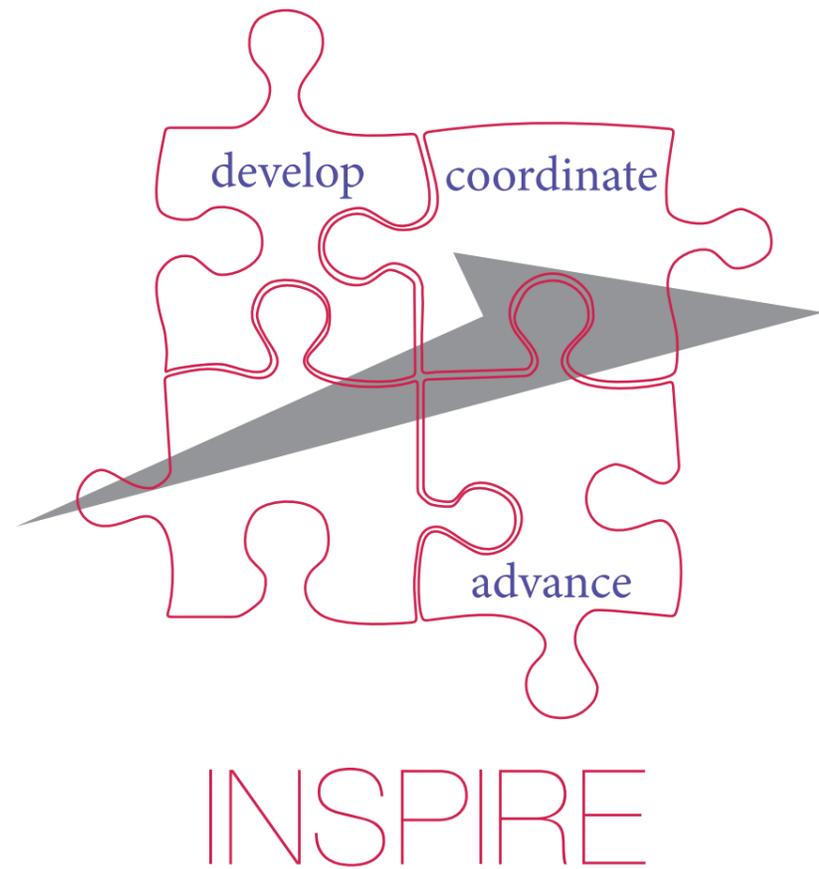


INSPIRING
the PROFESSION
in the Asia-Pacific Region

2011
ANNUAL REPORT



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“Working together we can achieve our goals”



MESSAGE FROM PRESIDENT

Presidents of professional service organisations will tell you that their main goal is to leave the organisation in better shape than at the commencement of their term. This certainly applied to me and in stepping down as President, I feel satisfied that the goal has been achieved – though I will leave it to others to judge.

We took the opportunity during 2011 to update our vision, mission, and strategy. This was informed by a Member needs survey and the many interactions we have with various stakeholders. Membership of CAPA is highly valued and our Members are keen to contribute towards our objectives. The way we operate is being adjusted to promote and cater for this ‘inclusiveness’, including introducing additional working committees.

A key ongoing focus for CAPA is the promotion and improvement of public sector accounting and financial management. We kicked off 2011 by presenting at a public financial management workshop at the Asian Development Bank. This was followed with a major conference in Seoul, Korea that was attended by influential leaders from 19 countries. The sovereign debt crisis in various countries in the world has emphasized the need for high quality public sector accounting and reporting. CAPA issued a Position Statement in this regard and will continue to work in this area in coming years.

2011 was a special year given we held our four-yearly CAPA Conference. Our Australian Members, CPA Australia and the Institute of Chartered Accountants in Australia, were gracious hosts. The Conference was extremely successful, attended by over 1,100 delegates, with close to half coming from overseas and spanning 30 countries. Over 80 local and international speakers dealt with subjects based on the conference theme – *APAC Powerhouse: opportunities for the accounting profession*.

The Conference was a terrific event to bring my Presidency to an end. It has been an honour to act as CAPA President for the last two years and it has been both professionally and personally rewarding.

And finally, I give my best wishes to CAPA, its Members and the Incoming President, Keith Wedlock from the New Zealand Institute of Chartered Accountants. I’m sure CAPA is being left in good hands and will continue to improve and succeed in the years ahead.

In Ki Joo
President

“We are well advanced in introducing the changes to make CAPA more effective”

The ‘change journey’ that commenced in 2010 continued during 2011, and a number of key building blocks were either established or advanced.

Many of the changes introduced in 2011 or being introduced in 2012 have arisen from the considered and valued responses to a *Member Needs Consultation Paper*. The responses told us much about the desired ‘values’ for the organisation and accordingly these were incorporated into the revised *Vision, Mission, and Values* statement that is included later in this report.

The responses also helped shape revisions to CAPA’s strategy and gave rise to a number of specific actions that we will take to better service our Members. 2012 will see the introduction of two new specific Member committees focused on the development of professional accounting organisations and public sector financial management. The Membership Review Task Force is also using the responses to consider the most appropriate structure and framework for CAPA to meet its objectives.

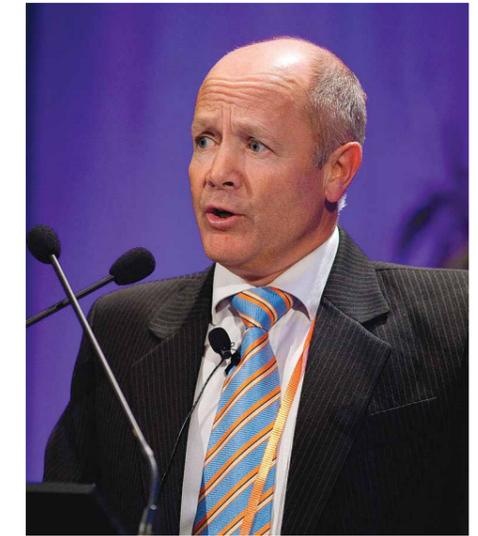
The success of the two major conferences in 2011, in Seoul and Brisbane, has encouraged continued focus on specific events aligned to all CAPA meetings. Our outreach visits to the Philippines and Mongolia in 2011 were particularly pleasing, with the Members in each location taking the opportunity to advance their standing within the global profession. I would like to thank the IFAC staff that attended these meetings and worked with me to assist these Members as they endeavour to meet IFAC obligations.

During 2011, CAPA was involved in a number of ways to assist create and support an agreement between the global profession and the donor community and aid agencies aimed at developing the profession where a need exists. We are optimistic that this agreement will deliver significant benefits to the profession in developing countries, which in turn will achieve global objectives regarding facilitating trade and reducing poverty. CAPA stands ready to play its role on a regional basis.

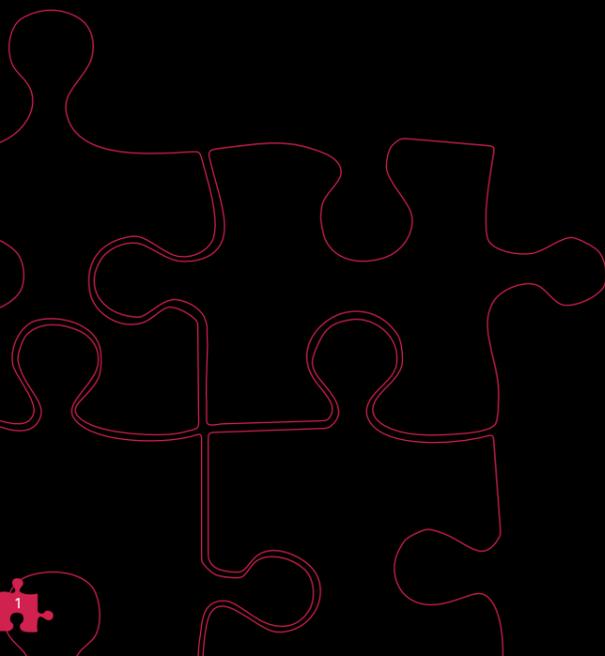
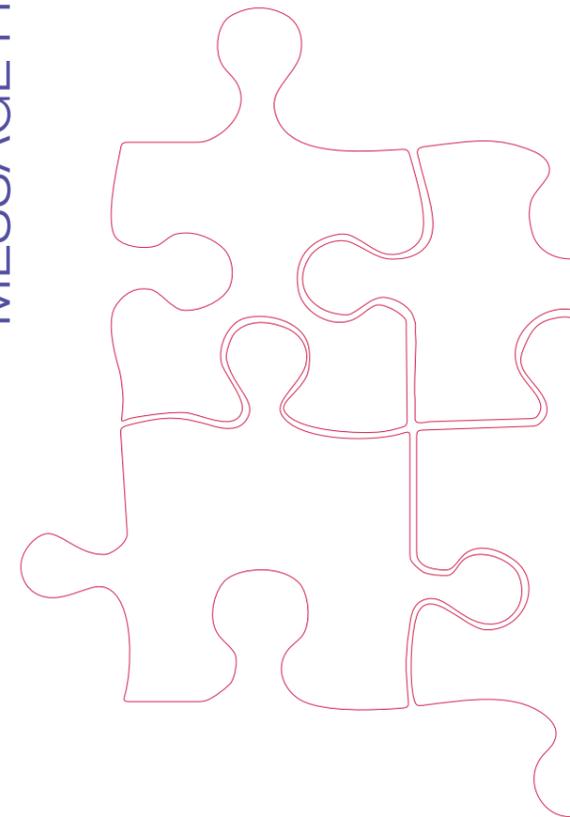
We have set some ambitious plans for 2012 and I look forward to working with the Members, especially those hosting our meetings and events, to deliver on these plans.

In conclusion, I would like to take this opportunity to thank the President, Board, Committees, and Task Forces for their support and encouragement throughout the year, and my sincere appreciation for the hard work and commitment of the Secretariat team.

Brian Blood
Chief Executive



MESSAGE FROM CHIEF EXECUTIVE





A VISION FOR THE FUTURE

WHAT IS CAPA?

The Confederation of Asian and Pacific Accountants (CAPA) is a regional organisation representing national professional accountancy organisations (PAOs) in Asia-Pacific. These PAOs, referred to as CAPA's Members, represent over 1 million accountants across the region.

The global accountancy profession is represented by the International Federation of Accountants (IFAC), and CAPA is one of four recognised regional organisations. The Asia-Pacific region is the largest by geography and by PAO membership numbers. Members geographically span from Mongolia to New Zealand and from Pakistan to Canada. Members come from countries of greatly varying populations, with a wide variety of cultures.

CAPA has a unique role within the accountancy profession, positioned between IFAC, representing the global profession, and the national PAOs representing the profession in each country. Accordingly, CAPA assumes a role and undertakes initiatives and activities that it is better placed to do than either IFAC or the PAOs.



THE ROLE OF CAPA

CAPA provides the structure to enable relationship building and knowledge sharing amongst PAOs in the region, and to undertake specific activities consistent with the organisation's vision and mission.

Vision & Mission

During 2011, recognising some significant recent changes in world economies, and the need for the profession to continually adapt to new challenges, be it regulatory, environmental, social or technological, CAPA revisited its vision and mission. It was considered vital to have a clear understanding of what the profession is aiming to achieve, CAPA's roles in that development, and how goals will be achieved.

It was also important to understand the needs of the regional profession, and in early 2011, a detailed Member needs survey was undertaken. The responses provided valuable input to confirming or reshaping the various roles of CAPA.

CAPA has a vision for the profession in the region, and a vision for its own specific role as the Regional Organisation that represents the accountancy organisations leading the profession in the countries across our region. This distinction was not in our previous vision, and is an important change, better reflecting the nature of the arrangements between CAPA and its Members.

“The Vision for the Profession in the Region”

A relevant and respected accounting profession, trusted and valued by governments and businesses, and recognized for contributing to the development of sustainable financial markets and economies



“The Mission”

To develop, coordinate, and advance the accounting profession in the region”

Values

CAPA has limited resources of its own, but the Members, collectively, have significant resources. CAPA's role is to harness this resource, and in collaboration with Members, set about achieving the mission of CAPA.

CAPA's mission is supported by medium to long-term strategies and short-term work plans. These encapsulate both public and private sectors, and all facets of the accounting profession.

Values establish the organisation's culture and provide an anchor point and framework to underpin stakeholders working together and taking decisions. For an organisation representing and involving over 30 PAOs across 23 jurisdictions, each with distinct cultures, establishing a clear identity that all Members can subscribe to is important for CAPA to be effective. We expect all our stakeholders to share and demonstrate these values.

Vision, Mission and Values Statement

Vision - for the Profession in the Region

A relevant and respected accounting profession, trusted and valued by governments and businesses, and recognised for contributing to the development of sustainable financial markets and economies.

Vision - for CAPA (as an organisation)

An inspirational leader for the accounting profession in the region.

Mission - for CAPA

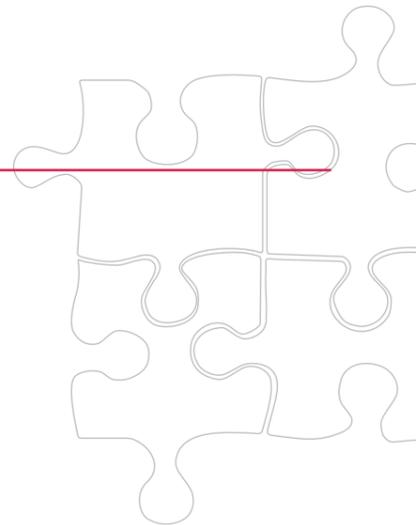
To develop, coordinate and advance the accounting profession in the region, by:

- Contributing to the formation and development of strong and sustainable professional accounting organisations capable of providing and maintaining accountants to effectively meet the needs of the country in which they operate
- Fostering a cohesive accounting profession within the region, by facilitating the development of relationships and sharing of knowledge amongst professional accounting organisations
- Promoting the benefits of high quality financial management and reporting in public, not-for profit and private sectors, including international standards in accounting, audit, ethics and accounting education
- Liaising with governments, regional and national organisations to influence the development of public sector financial management
- Liaising with international, regional and national organisations to influence the development of efficient and effective capital markets
- Promoting the value of professional accountants in the region
- Providing input to, and supporting the global profession in, matters of public interest where the accountancy profession's expertise is most relevant, including establishing and issuing policy positions.

Values

The Members and staff of CAPA embrace the following core values:

- Trust - displaying honesty, transparency, integrity and fairness
- Respect - recognising and rewarding each other's contributions and efforts
- Cooperation - sharing freely, responding promptly
- Inclusiveness - welcoming to others
- Positive attitude - working with a commitment to be successful
- Excellence - doing what we say we will and striving for quality
- Kaizen - continually improving

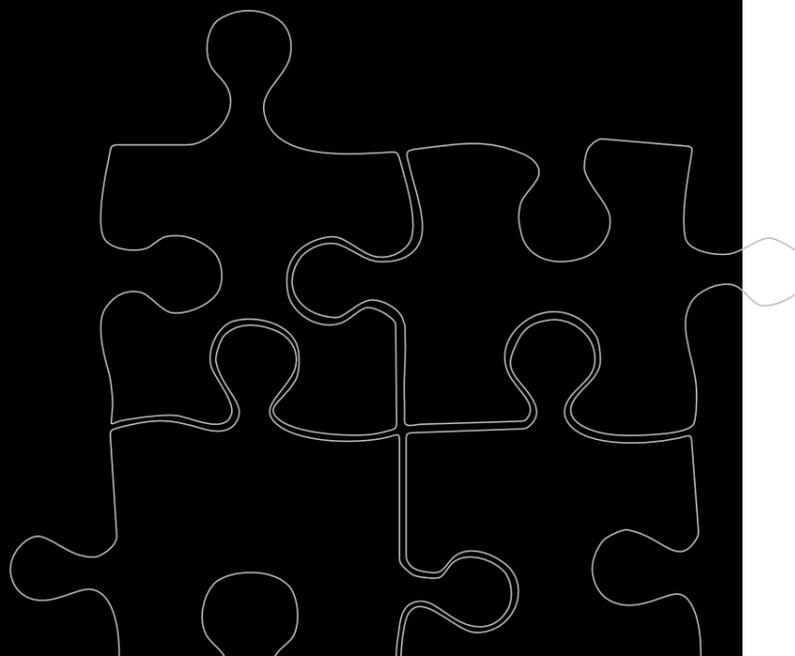


STRATEGIES

- 18th CAPA Conference held in Brisbane, Australia, attracted over 1,100 delegates and 150 speakers and session chairs.
- Over 400 international delegates from 30 countries attended the 18th CAPA Conference
- Conference promoted opportunities for the profession as the region becomes the global powerhouse
- Improving Public Sector Financial Management Conference and Roundtable held in Seoul, Korea, attracted over 120 leaders, influencers and decision-makers
- 19 countries represented at the Seoul Conference and Roundtable
- Published Position Statement regarding public sector financial management to encourage improvements in government accounting and financial reporting
- Outreach visit to Philippines included presenting on the state of the profession in the region at a public financial management workshop staged by the Asian Development Bank
- Outreach visit to Mongolia included working with IFAC staff to assist the local institute to meet the required obligations for global recognition
- Assisted and supported the development and approval of a Memorandum of Understanding between IFAC, representing the accounting profession, and the donor community, led by the World Bank, aimed at strengthening the profession in developing countries
- Participated in the development of the regional strategies of the IFAC PAO Development Committee
- Met with the IFAC Compliance Advisory Panel to discuss the role of Regional Organisations to achieve mutual goals
- Liaised with IFAC, other regional organisations, accountancy groupings, and professional accounting organisations (PAOs) to promote standards and share knowledge for the benefit of Members
- Developed revised Vision, Mission, and Values statement, and new aligned strategies

OPERATIONS & FINANCE

- Collated and analysed responses to a Member Needs Consultation Paper and agreed on resulting actions to be implemented
- Commenced a Membership Review to consider the most appropriate membership model to achieve the organisation's vision and mission
- Continued the development of a Governance & Policies Manual
- Maintained a budget surplus whilst undertaking additional unplanned activities



ADVANCING PUBLIC SECTOR FINANCIAL MANAGEMENT

Promoting and supporting the adoption and implementation of international standards in public sector accounting was a key focus area for CAPA this year.

Following the global financial crisis in 2008 and recent sovereign debt crises around the world, there has been growing emphasis on improved governmental financial reporting and increased demand for accountability and transparency. The global accounting profession, represented by IFAC, issued a letter to government leaders of The Group of Twenty (G-20) in June 2010 advocating action in public sector accounting.

Meanwhile, International Public Sector Accounting Standards (IPSAS) have

gained increased profile in recent times. The standard-setting board for public sector accounting, the IPSAS Board, reported in February 2010 that there has been a growing momentum over the past three years in the adoption of IPSAS around the world. The report stated that over 80 countries have either adopted or have processes in place to adopt IPSAS, including a number of Asian countries.

The opportunity to improve financial reporting in the public sector is very high in many countries. This encouraged CAPA to issue a Position Statement reflecting our stand and commitment to improve public sector financial management.

Extract from CAPA's Mission:

To develop, coordinate and advance the accounting profession in the region, by:

- Promoting the benefits of high quality financial management and reporting in public, not-for profit and private sectors, including international standards in accounting, audit, ethics and accounting education
- Liaising with governments, regional and national organisations to influence the development of public sector financial management
- Providing input to, and supporting the global profession in, matters of public interest where the accountancy profession's expertise is most relevant, including establishing and issuing policy positions.

Position Statement

Improving Public Sector Financial Management

The Confederation of Asian and Pacific Accountants (CAPA) fully supports and encourages the convergence towards International Public Sector Accounting Standards (IPSAS) by all member countries in the Asia/Pacific region to assist in the improvement of public sector financial management.

Users of financial reports produced by the private sector have, for many years, demanded and supported the development of globally accepted high quality financial reporting standards. These users have included regulators and central government agencies. This has resulted in an increasing number of countries adopting and implementing IFRS as the financial reporting norm for the private sector.

Concurrently there is a growing international movement to improve financial reporting in the public sector. This has resulted in many countries initially adopting cash based accounting; moving to a more sophisticated accrual basis for financial reporting; and finally a number are adopting and implementing accrual based IPSAS.

Improving the quality of financial reporting in the public sector is viewed by CAPA as critical in addressing the huge risks, such as unexpected sovereign debt crisis situations that may remain obscured, when robust accounting and reporting techniques are not used in the public sector.

From a public interest perspective the more effective monitoring of financial performance within public sector entities is critical. CAPA supports accrual based financial reporting as the only means to provide the necessary high quality, transparent reporting of public sector activities and position.

Achievement of this ensures that the same high standards of financial reporting are applied by both the private and public sectors of an economy – thus leading to better informed decision making at both the micro and macro levels.

CAPA, therefore, calls for governments in the Asia/Pacific region to fully recognise the need for robust financial systems, and to lead changes in public sector accounting and reporting to support enhanced public sector financial management.

Activities that supported CAPA's initiative in this important area, and discussed further include:

- organising a high-level conference and roundtable on improving public sector financial management
- presenting at an Asian Development Bank (ADB) workshop to raise awareness on the quality of financial management in the region

Further, late in 2011 a decision was taken to form a dedicated working group of Members focused on public sector financial management. The formation and focus of the group will be established early in 2012.



KEY ACTIVITIES AND ACHIEVEMENTS IN 2011

CAPA Public Sector Accounting Conference

CAPA staged a conference titled "Improving Public Sector Financial Management" in Seoul, Korea. Held on 19 May 2011, the Conference was co-organised with the Korean Institute of Certified Public Accountants (KICPA), and supported by various international and

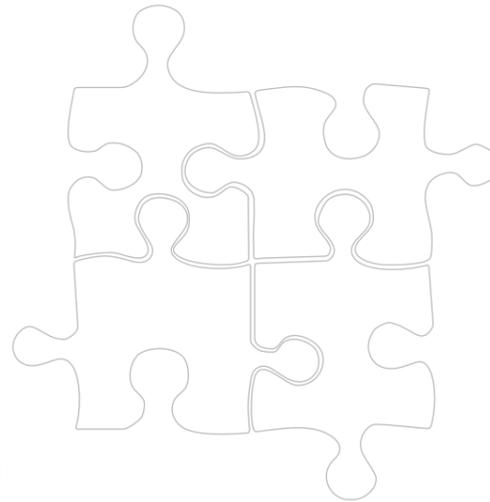
Korean organisations. The Korean Big 4 accounting firms provided sponsorship. More than 120 participants from 19 countries in the Asia-Pacific region attended the conference, ranging from public servants, professionals in practice and aid agencies to academics.



CAPA President, In Ki Joo with Tony Hegarty, Chief Financial Management Officer of the World Bank and Andreas Bergmann, Chairman of IPSAS Board.

Key theme of the Conference was strengthening accounting in the public sector. The Conference program provided an overview of the International Public Sector Accounting Standards (IPSAS), as well as regional case studies. The experiences of countries in various stages of transition from cash-based to accrual-based accounting brought a real hands-on perspective to the program.

Speakers included representatives from the Korean, Japanese and Chinese governments, the IPSAS Board, and leading organisations such as the Japanese Institute of Certified Public Accountants, New Zealand Institute of Chartered Accountants, ACCA, the Chartered Institute of Public Finance and Accountancy, the World Bank, and the Asian Development Bank (ADB).



KICPA President, Ou-Hyung Kwon welcoming delegates to Seoul.



Chairs and speakers of conference.

Overall, the Conference presented a range of issues and processes that are the building blocks in improving public sector financial management. Most importantly, the accounting profession has significant international experience and capacity to support the development of public sector financial managers.

To read more about the conference and to access conference materials, visit the Library section of the CAPA website at this address: <http://www.capa.com.my/article.cfm?id=496>

A high-level Roundtable discussion hosted by the National Accounting Standards Centre of Korea followed the Conference. Attendees were representatives from government departments of participating countries, CAPA representatives from corresponding countries, conference speakers, and experts from the profession. The Roundtable was a great opportunity for attendees to exchange information in an informal but more engaging manner.



Right row, from right to left: Chief of National Accounting Standards Centre of Korea, Ho Bum Pyun, with Keith Wedlock, CAPA Deputy President, and Chairman of IPSAS Board, Andreas Bergmann.

The Conference was a significant event as it was the first of its kind organised by CAPA and it could not have happened at a more fitting time given the various economic events happening globally. CAPA was grateful to have the support of the Korean government agencies and accounting profession at large who so graciously contributed to the event. CAPA was also pleased to have the support of Member bodies in engaging knowledgeable and experienced speakers for the event. The support of the donor community was also exceptionally valuable as they reinforce the important message of having advanced public sector financial management practices.

CAPA looks forward to further opportunities in staging similar regional conferences in the near future or other activities demonstrating our commitment in this area.

ADB Public Financial Management Workshop



CAPA was invited to take part in a 3-day Public Financial Management training workshop organised by the Asian Development Bank (ADB) held from 15-17 February in Manila, Philippines. The Chief Executive delivered a session titled "The Quality of Financial Management in the Asia-Pacific".

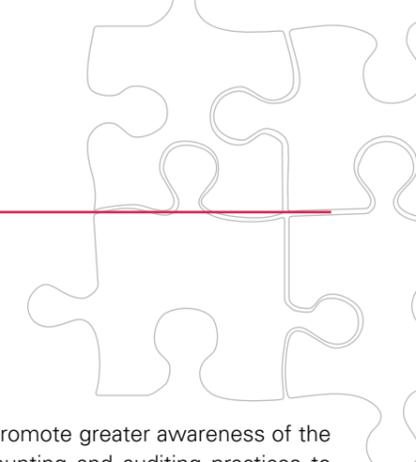
The workshop was attended by ADB Project Managers responsible for many large scale in-country projects funded by the Bank. These projects require careful financial management to control expenditures, accurately report financial positions, and assist demonstrate the

efficient and effective use of funds. Several members of CAPA's Strategy Committee were also present to share knowledge and information with the workshop participants.

The accounting profession works closely with the donor community around the world, and this visit was part of the ongoing relationship developed between CAPA and ADB, who in 2010 generously funded the attendance of participants from many developing countries to attend CAPA's train-the-trainer workshops on IFRS for SMEs.



KEY ACTIVITIES AND ACHIEVEMENTS IN 2011



DEVELOPING THE PROFESSION

The donor community, in its messages across the region, has been emphasising the importance of producing quality financial information for decision making and for building and maintaining stable financial markets. In 2010, IFAC drafted its new vision and mission which includes a vision of the global accountancy profession being recognised as a valued leader in the development of strong and sustainable organisations, financial markets, and economies.

Recognising the vital role that accountants can play in establishing confidence in all economies, CAPA continues to work with key members of the accountancy profession and donor community to further develop and promote the value of professional accountants across the region. As the Regional Organisation (RO) for the Asia-Pacific region, CAPA is well-placed to

assume a role and undertake certain activities since ROs offer proximity, cultural understanding, and reflect a mutual interest of its Members. This is done through various initiatives including:

- Working with the donor community to continuously explore opportunities for capacity building within the profession in the region
- Working with the global profession, through interaction with IFAC, to identify ways to further develop PAOs in the region
- Working with specific Member PAOs through outreach activities to understand their needs and identify special assistance programs
- Relationship building and knowledge sharing sessions with Member PAOs

Extract from CAPA's Mission:

To develop, coordinate and advance the accounting profession in the region, by:

- Contributing to the formation and development of strong and sustainable professional accounting organisations capable of providing and maintaining accountants to effectively meet the needs of the country in which they operate
- Liaising with international, regional and national organisations to influence the development of efficient and effective capital markets

Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration

Recognising the importance of establishing sustainable financial management capacity in the emerging and developing economies, throughout 2010 and 2011 IFAC and the donor community have been collaborating to seek more formal arrangements between the global accounting profession and the donor community. The result was the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MoU), which was originally initiated by IFAC's PAO Development Committee.

Several meetings were held between the donor community led by the World Bank and the global profession represented by IFAC to discuss drafting of the MoU. CAPA was also invited to review and provide feedback on the draft MoU.

President In Ki Joo, on behalf of CAPA, attended the meeting of the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD-DAC) Task Force on Public Financial Management held on 6-7 June 2011, hosted by the Asian Development Bank in Manila, Philippines. The purpose of the meeting was to deliberate on the final draft of the MoU.

The meeting was important as the MoU contemplates an important role for Regional Organisations (ROs) who are

active in the development of the profession. The MoU aims to operationalise the co-operation and potential opportunities for future funding of certain development activities. CAPA as a large RO is an expected and willing key participant in the opportunities anticipated to arise from the MoU.

The President, in his speech, expressed CAPA's full support for the spirit of the MoU acknowledging that the donor community plays a key role in the success of implementing comprehensive and long-term programs for sustainable economic growth in the region.

CAPA's Chief Executive was in the five-person delegation representing the global profession when the MoU was officially signed and launched at the OECD's 4th High Level Forum on Aid Effectiveness held in November 2011 in Busan, Korea.

This is a most exciting and important milestone for the global profession in terms of the opportunity to accelerate the development of the profession in developing and emerging economies.

Accountancy Development for Results – Global Conference

A number of CAPA Members attended this conference staged by the World Bank on 20-21 June 2011 in Washington D.C., USA. Sujeewa Mudalige, President of the Institute of Chartered Accountants of Sri Lanka (ICASL) and CAPA Board member for Sri Lanka, attended and represented both ICASL and CAPA in a plenary session on strengthening professional accounting bodies to achieve competitiveness and securing public trust.

The conference, organised to promote greater awareness of the importance of developing accounting and auditing practices to achieve results, particularly economic growth and job creation, was attended by high-level participants including government officials, accounting professionals, academics, and international organisations including the donor community.

PAO Development

Following CAPA's contributions during the review of IFAC's Professional Accountancy Organization (PAO) Development Committee's Terms of Reference last year, we were invited to attend the Committee's February 2011 meeting in Singapore. This meeting was largely dedicated to discussing a draft strategic plan for the Committee following the establishment of the new Terms of Reference.

Several initiatives were discussed including collaboration with the donor community, a mentoring facilitation program, and an ambassador program to look into expanding resources available to the Committee. One initiative most relevant to CAPA was to develop regional strategies in collaboration with Regional Organisations (ROs) to further develop PAOs in the region.

This initiative will ensure that the profession's resources are put to most efficient use, avoiding duplication of efforts, whilst ensuring coordinated focus to achieve the most effective outcomes. CAPA has worked closely with the PAO Development Committee throughout 2011.

CAPA's focus on PAO Development is to be strengthened by the introduction of a dedicated committee of Members focused on PAO Development. This decision was taken in late 2011, and the formation and focus of the committee will be established early in 2012.

The Compliance Advisory Panel (CAP), established by IFAC, oversees the Compliance Program and PAO's compliance with SMOs which establish minimum expectations on PAOs. CAPA also works closely with the CAP to provide assistance in their monitoring of PAO's compliance and to provide support to PAOs as they demonstrate compliance.

CAPA met with the CAP during their meeting in Seoul, Korea on 18 July 2011 and took the opportunity to share ideas with the CAP aimed ultimately at assisting PAOs in their development.

Outreach to CAPA Members



3rd from left: MonICPA Chief Executive, Choigunsen Chimidsuren; CAPA President, In Ki Joo; and MonICPA President, Lamjav Enkh-Amgalan with MonICPA staff and Council Members.

Part of CAPA's strategy involves 'outreach' - meeting with PAOs in developing and emerging countries to offer support and assistance in their own development programs.

The Strategy Committee met in Manila, Philippines on 18-19 February 2011, and this included a session with the Board and other members of the Philippine Institute of Certified Public Accountants (PICPA). A dialogue was held with PICPA to share information on matters of current interest to the profession in the Philippines. Discussions focused on quality assurance for large firms, forensic accounting, and risk management.

Similarly, in Ulaanbaatar, Mongolia on 15-16 July 2011, the Strategy Committee met with the leadership, staff, and some members of the Mongolian Institute of Certified Public Accountants (MonICPA). The President and Chairman of the Institute presented a comprehensive report on the development and challenges faced by the accountancy profession in Mongolia. A roundtable discussion followed with exchange of ideas and knowledge.

In addition, CAPA's Chief Executive and relevant IFAC staff met for a working session with the MonICPA leadership and staff to discuss their Action Plan towards compliance with IFAC's Statement of Membership Obligations (SMOs). The discussions revealed impressive progress in the development of MonICPA and it was agreed that the dialogue had greatly assisted their journey towards full membership of IFAC.



KEY ACTIVITIES AND ACHIEVEMENTS IN 2011

Relationship Building and Knowledge Sharing

CAPA's Board meetings are organised in a manner to allow all Members to participate. These meetings have a heavy focus on allowing Members the opportunity to build relationships and share knowledge. PAOs benefit from such opportunities, especially those that are still developing, since they are able to gain ideas and assistance from the more mature and developed PAOs.

The first Board meeting of the year was held on 21 May 2011 in Seoul, Korea. The host body, the Korean Institute of Certified Public Accountants (KICPA) delivered a presentation on the accounting profession in the country. The presentation reflected the Institute's passion and commitment, and the support of the Korean government to drive the profession to a level on par with international standards.



From left to right: CAPA President, In Ki Joo; CAPA Past Presidents John Miller and Ranel Wijesinha; CAPA Deputy President, Keith Wedlock; CAPA Past President, Kamlesh Vikamsey.



This meeting was also special since a number of CAPA Past Presidents attended, being:

- John Miller – Australia, President from 1985-1986
- Ranel Wijesinha – Sri Lanka, President from 2000-2002
- Shozo Yamazaki – Japan, President from 2005-2007
- Kamlesh Vikamsey – India, President from 2007-2009

This was an opportunity to reflect on the previous achievements and direction of CAPA, and consider implications for the future.



NIPA President, Dmitry Yakovenko presenting to CAPA Members about the profession in Russia.

The second Board meeting coincided with the 18th CAPA Conference and the Assembly of Delegates, held once every 4 years. The Board meeting on 9-10 September 2011 in Brisbane, Australia involved the highest ever attendance of CAPA Members, with 27 organisations from 20 jurisdictions.

The CAPA Member from the Samara Region of Russia presented a comprehensive presentation about the accounting profession in Russia - a unique opportunity for other CAPA Members to better understand the profession in Russia.



CAPA Website and Newsletter

Knowledge sharing, particularly to assist PAO development, is facilitated via the CAPA website and newsletters.

The CAPA website has been periodically updated with new information over the year. The 'Library' and 'Member Body Development' sections now store relevant reading materials and publications such as guidance books and toolkits arranged according to categories such as public sector accounting, small and medium practices, sustainability and others.

The CAPA electronic newsletter, the e-Chronicle, was issued periodically to inform subscribers of news and updates available in the CAPA website.





KEY ACTIVITIES AND ACHIEVEMENTS IN 2011

CAPA's "OLYMPIC" CONFERENCE

Every four years, CAPA stages its flagship conference. The **18th CAPA Conference** was hosted in Brisbane, Australia by CPA Australia and the Institute of Chartered Accountants in Australia (ICAA) from 6-9 September 2011. Two other CAPA Conferences has been held in Australia in the past - the 2nd Conference in 1960 held in Canberra and Melbourne, and the 11th Conference in 1986 held in Melbourne.

Extract from CAPA's Mission:

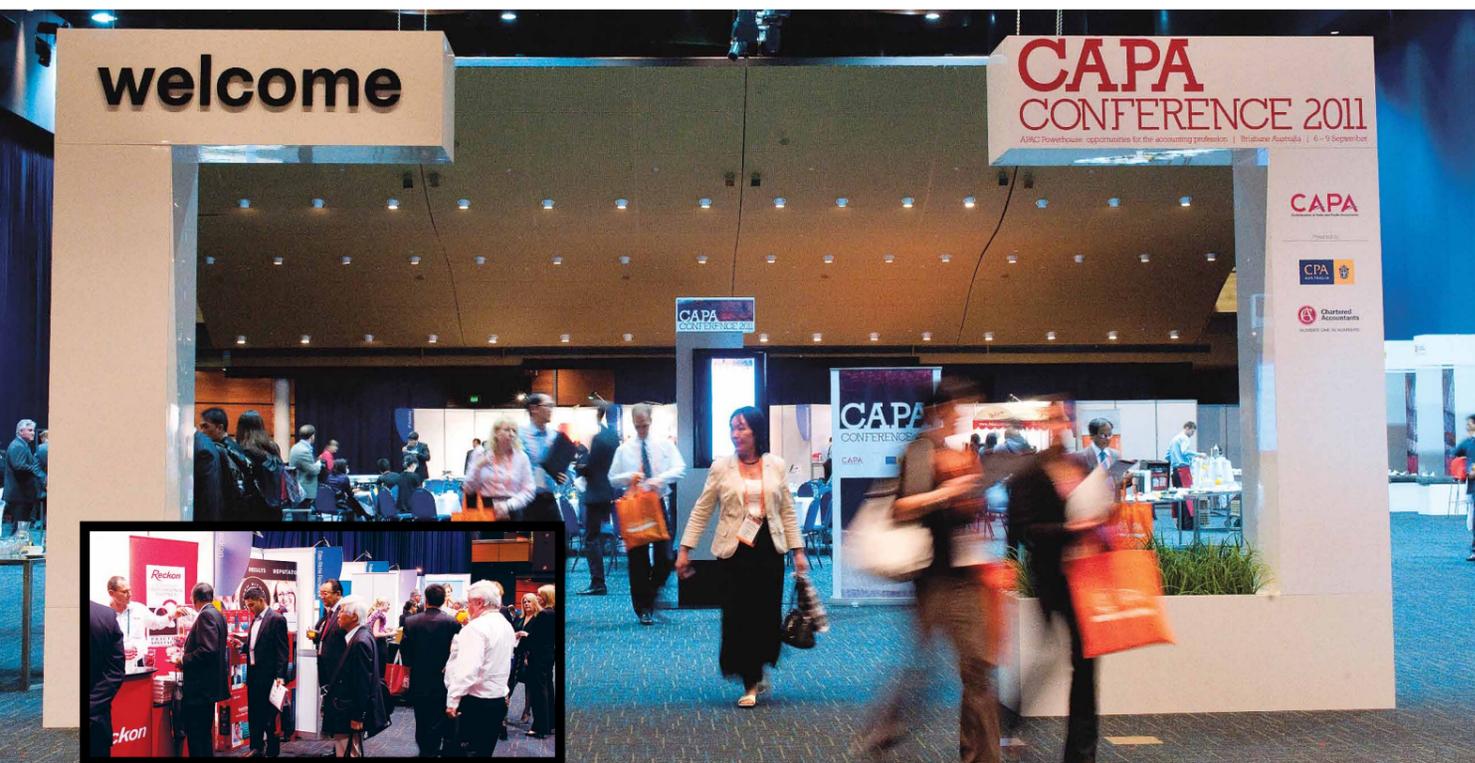
To develop, coordinate and advance the accounting profession in the region, by:

- Fostering a cohesive accounting profession within the region, by facilitating the development of relationships and sharing of knowledge amongst professional accounting organisations
- Promoting the value of professional accountants in the region



From left to right: Chair of panel session, IFAC Chief Executive, Ian Ball; CICPA President, Li Yong; CAPA President, In Ki Joo; CPA Australia Chief Executive, Alex Malley; ICAA Chief Executive, Graham Meyer; ACCA President, Mark Gold.

CAPA President, In Ki Joo, together with Alex Malley and Graham Meyer, Chief Executives of CPA Australia and ICAA respectively, and Mark Gold, President of ACCA, participated in a panel session chaired by IFAC Chief Executive, Ian Ball, discussing "the evolving role of the accounting profession in the Asia-Pacific region". Li Yong, Vice Minister of Finance for the People's Republic of China was also one of the panelists in the session. Li Yong, who is also the current President of the Chinese Institute of Certified Public Accountants (CICPA) and a CAPA Past President, provided insights into China's strategies in working towards desired outcomes in economic growth and financial stability. This includes convergence towards international standards, strengthening cooperation with regional organisations, and cultivating professional accounting talents to lead firms of international standard and competitiveness.



5th from right: Conference speaker Nivard Cabral, Governor of the Central Bank of Sri Lanka, with CAPA Past President, Kamlesh Vikamsey (3rd from left), and leaders of CAPA Member organisations from Bangladesh, India, Pakistan, and Sri Lanka.

As the Asia-Pacific region becomes a global powerhouse, professional accountants have a great role to play in ensuring that the growth is sustainable. The conference program provided practical insights and innovative solutions with over 80 high-profile and international speakers addressing more than 40 broad ranging plenary and concurrent sessions. CAPA Deputy President, Chief Executive, and a few other CAPA Board members were involved in chairing sessions.



From left to right: NZICA Chief Executive Officer, Terry McLaughlin; NZICA President, Ross Jackson; NZICA Chairman and conference speaker, Graham Crombie; IFAC Deputy President, Warren Allen; CAPA Deputy President, Keith Wedlock.

The Conference attracted more than 1,100 delegates from over 30 countries and provided opportunities for extensive networking and dialogue between leaders of the accounting profession around the world.



IFAC President, Goran Tidstrom addressing delegates during the conference opening.

CAPA was extremely thankful to have the support of IFAC and its President, Goran Tidstrom, whom was present to address delegates at the opening welcome ceremony. CAPA also acknowledged the tremendous commitment and dedication of both CPA Australia and ICAA for hosting such a terrific event infused with Australian warmth and hospitality.

CAPA looks forward and invites all to the **19th CAPA Conference**, which will be hosted in Seoul, Republic of Korea by the Korean Institute of Certified Public Accountants in 2015.



CAPA President, In Ki Joo presenting the conference opening welcome address.



The Conference theme "APAC Powerhouse – opportunities for the accounting profession" was a timely reflection of the condition of the region as statistics point to strong economic growth in Asia-Pacific over the past two decades. Although the global economic crisis in 2009 affected many countries around the world, a few countries in the region showed growth



in GDP above 5%. Whilst there is growth, the region also has its challenges, for example perceived corruption. This is one area relevant to the accounting profession where professional accountants are able to assist in improving accountability in both public and private sectors, and with good governance, improve confidence in doing business.



From left to right: CAPA Board Member for Japan, Gen Ikegami; CAPA Deputy President, Keith Wedlock; JICPA President and CAPA Past President, Shozo Yamazaki.



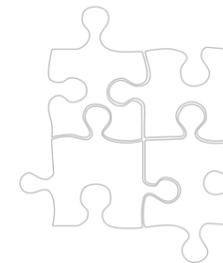
From left to right: CAPA President, In Ki Joo; CICPA President and CAPA Past President, Li Yong; CAPA Chief Executive, Brian Blood.



From left to right: CAPA Member representatives - PICPA Executive Director, Estelita Aguirre; PICPA President, Josefina Chua; ICAB President, Parveen Mahmud.



From left to right: Conference organisers receiving a token of appreciation from CAPA – ICAA President, Rachel Grimes; IFAC President, Goran Tidstrom; CAPA President, In Ki Joo; CPA Australia President, Low Weng Keong.

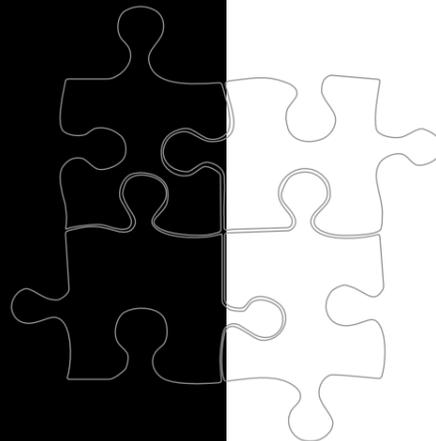


CAPA establishes an annual work program aligned to its vision and mission. Key focus areas for 2012 are PAO Development and Public Sector Financial Management. These areas represent a continuation of recent focus, however with an increased emphasis. This will be achieved by:

- The introduction of a PAO Development Committee and development of specific strategies
- The introduction of a Public Sector Financial Management Committee and development of specific strategies
- The introduction of Member Events aligned to each CAPA meeting held in 2012
- Working with IFAC's PAO Development Committee in the development of their regional strategies and coordination of efforts
- Forging deeper relationships with the donor community through the MoU and identifying regional opportunities to work with donors

Two meetings are organised each year for all Members of CAPA to participate. These meetings enable the development of relationships and exchange of knowledge between Members.

Two additional meetings are also organised with a specific 'outreach' objective – to visit Members and assist in the ongoing development of their organisation and the profession in that country.



CAPA Meetings in 2012

Month	Location	Meetings	Associated Events
February	Dhaka, Bangladesh	Committee outreach	Conference (with key stakeholders and policy makers) on Strengthening Bangladesh Public Sector Accounting and Auditing
May	Beijing, China	Members and Board meeting Committee meetings Annual General Meeting	Aligned to China's congress on trade in services focused on accounting services
August	Hanoi, Vietnam	Committee outreach	Focus on PAO development initiatives
October	Colombo, Sri Lanka	Members and Board meeting Committee meetings	To be confirmed

Full details of finalised arrangements and focus of meetings and associated events will be posted on the CAPA website.



HISTORY

The **Confederation of Asian and Pacific Accountants (CAPA)** represents national professional accountancy organisations in the Asia-Pacific region.

The idea of CAPA was conceived at the **First Far East Conference of Accountants** held from 28 November to 1 December 1957, in Manila, Philippines. It was the first conference of such magnitude that was held in the region with 20 organisations from 15 jurisdictions participating.

One third of these jurisdictions did not have any national accounting organisation and thus the idea of forming a formal confederation of accounting bodies was deferred. Recognising the need for the exchange of ideas and information on a regional basis, the participants agreed to hold regular conferences.

At the next conference held from 31 March to 2 April 1960, in Canberra and Melbourne, Australia the grouping was renamed as the **Confederation of Asian and Pacific Accountants** as more jurisdictions joined the confederation. In 1976, CAPA adopted a formal charter and established an Executive Committee (now the Board) to carry out activities in line with its newly established mission and objectives.

As at 31 December 2011, CAPA has a membership of **31 accountancy organisations in 23 jurisdictions**. It is one of the four major Regional Organisations recognised by the International Federation of Accountants (IFAC). The other recognised Regional Organisations cover the geographical areas of Africa, Europe and American continents.

SECRETARIAT

CAPA has a permanent Secretariat and an office based in Kuala Lumpur, Malaysia. The Secretariat serves to carry out the policies and directions of the Board, and is proactive in its functions.

The Secretariat is headed by Brian Blood as the Chief Executive who reports to the Board. The Secretariat office is managed by Khoo Mei Leng, Manager Regional Development, assisted by Winnie Lee, Executive Regional Communications & Events.

The Secretariat is responsible for implementing the strategies approved by the Board.

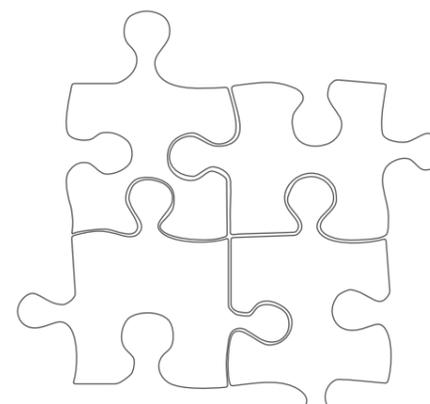
CAPA MEMBERS

CAPA has three categories of membership – Full, Associate and Affiliate – reflecting different types of organisations that either operate directly or indirectly within the region.

CAPA admitted a new Member in June 2011 – the Institute of Public Accountants (IPA).



From left to right: IPA International Policy Advisor, Alicia Watson; IPA Chief Executive Officer, Andrew Conway; CAPA President, In Ki Joo; IPA Executive General Manager, Vicky Stylianou; CAPA Chief Executive, Brian Blood.



THE ORGANISATION

CAPA Members as at 31 December 2011 are:

Full Members

Australia



CPA Australia
(CPA Australia)
www.cpaaustralia.com.au



The Institute of Chartered Accountants in Australia

The Institute of Chartered Accountants in Australia (ICAA)
www.charteredaccountants.com.au



INSTITUTE OF PUBLIC ACCOUNTANTS

The Institute of Public Accountants (IPA)
www.publicaccountants.org.au

Bangladesh



The Institute of Chartered Accountants of Bangladesh (ICAB)
www.icab.org.bd



The Institute of Cost and Management Accountants of Bangladesh (ICMAB)
www.icmab.org.bd

Canada



Certified General Accountants' Association of Canada (CGA-Canada)
www.cga-canada.org

China, People's Republic of



The Chinese Institute of Certified Public Accountants (CICPA)
www.cicpa.org.cn

Fiji



Fiji Institute of Accountants (FIA)
www.fia.org.fj

France



Compagnie Nationale des Commissaires aux Comptes (CNCC)
www.cncc.fr



Conseil Supérieur de l'Ordre des Experts-Comptables (CSOEC)
www.experts-comptables.com

India



The Institute of Chartered Accountants of India (ICAI)
www.icai.org



The Institute of Cost and Works Accountants of India (ICWAI)
www.icwai.org

Japan



The Japanese Institute of Certified Public Accountants (JICPA)
www.jicpa.or.jp

Korea, Republic of



The Korean Institute of Certified Public Accountants (KICPA)
www.kicpa.or.kr

Mongolia



Mongolian Institute of Certified Public Accountants (MonICPA)
www.monicipa.mn

Nepal



The Institute of Chartered Accountants of Nepal (ICAN)
www.ican.org.np

New Zealand



New Zealand Institute of Chartered Accountants (NZICA)
www.nzica.com

Pakistan



The Institute of Chartered Accountants of Pakistan (ICAP)
www.icap.org.pk



The Institute of Cost and Management Accountants of Pakistan (ICMAP)
www.icmap.com.pk

Papua New Guinea



CPA Papua New Guinea (CPAPNG)
www.cpapng.org.pg

Philippines



Philippine Institute of Certified Public Accountants (PICPA)
www.picpa.com.ph

Samoa



Samoa Institute of Accountants (SIA)
www.sia.org.ws

Solomon Islands



Institute of Solomon Islands Accountants (ISIA)

Sri Lanka



The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)
www.casrilanka.com

United States of America



American Institute of Certified Public Accountants (AICPA)
www.aicpa.org

Vietnam



Vietnam Association of Certified Public Accountants (VACPA)
www.vacpa.org.vn

Associate Members

Sri Lanka



Association of Accounting Technicians of Sri Lanka (AATSL)
www.aatsl.lk

Affiliate Members

D.P.R. Korea



Pyongyang Office of Auditors of the D.P.R. of Korea (POA)

Samara Region, Russia



National Institute of Professional Accountants, Financial Managers and Economist (NIPA)

United Kingdom



ACCA (Association of Chartered Certified Accountants)
www.accaglobal.com



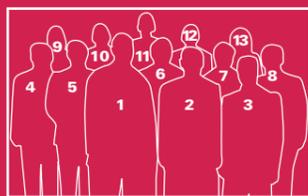
The Institute of Chartered Accountants in England and Wales (ICAEW)
www.icaew.com

BOARD & COMMITTEE MEMBERS

A Board of up to twelve members is elected every four years from within the membership. During 2011, the Board was assisted by two active committees, members of which are selected from within the Board, with the exception of the Chair of the Governance & Audit Committee. Roles and responsibilities are set out in a Board of Directors Manual and Committee Charters.

Members at all meetings may be accompanied by Technical Advisors from the Member organisations. Technical Advisors play a very valuable role in assisting Board and Committee members perform their responsibilities and in providing additional voluntary resources and links to their organisations.

Board Members (as at 10 September 2011)



1. Keith Wedlock, **Deputy President**, New Zealand
2. In Ki Joo, **President**
3. Brian Blood, **Chief Executive**
4. Muhammad Farhad Hussain, *Bangladesh*
5. Ramaswamy Ganapathy, *India*
6. Gen Ikegami, *Japan*
7. Saqib Masood, *Pakistan*
8. Liang Liqun, *China*
9. Jackie Poirier, *Canada*
10. Geoff Applebee, *Australia*
11. Sujeewa Mudalige, *Sri Lanka*
12. Hak-Soo Kim, *Korea*
13. Christina Foo, *Malaysia*

Strategy Committee Members (as at 10 September 2011)

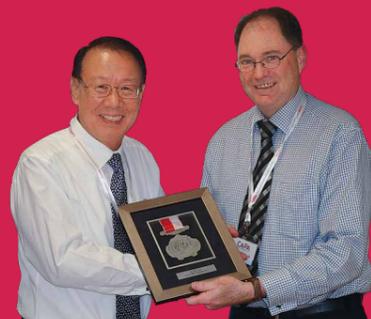
From left to right :
Christina Foo, *Malaysia*
Gen Ikegami, *Japan*
In Ki Joo, **President**
Keith Wedlock, **Chair, Deputy President**
Geoff Applebee, *Australia*



Governance & Audit Committee Members (as at 10 September 2011)



From left to right :
Manuel M. Pascual, **Chair**, *Philippines*
Jackie Poirier, *Canada*
Muhammad Farhad Hussain, *Bangladesh*



In Ki (left) receiving a token of appreciation for his service as CAPA President from Keith Wedlock (right), CAPA Deputy President.



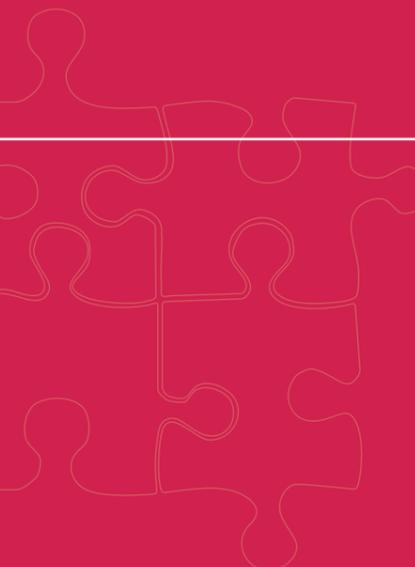
In Ki presenting the 'President's Badge' to Keith as he takes over the helm as the next CAPA President.



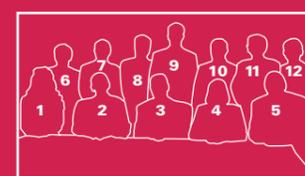
Sujeewa Mudalige addressing Members during the election of Deputy President.

CAPA held its Assembly of Delegates on 10 September 2011 where the election of a new Board of Directors took place.

The In-coming Board meeting that followed witnessed the handover of presidency from the Out-going President, In Ki Joo to Deputy President, Keith Wedlock. The election of a new Deputy President followed, and Sujeewa Mudalige from CA Sri Lanka was subsequently elected.



Board Members (from 11 September 2011 onwards)



The new President and Board, consisting of eleven directors including the Deputy President, are :

- | | |
|---|--------------------------------------|
| 1. Liang Jing, <i>China</i> | 7. Ramaswamy Ganapathy, <i>India</i> |
| 2. Sujeewa Mudalige, Deputy President , <i>Sri Lanka</i> | 8. Gill Cox, <i>New Zealand</i> |
| 3. Keith Wedlock, President | 9. Gordon Cherry, <i>USA</i> |
| 4. Jackie Poirier, <i>Canada</i> | 10. Saqib Masood, <i>Pakistan</i> |
| 5. Geoff Applebee, <i>Australia</i> | 11. Gen Ikegami, <i>Japan</i> |
| 6. Anwaruddin Chowdhury, <i>Bangladesh</i> | 12. Hak-Soo Kim, <i>Korea</i> |

CAPA PRESIDENTS

Gordon M. Macwhinnie*, *Hong Kong*
September 1976 – October 1979

Eduardo M. Villanueva*, *Philippines*
October 1979 – November 1983

Niladri K. Bose*, *India*
November 1983 – May 1985

John O. Miller, *Australia*
May 1985 – November 1986

Hiroshi Kawakita, *Japan*
November 1986 – May 1988

Rex A. Anderson*, *New Zealand*
May 1988 – September 1989

Taesik Suh, *Korea*
September 1989 – October 1991

William Mercer, *Canada*
October 1991 – September 1993

Douglas C. Oxley, *Hong Kong*
September 1993 – April 1995

Soon Kwai Choy, *Malaysia*
April 1995 – October 1996

Robert J. C. Jeffery, *Australia*
October 1996 – October 1998

Carlos R. Alindada, *Philippines*
October 1998 – November 2000

Ranel T. Wijesinha, *Sri Lanka*
November 2000 – April 2002

Li Yong, *China*
April 2002 – October 2003

Robin Hamilton Harding, *Canada*
October 2003 – November 2005

Shozo Yamazaki, *Japan*
November 2005 – October 2007

Kamlesh S. Vikamsey, *India*
October 2007 – October 2009

In Ki Joo, *Korea*
October 2009 – September 2011

* deceased



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<http://www.capa.com.my>