

THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
(INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA)

Minutes of the 52<sup>nd</sup> Annual General Meeting of the Institute held on Saturday, June 19, 2010 at 10:00 a.m. at Bilik Seraya, Level 4, Best Western Premier Seri Pacific Hotel, Jalan Putra, Kuala Lumpur.

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- PRESENT :
- Dato' Ahmad Johan bin Mohammad Raslan  
(Vice-President, in the chair)
  - Dato' Abdul Halim bin Mohyiddin
  - Mr Beh Tok Koay
  - Datin Hajjah Fadzilah bte Saad
  - Dato' Gan Ah Tee
  - Ms Goh Lee Hwa
  - Mr Peter Lim Thiam Kee
  - Ms Loh Lay Choon
  - Dato' Hj Maidin Syed Ali
  - En Mohamad Raslan Abdul Rahman
  - Mr Pushpanathan a/l S A Kanagarayar
  - Mr Seow Yoo Lin
  - Mr Sukanta Dutt
  - Mr Robert Tan Bun Poo
  - Mr Tan Chin Hock
  - Mr Tan Theng Hooi
  - Dr Veerinderjeet Singh
- 15 other members as recorded in the attendance register
- ABSENT WITH APOLOGIES :
- En Abdul Halim Md Lassim
  - En Ahmad Mustapha Ghazali
  - Mr Lee Tuck Heng
  - Mr Lim Tian Huat
  - Ms Loo Mi Li
  - Mr Poon Yew Hoe
  - Mr Ng Kim Tuck
  - Mr See Huey Beng
  - Mr Venkatramanan Viswanathan
  - Dato' Yeo How
  - Datuk Robert Yong Kuen Loke
- IN ATTENDANCE :
- Mr Foo Yoke Pin (Secretary)

AGM 1/10 QUORUM

The Secretary confirmed that the quorum of 10 members was present.

AGM 2/10 APOLOGIES

Apologies received were noted.

AGM 3/10 A MOMENT OF SILENCE

The Chairman informed members that the President of the Institute, Dato' Nordin Baharuddin had passed away peacefully on June 5, 2010. He had requested members to observe a moment of silence to show respect for the late Dato' Nordin Baharuddin before commencement of the meeting.

AGM 4/10 NOTICE OF MEETING

The Chairman proposed that the notice of the meeting be taken as read. It was seconded by Mr Sukanta K Dutt and unanimously agreed by the meeting.

AGM 5/10 REPORT AND FINANCIAL STATEMENTS

- 5.1 The Chairman briefed members on the financial position of the Institute for the year ended December 31, 2009. He also highlighted the major activities undertaken by the Institute during the year.

(a) Finance

The Institute's showed a net operating surplus of RM174,700 compared with a surplus of RM39,600 for the previous year.

Total income increased by RM167,100 or 5%. This was due mainly to the increased in income generated from examination workshops, students' registration and exemption fees, the MICPA-Bursa Malaysia Business Forum and CPD programmes.

Total expenses increased marginally by RM40,900 or 1%, resulting from an increased in office rental and expenses incurred to promote the revised MICPA programme.

Total assets increased by RM493,800 or 51% due to the substantial increased in fixed deposits and bank balances. Total liability increased by RM319,000 or 41% resulting mainly from the recognition of Government grant of RM225,000 for the upgrading and modernisation of the Institute's information technology systems as deferred income and increased in accruals and payables of RM78,200. The Institute had an accumulated fund of RM355,400 as at December 31, 2009 compared to an accumulated fund of RM180,700 in previous year.

The Council would continue to undertake fund raising activities to increase the Institute's financial resources in order to enable the Institute to invest in brand development and to promote the revised MICPA programme.

(b) Membership

The membership of the Institute consisted of four (4) classes of members who were admitted in accordance with the Institute's Articles of Association and Bye-laws. The classes were Certified Public Accountant (CPA), Provisional Member, Certified Financial Accountant (CFiA) and Associate Member. As at December 31, 2009, the membership of the Institute stood at 3,147 compared to a total membership of 3,162 in the previous year.

A total of 35 new members were admitted as CPA. After taking into account members who resigned or were excluded from membership for failure to pay the annual subscriptions/practising certificate fees, a net decrease of 20 members was recorded. Currently, the Institute had a total CPA membership of 3,072.

The Institute had signed a Memorandum of Understanding with The Institute of Chartered Accountants in Australia (ICAA) on February 24, 2009. The MoU provides for Recognition, Examination and Membership arrangements between the two Institutes. New entrants to the Revised MICPA Programme would be required to undertake common examinations and upon satisfactory completion, students would be eligible to admit as members of ICAA and MICPA.

With the introduction of the revised MICPA programme, the ability to attract new entrants to undertake the MICPA programme would be stronger which eventually would help to boost the membership of the Institute. The revised programme would facilitate and enhance the movement of younger members within a world wide alliance.

The MoU with ICAA also included the mutual recognition of accounting qualifications. In this regard, the Institute was pleased to inform that effective April 9, 2010, members of MICPA who had completed the MICPA's professional programme introduced prior to the revised MICPA programme were now eligible to apply for membership of ICAA by completing an online ethics module.

The Council of The Institute of Chartered Accountants in England and Wales (ICAEW) had extended the Pathways to Membership Scheme to MICPA members with effect from January 1, 2010.

Both the reciprocal membership arrangements and the pathways route to membership would further increase the mobility and open the door to numerous professional opportunities and endorse the close cooperation between the Institutes in the education and training of professional accountants.

(c) Student Enrolment

The Institute registered a total of 129 new students comprising predominantly graduates with accounting degrees. As compared to the previous year, there had been a significant increase in new student intake. After taking into account student who were excluded from the register of students for non-payment of annual fees, students who terminated their registration and students who were admitted as members or provisional members, the total of students stood at 544 at December 31, 2009 and remain the same as compared to last year.

Although the concerted efforts made by the Institute to promote the CPA qualification had resulted in an increase in student intake compared to the previous year, this had been counterbalanced by the drop-out of existing students. There was no doubt that we need to implement effective measures to promote the revised MICPA programme that was launched in July 2009, to the target market.

The Institute had embarked on an active programme to promote the revised MICPA programme to public and private universities and institutions of higher learning. The total number of university accountancy programmes accredited by the Institute was 30, including 9 new programmes accredited during the year.

Some of these initiatives would take time to bear results. In the meanwhile, the support of members in implementing the revised MICPA programme within members' organisations and in encouraging new recruits to pursue the CPA qualification was vital.

(d) Education And Training

The Education and Training Committee was preoccupied with two major tasks – evaluation of degree courses conducted by both Malaysian and Australian public and private institutions of higher learning as entry qualifications to the revised MICPA programme and delivering CPD programmes for members.

The Committee continued to undertake the evaluation of degree courses conducted by both Malaysian and Australian public and private institutions of higher learning as entry qualifications to the revised MICPA programme. The outcome of the evaluation would also form the basis for determining the extent of exemption that might be granted from the Professional Stage Examination. During the year, the Committee had completed the evaluation of nine (9) new degree courses as entry qualifications to the Revised MICPA Programme. The Committee views the evaluation as an essential process for ensuring that the Institute had a steady stream of high quality young graduates joining the profession.

The Committee continued to provide other examination assistance programmes to students. These include pre-workshop courses, online assistance and free copies of past examination questions and suggested answers.

The Committee was also responsible for the planning and organising CPD programmes for members. The Institute continued to organise CPD programmes in the form of seminars, workshops and forums, covering a wide range of topic, throughout the years for the benefit of members.

(e) Services to Members

An important task of the Council was to ensure that the Institute continues to provide relevant services to meet the needs of members working in a fast-paced environment. A variety of activities were carried out throughout the year to meet the interests and professional development needs of different segments of the membership. Many of these activities were supported by a network of committees made up of members and a large number of volunteers from different fields of specialisation. It cannot be overstated that the active involvement of members was essential to the continuing development and success of the Institute.

The delivery of efficient services that support members in their careers and professional work forms an important part of the Institute's everyday activity. It was the intention of the Council to use IT to improve the quality and delivery of services to members. In this regard, the Institute had obtained a grant under the Services Sector Capacity Development Fund from the Malaysian Industrial Development Authority for the purposes of upgrading the Institute's IT. Upon completion of upgrading the IT, new functionalities and interactive features would be added to improve the method of information delivery and communication between the Institute and members.

(f) Participation in International Organisations

The Institute maintained active relationship with the international accounting organisations as well as fellow professional bodies worldwide. In the face of constant changes in the business world and the profession, it was important that the Institute kept abreast of significant international developments in accounting, auditing, education and other professional standards.

The Institute continued to contribute and support the work of IFAC. The Institute had actively promulgated convergence with international auditing standards issued by the International Auditing and Assurance Standards Board of IFAC. The Institute had adopted the 36 newly updated and clarified International Standards on Auditing (ISAs) and a clarified International Standard on Quality Control.

During the year, the Institute visited the Institute of Chartered Accountants in Australia and the Vietnam Institute of Certified Public Accountants. The visits provide an opportunity for the exchange of information on the latest developments in the profession, sharing of information on the conduct of examination and discussion on mutual recognition of qualification.

The Institute had also received a number of visitors from professional bodies. These include the President of the Institute of Chartered Accountants in Australia, the delegations from the Institute of Chartered Accountants of India, and the Executive Director, Learning and Professional Development of The Institute of Chartered Accountants in England and Wales.

(g) Acknowledgement

The Chairman thanked all members who had contributed their time, energy and expertise to the Institute's work and he look forward to their continued support, particularly the younger members. He also encouraged younger members to play an active role in the Institute's activities.

The Chairman also expressed his sincere gratitude to his fellow Council members for the full support and co-operation rendered to the late Dato' Nordin Baharuddin and him during their tenure as President and Vice President of the Institute respectively.

5.2 The Chairman then invited comments from the floor on the report and financial statements of the Institute. The following comment was noted:

(1) YBhg Datin Fadzilah bte Saad commented that the Council should express their gratitude and appreciation to the management and staff of the Institute for their dedicated service and commitment in servicing the needs of members as well as students. In this regard, the Chairman, on behalf of the Council, thanked the management and staff of the Institute for their dedicated service and commitment in servicing the needs of members and students.

5.3 The Chairman proposed the resolution:

"That the Report of the Council and Financial Statements of the Institute for the year ended December 31, 2009 be and are hereby adopted."

The resolution was seconded by Mr Tan Chin Hock and was put to the vote. It was unanimously carried.

AGM 6/10 ELECTION OF COUNCIL MEMBERS

6.1 The Chairman announced that there were 12 vacancies in the Council and 11 members had been nominated or deemed to be nominated for election to the Council.

Mr Subramaniam A V Sankar had submitted an official letter to the Institute to inform his withdrawal from the nomination for election to the Council.

6.2 The Chairman also announced that:

(a) In accordance with the Institute's bye-laws, the following Council members retired at this AGM and being eligible, offered themselves for re-election:

1. Abdul Halim bin Mohyiddin, Dato
2. Ahmad Johan bin Mohammad Raslan, Dato'
3. Ahmad Mustapha Ghazali
4. Beh Tok Koay
5. Fadzilah bte Saad, Datin
6. Lee Tuck Heng
7. Loh Lay Choon
8. Seow Yoo Lin
9. Sukanta K Dutt
10. Venkatramanan Viswanathan

(b) A new nomination had been received for election to the Council was Yong Yoon Shing.

(c) Accordingly, there were 11 members standing for election to the Council.

6.3 The Chairman announced that in accordance with bye-law 8, as the number of candidates for election to the Council was lesser than the number of vacancies in the Council, that all the 11 candidates who were standing for election, whose names had been read out just now, be and were hereby declared elected to the Council.

6.4 The Chairman congratulated the candidates on their election to the Council and thanked them for their willingness to contribute to the work of the Institute, especially the newly elected members.

#### AGM 7/10 APPOINTMENT OF AUDITORS

7.1 The Chairman announced that in accordance with bye-law 120, Mr Ng Eng Kiat and Mr Ooi Chee Kun retired as auditors of the Institute at this AGM.

7.2 The Chairman also announced that no new nominations had been received for appointment as auditors and that in accordance with bye-law 121, Mr Ng Eng Kiat and Mr Ooi Chee Kun were deemed to be nominated for re-appointment as auditors of the Institute for the ensuing year.

7.3 The Chairman proposed the resolution:

“That Mr Ng Eng Kiat and Mr Ooi Chee Kun be re-appointed as auditors of the Institute for the ensuing year.”

The resolution was seconded by YBhg Dato' Gan Ah Tee and was put to the vote. It was unanimously carried.

AGM 8/10 ANY OTHER BUSINESS

The Chairman announced that no notice of motion for consideration at this AGM had been received from members.

AGM 9/10 CLOSE

There being no further business, the meeting was closed at 10.40 a.m. with a vote of thanks to the chair.

The Chairman in turn thanked all members for attending the AGM.

CHAIRMAN