

SIXTY 1957-2017
YEARS
of Inspiring the Profession



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MESSAGE from the PRESIDENT

This has been a very exciting and special year as it marked the sixtieth year of CAPA's existence. We set out a number of important initiatives to undertake, including events to celebrate CAPA's 60th anniversary. It was an ambitious plan for the year, but I am glad that we took the challenge and forged ahead to achieve all that we set out to do.

In the process of planning for the 60th anniversary celebration, I came to understand that turning 60 years old is considered a significant event in many Asian cultures. In the Chinese culture, for example, when each of the 12 animal zodiac signs that represents a year coincides with each of the 5 elements of nature, a person is considered to have completed a full cycle in life. In looking at our history and where we are today, it may well be that CAPA has just completed its first life-cycle.

During the many years that I have been involved with CAPA, I have seen it grow and progress as an organisation. CAPA has certainly matured over the years and today has a clear strategic focus and direction that it wants to take. In relation to this, I am particularly pleased to note the two working committees established over recent years, the PAODC and the PSFMC. Developing professional accountancy organisations and improving public sector financial management will remain very important roles for CAPA to play in strengthening the global profession and global economies, and as such I am proud of the work produced by both committees.

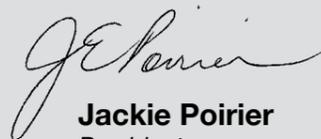
Much of CAPA's success and stability is closely related to the people behind the organisation – individuals representing our member bodies on the Board and committees, and the Secretariat that manages the day-to-day tasks – people with the passion and determination to contribute their time and energy to lead CAPA to where it stands today. This has always been very visible to me, but perhaps even more so after having read CAPA's first commemorative book, carefully pieced together from decades of historical information and archived materials. It is remarkable to see how CAPA has provided the platform for individuals from diverse cultures and background to work together towards a common goal. I am truly inspired by the spirit of collaboration that CAPA has created amongst its member bodies and stakeholders, and I hope that CAPA will continue to provide the means for this great collaboration for the next 60 years.

It was with no coincidence that CAPA's 60th anniversary event was themed 'Celebrating the Past, Inspiring the Future'. The world today is very different from the world when CAPA was first conceived, including changes arising from shifting economic strengths and advances



in technology. Computerisation, free-trade, globalisation, outsourcing and digitalisation have all had a major impact. Accordingly, the landscape in which the accountancy profession operates has also changed, and will continue to change at a rapid pace. With this in mind, we crafted CAPA's 60th event program to focus on the future of the profession in order to equip accountants with the knowledge to anticipate and be prepared for the challenges ahead. It was pleasing to see the high level of participation from our members and stakeholders at our event, particularly IFAC, other international and regional organisations, the Asian Development Bank and the World Bank. We hope that the event was able to inspire all those involved with the accountancy profession, either directly or indirectly, to strive for excellence and to create a more sustainable future for the profession as a whole.

It has been a privilege to be part of the "CAPA family" (as one past President puts it) and to serve on the various committees and the Board. I am honoured to have led the organisation as the first female President, though I have no doubt CAPA will have many more female leaders in the years to come. It has been a truly enriching experience and I have grown tremendously as a professional accountant. I reflected on many things along my 10-year journey working with CAPA and learned that it is the exceptional people who make CAPA the strong organisation that it is today. I take this opportunity to thank our member organisations, the Board, and the dedicated Chief Executive and Secretariat for their support and encouragement during my time with CAPA. And lastly, I am very fortunate to have been part of CAPA's diamond jubilee celebration – what a brilliant way to end my term as President!


Jackie Poirier
President

MESSAGE from the CHIEF EXECUTIVE

We entered 2017 knowing that it would be a busy and challenging year given that we would commemorate CAPA's 60th anniversary as well as stage our usual meetings and outreach visits, publish and disseminate new thought leadership, liaise with our many stakeholders, and continue to maintain and improve the management of the organisation. Perhaps what we did not know is just how fulfilling a year it would turn out to be.

The year commenced with a PSFMC outreach meeting in Manila, hosted by the Philippine Institute of Certified Public Accountants (PICPA). The idea to establish CAPA was conceived when a number of accounting bodies in the region first came together at a conference held in Manila in 1957. Hence, what better way to kick off the year and our 60th anniversary celebrations than to pay tribute to PICPA, one of our founder members, and its past President who had the foresight and determination to establish a regional organisation for the accountancy profession in Asia Pacific.

Whilst in Manila, we also visited the office of the Asian Development Bank (ADB) and held discussions with ADB representatives to explore ideas for future collaboration. Such visits are an opportunity for CAPA to strengthen its relationship with key development partners. Discussions also concentrated on a project underway regarding Quality Assurance (QA) for Audit, funded by the ADB and facilitated by CAPA. This prompted us to stage a seminar to launch and disseminate the 'QA for Audit Good Practice Guide' prepared as part of the project. It was pleasing to see the high level of interest in this topic.

We continued strengthening relationships with other stakeholders – including IFAC and its committees, the MOSAIC Steering Committee and PASAI – and established new ones, such as with IFIAR and the World Bank's CFRR. Engagement with stakeholders provides an avenue for CAPA to widely share our knowledge and resources, and at the same time allows us to keep abreast of other activities happening in the profession regionally and globally.

Assisting and developing professional accountancy organisations (PAOs) is one of the primary reasons for CAPA's existence. It is one way that we deliver value to our members, the PAOs. In 2017 we were proud to initiate and host a 'collaboration forum' for our members based in the Pacific islands. This forum stemmed from discussions during an outreach meeting in Fiji and aimed to assist the PAOs to develop a proposal for regional collaboration. We hope this forum



inspires the PAOs to continue working together for solutions to assist their members and to develop the profession in their countries.

Internally, we were occupied with a few projects necessary to ensure that CAPA functions efficiently well into the future. The Articles of Association were updated to comply with new company regulatory requirements; a new website compatible with the latest technologies was launched; and a value proposition statement was established to explain how we deliver on our vision, mission and objectives.

Perhaps the most inspiring project was producing CAPA's first commemorative book as part of the 60th anniversary activities. This is the first time that CAPA has formally recorded and published its history. Researching and compiling the information to write the book was a challenging task. Whilst we had retained many historical materials our archives were not always complete, and we thank our many members who searched deep into their own archives to contribute additional materials. Producing this book has been an enlightening exercise for all of us, and those involved in CAPA today have a much greater understanding and appreciation of the contributions of many individuals and organisations in the past who worked hard to initiate and maintain CAPA.

In closing, I would like to thank the President and Board for their counsel and guidance, as well as the chairs of committees and the many representatives from our members who actively participated in our projects. Your contribution is what makes CAPA strong and successful. Whilst I bid a few of you farewell, I look forward to continue working with all others next year.


Brian Blood
Chief Executive

Strategic Initiatives

- The Public Sector Financial Management Committee (PSFMC) met in Manila, the Philippines, in March for an outreach meeting. Whilst in Manila, PSFMC members participated in the public sector session of an International Conference organised by the Philippine Institute of Certified Public Accountants (PICPA). CAPA's publication, *'Attracting & Retaining Finance Personnel in the Public Sector'*, was referred to at the forum.
- Whilst in the Philippines, CAPA leadership and PSMFC attendees engaged with several officials from the Asian Development Bank (ADB) at their headquarters in Manila. CAPA briefed the ADB on its key focus areas and latest initiatives, whilst the ADB shared latest updates on the progress of the funding program for strengthening financial management in Asia Pacific. We also discussed items of mutual interest and ideas for collaboration.
- During the year, a consultant liaised with CAPA members to conclude responses to a public sector accountancy survey aimed at establishing the profession's focus on the public sector. The survey responses, and the conclusions and suggestions arising, will be published in 2018.
- The first Board Meeting of the year was held in May in Beijing, China, hosted by the Chinese Institute of Certified Public Accountants (CICPA). At the Members Meeting, held in conjunction with the Board Meeting, attendees participated in a wide ranging discussion focused on raising the profile of accountancy in their countries.
- The PAO Development Committee (PAODC) met in Nadi, Fiji, in August for an outreach meeting at which members from the Pacific islands (Fiji, Papua New Guinea, Samoa and Solomon Islands) presented an update on their self-assessment using the Maturity Model. The four PAOs had undertaken self-assessments in previous years.
- During the year, work continued on producing publications forming a "Guidance Series" to support CAPA's *'Maturity Model for the Development of Professional Accountancy Organisations'* publication, and completed the *'Investigation & Discipline'* (I&D) guide.
- Completed during the year was Phase 1 of a capacity-building project focused on Quality Assurance (QA) for Audit funded by the Asian Development Bank. The consultants from ICAEW completed QA for Audit roadmaps for four PAOs from Cambodia, Myanmar, Nepal and Samoa. A *'QA for Audit Good Practice Guide'* (GPG) was produced. The GPG, which is also part of CAPA's Maturity Model Guidance Series, is now available to all PAOs and stakeholders around the world. Phase 2 of the project was initiated during the year to support implementation of the roadmaps.
- CAPA also assisted, supported and contributed to the meetings of IFAC's PAO Development Committee and the IFAC/Donors Steering Committee for the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MOSAIC).
- In mid-July, the Chief Executive participated and presented at the IFAC Compliance Advisory Panel (CAP) meeting and SMO workshop in Hanoi, Vietnam. This involved sharing CAPA's initiatives and various publications including *'Attracting & Retaining Finance Personnel in the Public Sector'*, *'Maturity Model for the Development of Professional Accountancy Organisations'*, and the *'Quality Assurance for Audit Good Practice Guide'*.
- In late July, the Chief Executive participated in a workshop jointly organised by the World Bank's Centre for Financial Reporting Reform (CFRR) and the ASEAN Audit Regulators Group (AARG) in Bangkok, Thailand. CAPA was invited to share its involvement in the Quality Assurance for Audit project funded by the ADB and discuss the Maturity Model initiative.
- During the year, a consultant liaised with CAPA members to conclude responses to a survey aimed at establishing the profession's focus on accounting technicians. A report will be published in 2018 to increase the general understanding around accounting technicians and the opportunities it may afford professional accountancy organisations.
- CAPA continued to build its relationship with supreme audit institutions in the Pacific and participated in the congress of the Pacific Association of Supreme Audit Institutions (PASAI) in August in Funafuti, Tuvalu. The Chief Executive presented CAPA's *'Attracting & Retaining Finance Personnel in the Public Sector'* publication and met with the PASAI leadership to explore opportunities for collaboration.

Operational Achievements

- The second Board and Members Meetings of the year were held in November in Kuala Lumpur, Malaysia, and some activities aligned to this meeting included:
 - A Pacific Collaboration Forum for our members from the Pacific islands where approximately 15 delegates participated, consisting of representatives from each of the Pacific island PAOs (FIA, SIA, ISIA and CPA PNG), the Australian and New Zealand PAOs (IPA, CPA Australia and CA ANZ), CPA Canada, and the Asian Development Bank.
 - A PSFMC meeting at which Ian Carruthers, Chair of IPSAS Board, discussed IPSASB's strategy and work plan, the International Public Sector Financial Accountability Index, and CIPFA's Whole Systems Approach. Anouj Mehta, Principal Financial Management Specialist of ADB, discussed the bank's regional financial assistance program for strengthening public financial management in Asia Pacific.
 - A seminar on Quality Assurance (QA) for Audit which attracted over 70 participants from more than 25 countries. This invitation-only event was jointly organised with ADB and ICAEW, and also included a formal launch of the *'QA for Audit Good Practice Guide'* (GPG).
 - Our 60th anniversary event, themed 'Celebrating the Past, Inspiring the Future', which featured a full-day forum focused on the future of reporting and the future of the profession. It was attended by over 130 participants, representing CAPA members, other professional accountancy organisations within the region, development partners such as ADB and the World Bank, and various regional and international stakeholders such as IFAC, PAFA, IIRC, and IFIAR.
- In conjunction with the 60th anniversary celebration, we published and launched our first-ever commemorative book documenting CAPA's 60-year history.
- Members and the Board gathered for meetings in:
 - Beijing, China – 47 attendees
 - Kuala Lumpur, Malaysia – 62 attendees
- Representatives and technical advisors gathered for the following committee outreach meetings:
 - PSFM Committee: Manila, Philippines – 17 attendees
 - PAO Development Committee: Nadi, Fiji – 25 attendees
- Our last meeting of the year in Kuala Lumpur, Malaysia, marked the end of the 2-year term of the current leadership. A new President and Deputy President were elected – Manoj Fadnis from the Institute of Chartered Accountants of India was elected President, whilst Dr. Chen Yugui from the Chinese Institute of Certified Public Accountants was elected Deputy President.
- We achieved a better-than-budget financial result whilst undertaking a number of Board-approved, but unplanned activities.
- A revision of the company's Articles of Association to comply with a new Hong Kong Companies Ordinance was completed.
- A "value proposition" for CAPA was established.

VALUE PROPOSITION

The Power of CAPA

CAPA provides a unique regional platform, created by an inclusive community of committed professional accountancy organisations in Asia Pacific.

Members and other stakeholders gain a trusted partner, capable of collaborating efficiently and effectively to achieve mutual goals.

A Trusted Intermediary

CAPA has a reputation built on credibility, reliability, objectivity and impartiality.

Stakeholders value, and members prosper from, these characteristics.

Members gain one or more of the following benefits:

Development Support

through facilitation and sharing of knowledge and experience

Increased Status

by leveraging the trusted brand, reputation and influence of CAPA and its members

Enhanced Voice

when advocating on national and regional matters

Extended Reach

with CAPA linking and convening stakeholders, experts and decision-makers

Relationship Network

collaborating with fellow PAOs and other stakeholders on matters of mutual interest

Gains arise from the synergistic benefits of a broad array of cultures, histories and experiences.

60 Years of Inspiring the Profession

As we move further into the 21st century, considerations of “sustainability” seem to abound – whether we are talking about the planet, resources or organisations. Oftentimes it may feel that the word is overused.

In respect to organisations, the accountancy profession is promoting integrated reporting, and more importantly integrated thinking, as a means of providing information to assess or report on sustainability related considerations. Significant intellectual thought is being directed at understanding what makes an organisation strong and sustainable.

Over recent decades, organisations have waxed and waned, evidenced for example by the changing list of top global or national companies. The challenges today for an organisation to sustain itself over many years are considerable and increasing, pushed along by advances in technology and opportunities for ‘disruption’. Against this background, it is interesting to look at CAPA – an organisation that was conceived in 1957, has operated continuously since, and seems as relevant today as it was then. But will it survive in the future?

2017 marked the 60th anniversary of CAPA, an organisation whose origin is traced back to the First Far East Conference of Accountants held in Manila, the Philippines, in 1957. Sixty years is considered a significant milestone in many Asian cultures as it marks one full cycle of life. This derives from the overlay of the Chinese calendar based on 12 animal zodiac signs, each representing one year, and the 5 elements of nature – metal, fire, water, earth and wood.

Accordingly, CAPA celebrated the anniversary, culminating in a series of activities held in Kuala Lumpur, Malaysia, on 10 November, which also happened to be ‘International Accountants Day’ – the day in 1494 when a book titled ‘*Summa de Arithmetica, Geometria, Proportioni et Proportionalita*’ (Everything About Arithmetic, Geometry and Proportion) was published in Venice containing an essay on double-entry bookkeeping. The title chosen for the day was ‘Celebrating the Past, Inspiring the Future’, recognising that whilst celebrating past achievements is important, one must not lose sight of the future. Activities held over lunch and dinner provided an opportunity to look at CAPA’s history and achievements, whilst a full-day forum provided an opportunity to see what the next sixty years may hold for the accountancy profession.

Over 130 delegates gathered to commemorate the special occasion. Delegates were leaders and employees representing more than 30 organisations from approximately 25 countries including CAPA member organisations, other professional accountancy organisations within the region, development partners such as the Asian Development Bank (ADB), the World Bank, and various stakeholders from international and regional organisations such as the International Federation of Accountants (IFAC), the Pan Asian Federation of Accountants (PAFA), the International Integrated Reporting Council (IIRC), and the International Forum of Independent Audit Regulators (IFIAR).

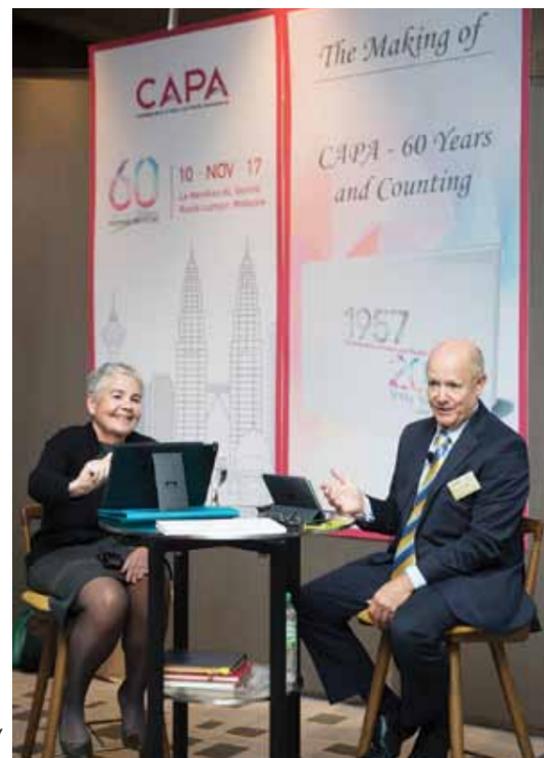
Celebrating the Past ...



Printed materials from CAPA’s archives on display at the book launch.

CAPA published a commemorative book titled ‘CAPA – Sixty Years and Counting’. This is the first time that CAPA’s history has been comprehensively documented.

A special “matinee show” was staged to launch the book. The show, hosted by CAPA Chief Executive, Brian Blood, featured an interview with the book researcher and writer, Jean Ettridge, a former employee of ICAEW and representative to CAPA. The writer shared her account about working on this rare and unique assignment, as well as some fascinating insights about the organisations associated with CAPA and observations of key events throughout the decades.



Book writer, Jean Ettridge (left), interviewed by the show host, Brian Blood, CAPA Chief Executive (right).



The first commemorative book recording CAPA’s 60-year history.

The book provides a broad sense of the journey that CAPA’s predecessors travelled and the struggles they faced over the years to establish the organisation and to bring its vision to fruition.

The genesis of the organisation is reflective of what was happening more generally in the years post World War II. A number of international organisations were established in these years, including the International Monetary Fund, the United Nations, the forerunner to the European Union, and more closely related to the profession, the International Organisation of Supreme Audit Institutions (INTOSAI). It was a time for working together to rebuild, recover and create economic growth.

The analysis of CAPA’s history led to the (subjective) identification of four distinct periods and certain descriptive titles were given to each period:

1957-1976: The Foundation Years

The early years of CAPA focused on individuals and organisations getting to know each other, building knowledge and trust by sharing ideas and experiences. During those years, periodic conferences provided a platform for the profession across a wide range of countries at very different stages of economic development to share knowledge and ideas. These countries were brought together by their belief in and commitment to the concept of the Asia-Pacific region and, more fundamentally, by a belief that there were many opportunities for the accountancy profession, especially when it demonstrates a clear, ongoing ability to change and improve.

1977- 1992: Regionalisation and Cooperation

The accountancy profession committed to harmonisation, both regional and international, of accounting, auditing and education standards. A formal confederation was formed as it moved far beyond organising the periodic international conferences. The profession in Asia Pacific made a clear statement: it was time to be taken seriously. This meant a constitution, a formal structure and funding, and dedicated staff, as well as dedicated volunteers – indeed, all the elements of a modern professional accountancy organisation. It also meant communication, not only with member bodies, but with development partners and other regional and international organisations. In addition, it meant a programme of research and publications. And finally, it meant branding.

1993-2008: Globalisation and Growth

This period saw CAPA consolidating as an entity and continuing to grow in both its membership and its geography. As the 1990s confidence in growth and globalisation gave way to more sober concerns about the quality of the global financial infrastructure, so was the rationale strengthened for CAPA to focus on development objectives in partnership with the ADB and IFAC. CAPA was truly beginning to show what it could do.

2009-2017: Maturity

CAPA’s sixth decade is viewed as its most productive, having matured as an organisation both in structure and in confidence. The periodic ‘CAPA Conference’ remains a special event in the calendar, however it is all the activities in between that are now defining the organisation. Continuing strong relationships with the ADB and the World Bank are evidenced by CAPA’s facilitation of donor-funded projects and participation in MOSAIC. CAPA continued to work closely with IFAC and fellow regional organisations and to support its member bodies, large and small. It has a clear strategy and a clear focus on the two themes of developing professional accountancy organisations and improving public sector financial management. At the same time, as resources permit, it gets involved in other contemporary matters ranging from accounting technicians to integrated reporting. CAPA is not afraid to experiment, to find different ways of achieving its goals, to reach out to new and important stakeholders and to develop new thinking.

It may be that CAPA has completed its first life-cycle – only history will tell. It is now time to look to the future.



After the matinee show, attendees present their tickets to receive a copy of CAPA’s commemorative book.



Tickets to the matinee show for the book launch.

... Inspiring the Future

CAPA's vision as an entity is to be "an inspirational leader for the accountancy profession in Asia Pacific". Accordingly, looking forward is a continuous important element of our work. With the landscape surrounding the profession changing at a rapid pace it is vitally important for every stakeholder, whether directly or indirectly involved in the profession, to anticipate and be well-prepared to face challenges that come with the changes.

Two key sessions during the day were therefore dedicated to "inspiring the future". Both sessions featured a diverse range of speakers from PAOs, international and regional organisations, public-listed companies, large accounting firms and public sector entities.

The first session discussed **the future of reporting** with a special focus on integrated reporting. Fundamental reform has been called for in recent years to improve the relevance of information and the needs of stakeholders as they take investment and other decisions regarding organisations. Annual reports and audit reports continue to undergo change to meet these challenges, with implications for the accountants and auditors that prepare and review. The session explored the latest thinking, the latest developments and also the ensuing challenges.



Speakers from the first session (left to right): Jeff Hughes, COO Member Services, CPA Australia; Michael Nugent, Technical Director, IIRC; Tashia Batstone, Senior VP External Relations & Business Development, CPA Canada; Datuk Zaiton Mohd. Hassan, Independent Director, Malaysia; Manoj Fadnis, CAPA incoming President and chair of session.

The second session discussed **the future of the profession** touching on a variety of topics currently impacting and forecasted to further impact the accountancy profession. The topics included:

- attracting and retaining talent
- the increasing focus on ethics
- anticipated approaches to education and learning
- the impact of digitalisation and the advent of artificial intelligence
- taxation frameworks in a global economy
- professionalising the public sector

CAPA, its members, and other stakeholders have been left with much to consider as they go forward for the next 60 years.



Olivier Boutellis-Taft, CEO of Accountancy Europe, contributed to the first session via a video presentation.

Down Memory Lane with Past Presidents



The talk show featuring some of CAPA's past Presidents (left to right): Brian Blood, CAPA Chief Executive and show host; Keith Wedlock; Dr. In Ki Joo; Kamlesh Vikamsey; Ranel Wijesinha; Soon Kwai Choy; and Taesik Suh.

Celebrations continued well into the evening with a reception and gala dinner. During dinner, a special session featuring six of CAPA's past Presidents – Taesik Suh (KICPA, Korea), Soon Kwai Choy (MIA, Malaysia), Ranel Wijesinha (CA Sri Lanka), Kamlesh Vikamsey (ICAI, India), Dr. In Ki Joo (KICPA, Korea) and Keith Wedlock (CA ANZ, New Zealand) – took attendees on a trip down memory lane. The "talk show" style session hosted by the CAPA Chief Executive had the past Presidents engaged in a light and fun conversation reminiscing over significant and memorable experiences during their years involved with CAPA.

The evening concluded with a special performance to mark the 60th anniversary, which is also known as a diamond jubilee. The performance was a showcase of "beauty, strength, power and passion" – characteristics commonly associated with a diamond gemstone – and accompanied by a birthday message to CAPA to "stay strong and shine bright like a diamond well into the future".

The 60th anniversary commemorative book and materials from the event are available on the CAPA website (<http://www.capa.com.my>).



(Left to right) Manoj Fadnis, incoming President, Jackie Poirier, outgoing President and Dr. Chen Yugui, Deputy President, blowing out candles on the birthday cake on behalf of CAPA.



The diamond-themed performance was interpreted through pole art, a form of fitness that requires strength, endurance and disciplined practise. Pole sport has now developed to the stage whereby it is being considered for the Olympics.



Speakers from the second session (left to right): Charles Tilley, Executive Chairman, CGMA Research Foundation; Rachel Grimes, IFAC President; Dani Michaux, Executive Director IT Advisory, KPMG Malaysia; Dr. In Ki Joo, IFAC Deputy President; Ian Carruthers, Chair, IPSAS Board & Chair, CIPFA Standards; Helen Brand, CEO, ACCA; Nick Parker, President, ICAEW; Jackie Poirier, CAPA outgoing President and chair of session.

Welcoming New Leaders

The 60th occasion also coincided with a change of leadership when CAPA elected a new President and Deputy President at its Board Meeting held the day before. Attendees witnessed the passing of office badge from the outgoing President, Jackie Poirier (CPA Canada), to the incoming President, Manoj Fadnis (ICAI, India), and also welcomed the newly elected Deputy President, Dr. Chen Yugui (CICPA, China).



Jackie Poirier, CAPA outgoing President, handing over the President's badge to Manoj Fadnis, CAPA incoming President.



Manoj Fadnis presenting a framed President's badge to Jackie Poirier as a token of appreciation from CAPA.

Developing the Profession

Recognising the vital role that accountants play in establishing confidence in all economies, CAPA continues to work with key stakeholders in the accountancy profession and the donor community to develop and promote the value of professional accountants across the region. As the Regional Organisation (RO) for Asia Pacific, CAPA is well placed to assume this role and to undertake certain related activities because ROs such as CAPA offer proximity and cultural understanding, and reflect the mutual interest of their members. This is done through various initiatives, including:

- Working continuously with development agencies to explore opportunities for capacity building within the profession in the region.
- Working with the global profession, through interaction with the International Federation of Accountants (IFAC), to identify ways to further develop professional accountancy organisations (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.
- Developing practical guidance and tools based on the needs of member PAOs.

CAPA's Professional Accountancy Organisation Development Committee (PAODC) leads the above initiatives.

OBJECTIVES OF THE PAO DEVELOPMENT COMMITTEE

- Facilitate relationships and activities that contribute to the development of PAOs in the region
- Identify and support development of relationships and partnerships with key stakeholders, particularly development agencies – globally, regionally and in-country
- Identify and prioritise key regional and country-specific needs and develop strategies and plans to address those needs
- Identify and share relevant knowledge, tools and guidance to assist in the development of PAOs
- Coordinate CAPA activities with any relevant activities of IFAC's PAO Development Committee
- If requested by a PAO, provide assistance to that PAO to both obtain IFAC membership and access partnering or mentoring support
- Advocate to IFAC on PAO development matters that the global profession should address

PAO Development Committee Members



Sitting, left to right:

1. Shigeaki Kobayashi, JICPA, Japan
2. Prakash Lamsal, ICAN, Nepal
3. Andrew Conway, **Chair**, IPA Australia
4. Devaraja Reddy, ICAI, India
5. Lyle Handfield, CPA Canada

Standing, left to right:

6. Jim Knafo, AICPA, USA
7. Tishanga Kumarasinghe, AAT Sri Lanka
8. Low Weng Keong, CPA Australia
9. Yang Chenhui, CICPA, China
10. Yeung-Kyun Ahn, KICPA, Korea

Outreach Visit to Fiji – Maturity Model Workshops

CAPA's PAO Development Committee (PAODC) held an outreach visit to Nadi, Fiji, in mid-August hosted by the Fiji Institute of Accountants (FIA). Approximately 25 individuals participated, including PAODC members, representatives from the Pacific island PAOs, the Asian Development Bank and the World Bank.

The main activity during the visit was a full-day workshop using CAPA's publication titled 'Maturity Model for the Development of Professional Accountancy Organisations'. Pacific island members from Fiji, Papua New Guinea, Samoa and the Solomon Islands participated in the workshop and presented updates on the self-assessments previously undertaken in 2013 and 2015. PAODC members and other attendees provided constructive input and comments, with a view to identifying possible development and improvement opportunities.

Discussions assisted the PAOs in considering strategies and developing action plans for their organisation going forward. The workshops highlighted the significant value of discussions using the Maturity Model and how this provides an opportunity to address common challenges, share ideas and good practices, and explore the concept of pragmatic action plans. It also led directly to the creation of the 'Pacific Collaboration Forum'.



Attendees of the outreach visit in Fiji included representatives of development partners and PAOs from the Pacific islands.



Attendees break into smaller groups to review and discuss the Maturity Model assessments.

Donor Supported Projects

The 'Quality Assurance for Audit' project funded by the Asian Development Bank (ADB) and facilitated by CAPA was completed during the year. As a result of the successful manner in which the project was undertaken, and realising that further work would be vital, the ADB initiated a second phase later in the year. This project brings direct benefits to various countries, whilst providing materials that can be accessed by professional accountancy organisations (PAOs) around the world.

The first phase of this project included creating roadmaps for PAOs to establish a quality assurance for audit program and to publish a "good practice guide". The ADB had engaged consultants from ICAEW (the Institute of Chartered Accountants in England and Wales), and they were retained to continue working on the second phase – to implement the roadmaps for the four recipient PAOs.

QUALITY ASSURANCE FOR AUDIT

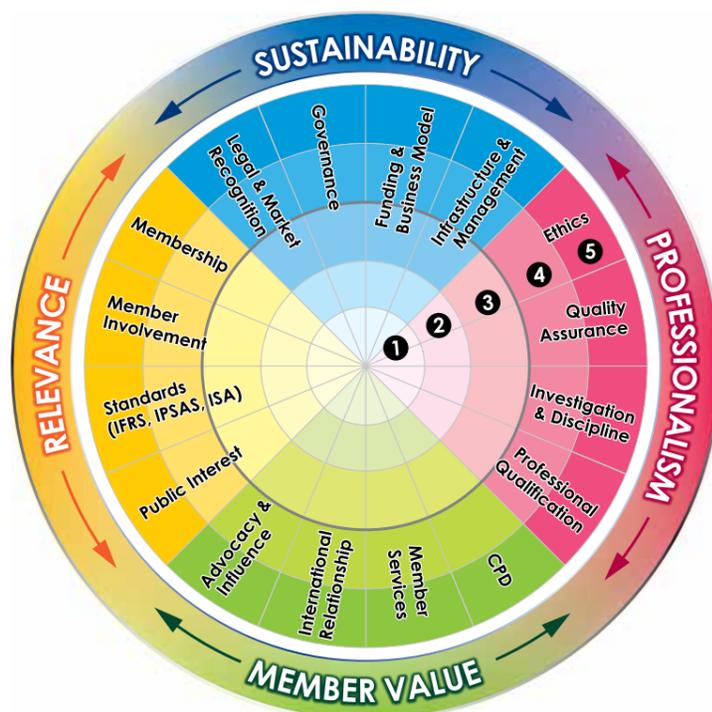
Development Partner	<ul style="list-style-type: none"> • Asian Development Bank (ADB)
Recipient PAOs	<ul style="list-style-type: none"> • Kampuchea Institute of Certified Public Accountants and Auditors (Cambodia) • Myanmar Institute of Certified Public Accountants • Institute of Chartered Accountants of Nepal • Samoa Institute of Accountants
Objective	<ul style="list-style-type: none"> • Aims to introduce or enhance audit quality assurance systems administered by or in association with PAOs
Duration	<ul style="list-style-type: none"> • 2015 – 2017 (Phase 1) • 2017 – 2019 (Phase 2)
Outputs	<p><u>Phase 1</u></p> <ul style="list-style-type: none"> • Roadmap to strengthen quality assurance for audit in 4 countries • Good Practice Guide <p><u>Phase 2</u></p> <ul style="list-style-type: none"> • Implementation of roadmaps in 4 countries

Maturity Model – Guidance Series

CAPA's Maturity Model was designed to assist in the development of professional accountancy organisations (PAOs) irrespective of their current stage of advancement. Launched in 2014, it provides a roadmap for organisational growth based on the measurement and improvement of practices and processes.

The Maturity Model comprises sixteen key success areas (KSAs) across four broad characteristics of sustainability, relevance, professionalism and member value. Detailed materials are now being developed to support the sixteen KSAs, and these materials will ultimately form a complete "Guidance Series". The first publication in the series focusing on continuing professional development (CPD) was launched in mid-2016.

Two new guides were produced this year, focusing on 'Quality Assurance for Audit' and 'Investigation & Discipline'. Other guides are in progress and will focus on funding and business model matters as well as governance considerations.



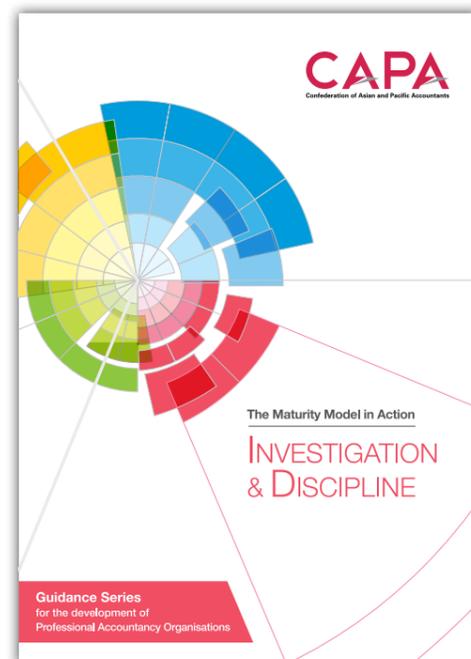
Investigation & Discipline Guide

CAPA completed a guide during the year, focused on investigation and discipline matters. A trusted investigation and discipline (I&D) system is a necessary feature for any PAO in order to encourage and maintain a strong accountancy profession. A credible accounting profession, built on integrity and quality, requires a strong system of I&D in order to appropriately administer consequences to members of the profession who do not behave in an ethical and professional manner.

This **Investigation & Discipline** guide, the third one published under the Maturity Model Guidance Series, provides the "why", "what" and "how" for an I&D system. It explains why a strong commitment to I&D is important, highlights the key components of a robust I&D system that complies with international requirements for good practice, and provides some tools, templates and examples to assist with implementation. A well-designed and implemented I&D system prevents appeals arising from process deficiencies.

Primarily aimed at PAOs without established or mature I&D systems, the guide focuses on practical guidance to achieve the minimum requirements for a working system. However, in order to recognise that any I&D systems will involve ongoing challenges and complexities, and to provide aspirational content, the guide also includes a section on considerations for more advanced systems. The guide is also useful as reference for other authorities with any I&D responsibilities over professional accountants.

The I&D guide was shared with CAPA members and other stakeholders at various meetings throughout the year involving IFAC and development partners.



Visit the CAPA website to access the 'Investigation & Discipline' guide, as well as to learn more about the 'Maturity Model' and other publications under the Maturity Model Guidance Series (www.capa.com.my).

Quality Assurance for Audit – Good Practice Guide

CAPA, together with the Asian Development Bank (ADB) and ICAEW (the Institute of Chartered Accountants in England and Wales), formally launched the 'Quality Assurance for Audit Good Practice Guide' at a seminar held in early November in Kuala Lumpur, Malaysia. This good practice guide (GPG) is an output from the capacity building project funded by the ADB focused on designing, implementing and improving quality assurance (QA) for audit in four countries – Cambodia, Myanmar, Nepal and Samoa. The ICAEW was engaged as consultants to undertake the project, which included developing roadmaps to guide the establishment of QA for audit in these countries and to develop the GPG.

The QA for Audit GPG provides the "why", "what" and "how" of QA for audit systems. It explains why QA for audit matters and provides a detailed breakdown of the four stages identified in the journey towards implementing a QA system for audit. The GPG is designed to be relevant for all those responsible for the regulation of auditing, including policymakers, regulators and professional accountancy organisations (PAOs).

The 'QA for Audit GPG' is the second publication under the Maturity Model Guidance Series.



(Left to right) Brian Blood, CAPA Chief Executive, introducing key speakers at the GPG launch session: Jackie Poirier, CAPA President; Aman Trana, Advisor & Head of Financial Management Unit, ADB; and Anouj Mehta, Principal Financial Management Specialist, ADB.



Bill Palmer, ICAEW consultant, taking attendees through the journey of establishing QA for audit.



(Left to right) ICAEW consultants, Dr. Mark Campbell and Jon Hooper, leading the panel session where representatives from the four recipient PAOs share lessons learned: Prakash Lamsal, ICAN Past President, Nepal; Susana Lалу, SIA President, Samoa; Wan Tin, MICPA Chairman, Myanmar; Taing Youk Fong, KICPAA Vice President, Cambodia; Chen Phat, NAC Chief of Regulation & Control, Cambodia.

The half-day seminar, led by consultants from ICAEW, discussed the design and implementation of an effective QA for audit system. QA for audit improves auditing and financial reporting by ensuring that auditors perform to the highest professional and ethical standards. The seminar also included a session involving the four pilot countries discussing challenges around QA for audit and lessons learnt during the development and early implementation phases.

The launch and seminar was attended by close to 70 attendees from more than 25 countries, ranging from leaders and technical experts representing PAOs, international organisations, audit regulators and development partners. Attendees participated actively during the seminar, contributing to very useful and engaging discussions. CAPA is pleased to see great interest around QA for audit and the GPG – an indication that the profession is committed to continually improving audit quality.

CAPA takes this opportunity to express our appreciation to the consultant – ICAEW, a CAPA affiliate member – and the four recipient PAOs for their involvement in this project. The comments and feedback provided by the PAOs during the consultation and design phase of the GPG were extremely useful.

CAPA is also very thankful to the ADB for the opportunity to be a partner in facilitating this project which has a wide regional reach from Asia to the Pacific. This is an important aspect of the project since a regional approach offers a smarter way for development partners to provide assistance to multiple recipients, which is a more efficient use of limited resources, including time. CAPA would like to acknowledge the long association with the ADB that began during the late 1970s, and hopes that this relationship will continue well into the future as we work together to develop and advance the accountancy profession in the region.

Visit the CAPA website to access the 'Maturity Model' publication and the 'Quality Assurance for Audit Good Practice Guide' (www.capa.com.my). An introductory video about these items is also available on the website.

Exploring Opportunities for PAO Development

One of the ways for CAPA to keep abreast of capacity building activities, share thought leadership and explore opportunities is by staying engaged with the global profession and development agencies. Over the last few years, CAPA has been actively participating in meetings of the PAO Development Committee of the International Federation of Accountants (IFAC) and the Steering Committee meetings of MOSAIC (Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration). CAPA had the opportunity to again participate in the MOSAIC meeting as well as a few other IFAC related meetings during the year. These meetings are an opportunity to advance CAPA's strategy of strengthening relationships with development agencies and IFAC. Such engagement continues to be valuable and important for CAPA's strategies to bring about collaboration opportunities for the future.



IFAC PAODC and MOSAIC Meetings

The annual meeting of the MOSAIC Steering Committee, which was held alongside the IFAC PAO Development Committee (PAODC) meeting, occurred in mid-October in New York, USA. Apart from the normal meetings, MOSAIC staged a forum to understand the role that PAOs can play in economic development and to convey the message that PAOs are important, and hence PAO development is vital.

CAPA Chief Executive participated in a panel that discussed supporting capacity building within the accountancy profession and was able to provide an update on the completion of the Quality Assurance (QA) for Audit project. The key focus was to share CAPA's experience in working with development partners on projects and to share lessons learnt, success factors and challenges. It was also an opportunity to highlight CAPA's 'Maturity Model' publication and the supporting guides, notably the 'QA for Audit Good Practice Guide' and the 'Investigation & Discipline' guide.

AARG Meeting & CFRR Workshop

The Centre for Financial Reporting Reform (CFRR) at the World Bank and the ASEAN Audit Regulators Group (AARG) jointly organised a workshop in late July in Bangkok, Thailand, to discuss and promote audit oversight and quality assurance systems with prospective AARG members from developing countries. CAPA was invited to participate in the workshop to share our involvement in the Quality Assurance for Audit project funded by the Asian Development Bank. CAPA Chief Executive also discussed the 'Maturity Model' publication.

The Chief Executive was also invited to observe part of the AARG meeting and had the opportunity to meet members of the AARG whom were represented by individuals from accounting and audit regulators, standard setters, major firms and development agencies. Representatives of most professional accountancy organisations from the ASEAN countries also attended. Both events were useful to gain an understanding about countries that CAPA is less involved with and provided an opportunity to build new relationships.

IFAC CAP Meeting & SMO Workshop

In mid-July, the IFAC Compliance Advisory Panel (CAP) met in Hanoi, Vietnam, and CAPA was invited to present on its activities. The Chief Executive covered a number of topics during the presentation including CAPA's membership, mission, vision, key focus areas and activities such as the CAPA Conference, FRED Forums, PAO development and public sector related outreach activities, and various publications.



Speakers for one of the panel sessions at the SMO Workshop (left to right): Joseph Bryson, IFAC Deputy Director, Quality & Development; Arjuna Herath, IFAC PAODC Chair; Brian Blood, CAPA Chief Executive; Chris Fabling, Senior Financial Management Specialist, World Bank; Srinivasan Janardanam, Principal Financial Management Specialist, ADB; Gerard Ee, ISCA President.

CAPA was also invited to participate in the SMO (Statements of Membership Obligation) workshop held aligned to the CAP meeting. The Chief Executive shared CAPA's publications, in particular the Maturity Model and the associated guides under the Maturity Model Guidance Series. Specific attention was drawn towards the newly published 'Quality Assurance for Audit Good Practice Guide' and the 'Attracting & Retaining Finance Personnel in the Public Sector' publications. The workshop was an excellent opportunity to showcase CAPA's work which was very relevant to the agenda topics. Both the CAP meeting and SMO workshop were hosted by CAPA member, the Vietnam Association of Certified Public Accountants (VACPA).



Brian Blood, CAPA Chief Executive (2nd from right) introducing CAPA's work in the areas of PAO development and public sector.

Pacific Collaboration Forum

CAPA member organisations from the Pacific islands (Fiji, Papua New Guinea, Samoa and Solomon Islands) gathered in Kuala Lumpur, Malaysia, in November for a dialogue on developing a regional proposal for collaboration. The aim of the forum was to discuss how PAOs in the Pacific islands can collaborate to form strategies to effectively develop their organisations and address issues that impact the profession in their countries, given their limited resources and capacity.

CAPA was pleased to acknowledge the commitment displayed by the Pacific island PAOs during the forum and commended their immediate decision to hold extended discussions, without others present, to drive the project, formulate initiatives and take ownership. It was also pleasing to note that the group secured a dialogue with the President of IFAC to explore prospects for support.

This forum was a key outcome arising from the PAODC's outreach visit to Fiji earlier in August. Close to 15 delegates consisting of representatives from each of the Pacific island PAOs (FIA, CPA PNG, SIA and ISIA), the Australian and New Zealand PAOs (IPA, CPA Australia and CA ANZ), CPA Canada, and the Asian Development Bank (ADB) attended the forum, with the CAPA Secretariat facilitating discussions.

CAPA was grateful to other member PAOs and the ADB for their significant engagement and sharing of information during the forum which was highly valuable and appreciated. CAPA is keen to see increased regional collaboration to promote long-term benefits for members in this area and is continuously working with development partners to explore such opportunities. The intention is for the forum to become a regular event, supported by CAPA and other development partners.

Advancing Public Sector Financial Management

Following the global financial crisis in 2008 and sovereign debt crises around the world over subsequent years, there has been a growing emphasis on improved governmental financial reporting and an increased demand for accountability and transparency. The global accountancy profession has been very active in advocating action to improve public sector accounting.

Perhaps as a result, International Public Sector Accounting Standards (IPSAS) have gained a higher profile in recent times. The standard-setting board for public sector accounting, the IPSAS Board, has reported on the growing momentum in recent years in the adoption of IPSAS around the world. 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 in mid-2011 reflecting our stand and our commitment to improve public sector financial management.

CAPA's Public Sector Financial Management Committee (PSFMC) is closely involved in, and leads all public sector related initiatives.

OBJECTIVES OF THE PUBLIC SECTOR FINANCIAL MANAGEMENT COMMITTEE

- Identify and support the development of relationships with key stakeholders – globally, regionally and in-country
- Promote the importance, value, and benefits of high-quality public sector financial management (PSFM)
- Identify and prioritise regional and country-specific needs with regard to PSFM and develop strategies and plans to address those needs
- Identify and share relevant knowledge and tools and provide guidance to assist in the development of high-quality PSFM, both regionally and in-country
- Promote high-quality internal and external reporting and public sector auditing based on IPSAS, IFRS and ISAs (International Standards on Auditing)
- Advocate to IFAC on PSFM matters that the global profession should address

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 International Financial Reporting Standards (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.

Public Sector Financial Management Committee Members



Sitting, left to right:

1. Gillian Fawcett, CIPFA, United Kingdom
2. Md. Abdur Rahman Khan, ICMA, Bangladesh
3. Manoj Fadnis, Chair, ICAI, India
4. Anwaruddin Chowdhury, ICAB, Bangladesh
5. Richard L. Kuna, CPA Papua New Guinea

Standing, left to right:

6. Nadeem Y. Adil, ICAP, Pakistan
7. Md. Iqbal Ghori, ICMA, Pakistan

Not in photo:

1. Jagath Perera, CA Sri Lanka
2. Ross Campbell, ICAEW, United Kingdom

Knowledge Sharing on Public Sector Across the Region

CAPA was privileged to have public sector experts share their knowledge and experience at a session during the PSFMC meeting held in early November in Kuala Lumpur, Malaysia.

Ian Carruthers, Chair of the International Public Sector Accounting Standards (IPSAS) Board and Chair of CIPFA Standards, delivered three presentations. The first was a presentation about the IPSAS Board's upcoming strategy and work plan. The second presentation was an update on the International Public Sector Financial Accountability Index, a project jointly undertaken by IFAC, CIPFA and the Zurich University of Applied Sciences, and the last presentation focused on CIPFA's Whole Systems Approach.

Anouj Mehta, Principal Financial Management Specialist, from the ADB presented on the bank's recent financial assistance program focusing on strengthening public financial management (PFM) in Asia and the Pacific. The regional technical assistance program produces three outputs being the quality assurance for audit project, PFM systems assessment reports, and a cash based IPSAS e-Learning module.



Ian Carruthers



Anouj Mehta

Supporting Public Sector Accounting in the Philippines



CAPA's PSFMC representatives in the public sector forum (2nd to 6th from left) Gillian Fawcett, CIPFA Head of Governments Faculty and chair of the session; Sumita Shah, ICAEW Regulatory Policy Manager, Public Sector; Anwar Chowdhury, IPSAS Board Consultative Advisory Group Member; Graham Divers, ACCA Director of Public Sector Development; Manoj Fadnis, Chair of CAPA's PSFMC; with (far left) Hon. Joel L. Tan-Torres, the Philippines Board of Accountancy Chairman and (far right) Emmanuel Y. Artiza, General Accountant of the Philippines Securities & Exchange Commission.

In conjunction with an outreach meeting of the Public Sector Financial Management Committee (PSFMC) in late March in Manila, CAPA supported an international conference organised by the Philippine Institute of Certified Public Accountants (PICPA). The conference attracted close to 400 participants, including PICPA members and the Philippine government and regulatory authority officials.

PSFMC members from Bangladesh, India, and United Kingdom participated in the public sector session, which included a stakeholder forum involving representatives from the Philippines' public sector and regulatory bodies. In this session, forum panelists discussed the lack of qualified finance personnel in the public sector and explored approaches to overcoming the challenge. PSFMC representatives shared insights from various countries on how to address the challenges and referred to CAPA's publication, *'Attracting and Retaining Finance Personnel in the Public Sector'*.

The conference covered a variety of other topics aimed at improving and exploring opportunities for the accountancy profession in the Philippines, including a study on the status of accountancy practices in the country, the role of CPAs and SMEs in economic development, Philippine's involvement in the ASEAN Mutual Recognition Agreement, and the Report on the Observance of Standards and Codes (ROSC) in the Philippines. CAPA representatives also participated in a session related to accounting technicians. Delegates participated well by posing relevant questions, and attendees regarded the conference as informative and useful.

This outreach visit was also in conjunction with CAPA's 60th anniversary, recognising PICPA as the founder and host of the very first CAPA Conference that was held in Manila, the Philippines in 1957.



CAPA representatives for the accounting technicians session (3rd & 4th from left): JMUB Jayasekera, AAT Sri Lanka President; Brian Blood, CAPA Chief Executive, with Manoj Fadnis, CAPA Deputy President (5th from left) and PICPA leadership. (1st, 2nd, 6th & 7th from left) Raymundo Talimio Jr., Chair of Conference; Atty. Zenaida Alcantara, Executive Vice President; Ramonito Pernato, President; Maria Teresa Agustin, Vice President and chair of session.



Manoj Fadnis, CAPA Deputy President (right), presenting a token of appreciation to PICPA in conjunction with CAPA's 60th anniversary, received by Ramonito Pernato, PICPA President (left).

Engaging with Development Partners and Other Organisations in the Region

CAPA believes that promoting the importance, value, and benefits of high quality public sector financial management should be a collective effort between the accountancy profession and other stakeholders across local, regional, and international levels. With this in mind, CAPA strives to continually build relationships with relevant stakeholders in order to achieve greater impact in promoting transparency and accountability in the public sector.

Discussions with Asian Development Bank

During the outreach meeting of the PSFMC in late March, CAPA visited the Asian Development Bank (ADB) office, which is headquartered in Manila, the Philippines. A delegation consisting of the Deputy President, Chief Executive and PSFMC meeting attendees met with several officials from the ADB's Financial Management Unit, Office of the Auditor General, and the Urban Development Unit.



Information sharing and briefing session at the ADB office.

ADB officials delivered several presentations including an update on the progress of an ADB funding program for strengthening financial management in Asia Pacific, an "audit without walls" initiative, and utility or municipal financing. In exchange, CAPA briefed the ADB on our key focus areas and latest initiatives including a public sector survey and three publications – *'Attracting and Retaining Finance Personnel in the Public Sector'*, *'Maturity Model for the Development of Professional Accountancy Organisations'*, and *Maturity Model Guidance Series on 'Continuing Professional Development'*.



CAPA and ADB representatives at the outreach visit.

The meeting also provided an opportunity for CAPA and ADB to discuss items of mutual interest and ideas for collaboration.

Government Audit Offices and other organisations of similar nature are referred to as the supreme audit institutions (SAIs) for a country. Accordingly, regional groupings of SAIs represent another key stakeholder for the accountancy profession and in 2014, CAPA began focusing on strengthening its relationship with them. The initiative has seen positive results and CAPA continues to engage with regional and national SAI bodies whenever opportunities arise.

PASAI Congress

CAPA Chief Executive attended the congress of the Pacific Association of Supreme Audit Institutions (PASAI) held in early August in Funafuti, Tuvalu. This was the third time CAPA has participated in PASAI's congress. The Chief Executive was invited to present at the congress and shared CAPA's publication titled *'Attracting and Retaining Finance Personnel in the Public Sector'* as well as other global profession developments including the AccountabilityNow initiative, the

promotion of IPSAS, and the IFAC/CIPFA International Public Sector Financial Accountability Index.

The Chief Executive also met with PASAI leadership to explore opportunities for collaboration. This included discussions on how CAPA member PAOs may be well-placed to provide assistance to SAIs to achieve their objectives in improving public sector financial management.

CAPA Meetings and Events in 2018

CAPA establishes an annual work program aligned to its vision and mission. Our key focus areas – PAO development and the improvement of public sector financial management – will continue into 2018. Our outreach events will continue to focus on these matters.

A project focused on accounting technicians, which arose from a survey issued in 2016, will progress further. CAPA is also planning to publish the findings from the responses of a public sector accounting survey issued in late 2016. Both these activities aim to provide members and other professional accountancy organisations with information and ideas to allow them to pursue initiatives in these areas if they wish. Throughout the year, we will also be involved in the development of the “Guidance Series” to support the *‘Maturity Model for the Development of Professional Accountancy Organisations’* publication.

As a recognised regional organisation, CAPA supports the World Congress of Accountants (WCOA) whenever one is being held. The next WCOA will be held in November in Australia, and as such, CAPA meetings in later part of the year will be held in the same city alongside the event.



Since its inception in 1904, the World Congress of Accountants (WCOA) has been the foremost international event for the accountancy profession. Conducted under the auspices of the International Federation of Accountants (IFAC), it has been held once every five years since 1977 and every four years since 2002. WCOA aims to bring together accountants, finance leaders, policy setters, and business leaders in a world-class event that embraces the future of the accountancy profession and will cover much more than technical accounting topics.

The 20th WCOA, to be held from 5-8 November 2018 in Sydney, Australia, is hosted by the Chartered Accountants Australia and New Zealand (CA ANZ) and CPA Australia, both members of CAPA. WCOA 2018, held against the backdrop of a rapidly changing economic and political landscape, will provide an opportunity for the profession to be part of shaping the future.

Register and attend WCOA 2018 for a chance to engage with visionaries and leaders, and to bring your own expertise to the world stage. For further details visit the WCOA website (wcoa2018.sydney).

Locations of 2018 Meetings and Events

March	May
<p>Location : Yangon, Myanmar</p> <p>Meetings : Committee outreach</p> <p>Events : PAO development activities with key stakeholders, policy makers and development partners</p>	<p>Location : Kathmandu, Nepal</p> <p>Meetings : Members and Board Meetings Committee Meetings Annual General Meeting</p> <p>Events : Advancement of strategies and projects within the 2018 work program</p>
August	November
<p>Location : Hanoi, Vietnam</p> <p>Meetings : Committee outreach</p> <p>Events : Public sector activities with key stakeholders, policy makers, and development partners</p>	<p>Location : Sydney, Australia</p> <p>Meetings : Members and Board Meetings Committee Meetings Extraordinary General Meeting</p> <p>Events : Activities in conjunction with the World Congress of Accountants</p>

Full details of finalised arrangements and the focus of meetings or associated events are maintained on the CAPA website.



What is CAPA

The Confederation of Asian and Pacific Accountants (CAPA) is a regional organisation representing thirty-two national professional accountancy organisations (PAOs) operating in Asia Pacific. These PAOs, referred to as CAPA's members, represent over 1.6 million accountants across the region.

CAPA is one of four regional organisations recognised by the global accountancy profession, which is represented by the International Federation of Accountants (IFAC). The others represent PAOs in Europe, Africa, and the Americas. Of the four regions, Asia Pacific is the largest by geographical spread, as members stretch from Mongolia to New Zealand and from Pakistan to Canada, coming from jurisdictions of greatly varying populations and a wide variety of cultures.

CAPA has a unique role within the accountancy profession, positioned between IFAC and the national PAOs, which represent the profession in each jurisdiction. Accordingly, CAPA is better placed to undertake certain initiatives and activities than either IFAC or the PAOs.



Our History

The idea of CAPA was conceived at the 'First Far East Conference of Accountants' held in 1957 in Manila, the Philippines. It was the first accountancy conference of such magnitude held in the region, where 21 official representatives from 15 jurisdictions participated, with total attendance around 600. This conference has since been identified as the 1st CAPA Conference and it was agreed at the time to stage further conferences. Since then, a CAPA Conference has been held approximately every four years. The 1957 conference also included a proposal to establish a formal federation of accountants.

The second conference, held in 1960 in Canberra and Melbourne, Australia, was named the 'Asian and Pacific Accounting Convention' as more jurisdictions became involved.

At the third conference, held in 1962 in Tokyo and Kyoto, Japan, the grouping was renamed the 'Conference of Asian and Pacific Accountants', the first time the acronym 'CAPA' was used.

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. With this, the organisation was formally renamed the 'Confederation of Asian and Pacific Accountants'.

As at 31 December 2017, CAPA has a membership of 32 accountancy organisations in 23 jurisdictions.

The Role of CAPA

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

While CAPA has limited resources of its own, by harnessing the significant collective resources of our member organisations and by collaborating with these organisations, the mission of CAPA can be effectively and efficiently achieved (see Vision & Mission Statement).

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

Our values underpin the organisation's culture and provide an anchor point and framework to support stakeholders as they work together and make decisions. It is particularly important for an organisation that represents and involves so many PAOs and jurisdictions, each with its distinct culture, to establish a clear identity to which all member organisations can subscribe.

We expect all our stakeholders to share and demonstrate the following values:

- trust
- respect
- cooperation
- inclusiveness
- positive attitude
- excellence
- kaizen, or continuous improvement

During 2017, a value proposition statement was published for the first time, articulating the organisation's "customers" and why a relationship with CAPA is beneficial to them (see page 6).

VISION & MISSION STATEMENT

Vision – for the profession in the region

For the regional accountancy profession to be recognised as essential to strong and sustainable organisations, financial markets and economies

Vision – for CAPA as an organisation

An inspirational leader for the accountancy profession in Asia Pacific

Mission – for CAPA

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

- Contributing to the formation and development of strong and sustainable professional accountancy organisations
- Fostering a cohesive accountancy profession within the region
- Promoting the benefits of high-quality financial and performance management and reporting in the public, not-for-profit and private sectors, including international standards in accounting, audit, ethics and accounting education
- Advocating the value of professional accountants in the region and speaking out on public interest issues

CAPA Member Organisations

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

MEMBER

Definition:

Accountancy organisations that are headquartered in the Asia and Pacific region (as defined by CAPA) and are:

- recognised by law and/or general consensus, including by peers, the public and other stakeholders, as being a national professional accountancy organisation in good standing in the jurisdiction;
- considered to be of high quality and good repute, meeting the quality criteria as established by the Board in CAPA's internal policies.

Australia



CPA Australia
www.cpaaustralia.com.au



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

Australia and New Zealand



Chartered Accountants Australia and New Zealand (CA ANZ)
www.charteredaccountantsanz.com

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



Chartered Professional Accountants of Canada (CPA Canada)
www.cpacanada.ca

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

India



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



The Institute of Cost Accountants of India (ICAI)
www.icmai.in

Japan



The Japanese Institute of Certified Public Accountants (JICPA)
www.hp.jicpa.or.jp/english/index.html

Korea, Republic of



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

Mongolia



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

Nepal



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

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



Certified Practising Accountants Papua New Guinea (CPA PNG)
www.cpapng.org.pg

Philippines



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

Samoa



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

Sri Lanka



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



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



The Institute of Certified Management Accountants of Sri Lanka (CMA SL)
www.cma-srilanka.org

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

Definition:

Accountancy organisations that are headquartered in the Asia and Pacific region (as defined by CAPA) which have an interest in the accountancy profession. Such organisations demonstrate a commitment to, but do not meet all, the Member admission criteria.

D.P.R. of Korea



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

Solomon Islands



Institute of Solomon Islands Accountants (ISIA)

Samara Region, Russian Federation



National Institute of Professional Accountants, Financial Managers and Economists (NIPA)
http://stipb.org/en

AFFILIATE

Definition:

Organisations that have a recognised interest in the accountancy profession in the Asia and Pacific region which are either:

- Professional accountancy organisations (PAOs) headquartered outside the Asia and Pacific region (as defined by CAPA) and member bodies of the International Federation of Accountants; or
- International organisations that are not PAOs

France



Délégation Internationale pour l'audit et la Comptabilité
www.dipacint.com

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

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

United Kingdom



Association of Accounting Technicians (AAT)
www.aat.org.uk

ACCA Think Ahead

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



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



The Chartered Institute of Public Finance and Accountancy (CIPFA)
www.cipfa.org

Governance Arrangements

The ultimate governing body is the Assembly, representing the Members of CAPA. Only the Members (not Associates or Affiliates) may vote at general meetings, which includes changes to Articles of Association, the main governing document, and election of the Board.

A Board of up to twelve Members is elected every four years. Representatives from the organisations of these Members are appointed as Directors. The Directors elect the President and Deputy President from amongst themselves every two years. Once elected, the President becomes an ex-officio member of the Board and a representative from the President's member organisation is added as a Director.

The Board is assisted by a Governance & Audit Committee (GAC). Members of the committee are selected from within the Board, with the exception of the Chair. A Leadership Team, comprising the President, Deputy President and Chief Executive are delegated the authority to take certain decisions involving continuing operations. Roles and responsibilities are set out in Board and GAC charters, and a Leadership Team policy document.

Participation on the two working committees, being the Professional Accountancy Organisation Development Committee (PAODC) and the Public Sector Financial Management Committee (PSFMC), is open to Members, Associates and Affiliates. Consistent with their Terms of Reference, the working committees may provide recommendations to the Board for their consideration.

Meetings

The Assembly meets every four years, at which a new Board is elected. The next Assembly will be in 2019.

General meetings during each year include the Annual General Meeting, at which the financial statements are adopted, and an Extraordinary General Meeting at which member financial contributions are approved for the following year.

The Board meets twice a year, and aligned to this is a 'Members Meeting' where all CAPA member organisations participate, providing an 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. At these Member Meetings, member organisation representatives may be accompanied by technical advisors from the same member organisation. Technical advisors play a very valuable role in assisting representatives to perform their responsibilities and in providing additional voluntary resources and links to their organisations.

The Board meetings, involving Directors only, focus on discharging the legal, compliance and operating requirements of the organisation. Decisions are taken after consulting on matters at the Members Meeting or on advice from the GAC.

The working committees currently hold one outreach meeting annually, at which a range of other events may be held, and also meet aligned with each Members Meeting.

The Board and Members Meetings for 2017 were held in:

- Beijing, China – hosted by the Chinese Institute of Certified Public Accountants
- Kuala Lumpur, Malaysia – organised and staged by the Secretariat

Newly Elected Leadership

At the Kuala Lumpur Board Meeting held on 9 November 2017, CAPA had an election to select a new President and Deputy President. Then current Deputy President, Manoj Fadnis, from the Institute of Chartered Accountants of India was unanimously elected as President for the term November 2017 until the next election in 2019. Dr. Chen Yugui from the Chinese Institute of Certified Public Accountants was elected as Deputy President for the same term.



(Anti-clockwise from right) Manoj Fadnis, Dr. Chen Yugui, Brian Blood, Jackie Poirier.

Governance & Audit Committee Representatives



Left to right:

1. Rakesh Singh
(Chair, non-Board member), India
2. Nadeem Y. Adil, Pakistan
3. Jim Knafo, USA

Board Member Representatives



Sitting, left to right:

1. Prakash Lamsal, Nepal
2. Anwaruddin Chowdhury, Bangladesh
3. Jackie Poirier, **President**
4. Manoj Fadnis, **Deputy President**, India
5. Shinji Someha, Japan

Standing, left to right:

6. Lasantha Wickremasinghe, Sri Lanka
7. Gill Cox, New Zealand
8. Nadeem Y. Adil, Pakistan
9. Low Weng Keong, Australia
10. Lyle Handfield, Canada
11. Yang Chenhui, China (resigned in Oct 2017)
12. Yeong-Kyun Ahn, Korea
13. Jim Knafo, USA

Not in photo: Dr. Chen Yugui, China (appointed in Oct 2017)

Distinguished Contribution Award

CAPA Board presented the 'Distinguished Contribution Award' to Lyle Handfield, Board Director representing the Chartered Professional Accountants of Canada. Lyle has been involved with CAPA since May 2006 and the Board was very pleased to acknowledge his outstanding contribution to CAPA's work and activities throughout his involvement. Lyle is the second recipient of this award.



Jackie Poirier, CAPA President (right), presenting the Distinguished Contribution Award to Lyle Handfield at the CAPA Members Meeting in Kuala Lumpur.

CAPA Presidents

Gordon M. Macwhinnie*, *Hong Kong*, September 1976

Eduardo M. Villanueva*, *Philippines*, October 1979

Niladri K. Bose*, *India*, November 1983

John O. Miller, *Australia*, May 1985

Hiroshi Kawakita, *Japan*, November 1986

Rex A. Anderson*, *New Zealand*, May 1988

Taesik Suh, *Korea, Republic of*, September 1989

William Mercer, *Canada*, October 1991

Douglas C. Oxley*, *Hong Kong*, September 1993

Soon Kwai Choy, *Malaysia*, April 1995

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

Carlos R. Alindada, *Philippines*, October 1998

Ranel T. Wijesinha, *Sri Lanka*, November 2000

Li Yong, *China, People's Republic of*, April 2002

Robin Hamilton Harding, *Canada*, October 2003

Shozo Yamazaki, *Japan*, November 2005

Kamlesh S. Vikamsey, *India*, October 2007

In Ki Joo, *Korea, Republic of*, October 2009

Keith Wedlock, *New Zealand*, October 2011

Sujeewa Mudalige, *Sri Lanka*, November 2013

Jackie Poirier, *Canada*, October 2015

Manoj Fadnis, *India*, November 2017

* deceased

Secretariat



(left to right): Winnie Lee, Brian Blood and Mei Leng.

CAPA has a permanent office base in Kuala Lumpur, Malaysia.

The position of Chief Executive is held by Brian Blood, an experienced accountant and previous partner of global accounting firms, as well as a former President and Chair of CPA Australia, a founding member of CAPA.

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.



Confederation of Asian and Pacific Accountants

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