

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

Minutes of the 53<sup>rd</sup> Annual General Meeting of the Institute held on Saturday, June 18, 2011 at 10:00 a.m. at FR Dillera, Ground Floor, Sime Darby Convention Centre, Bukit Kiara, Kuala Lumpur.

---

PRESENT : Dato' Seri Ahmad Johan Mohammad Raslan  
(President, in-the-chair)  
En Abdul Halim Md Lassim  
Mr Beh Tok Koay  
Datin Hajjah Fadzilah bte Saad  
Dato' Gan Ah Tee  
Ms Goh Lee Hwa  
Mr Lee Tuck Heng  
Mr Peter Lim Thiam Kee  
Ms Loh Lay Choon  
Dato' Hj Maidin Syed Ali  
Mr Poon Yew Hoe  
Mr Pushpanathan a/l S A Kanagarayar  
Mr Seow Yoo Lin  
Mr Stanley Teo Swee Chua  
Mr Sukanta Dutt  
Dato' Syed Faisal Albar bin Syed A R Albar  
Mr Robert Tan Bun Poo  
Mr Tan Chin Hock  
Mr Tan Theng Hooi  
Dr Veerinderjeet Singh  
Dato' Yeo How  
Mr Gary Yong Yoon Shing

15 other members as recorded in the attendance register

ABSENT WITH APOLOGIES : Dato' Abdul Halim bin Mohyiddin  
Mr Lim Tian Huat  
Ms Loo Mi Li  
En Mohamad Raslan Abdul Rahman  
Mr Ng Kim Tuck  
Mr See Huey Beng  
Mr Venkatramanan Viswanathan  
Datuk Robert Yong Kuen Loke

IN ATTENDANCE : Mr Foo Yoke Pin (Secretary)

AGM 1/11 QUORUM

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

AGM 2/11 APOLOGIES

Apologies received were noted.

AGM 3/11 NOTICE OF MEETING

The Chairman proposed that the notice of the meeting be taken as read. It was seconded by Mr Tan Chin Hock and unanimously agreed by the meeting.

AGM 4/11 REPORT AND FINANCIAL STATEMENTS

4.1 The Chairman briefed members on the financial position of the Institute for the year ended December 31, 2010. He also highlighted the major activities undertaken by the Institute during the year.

(a) Finance

The Institute's showed a net operating surplus of RM226,200 compared with a surplus of RM175,000 for the previous year.

Total income increased by RM314,500 or 10.2%. This was due mainly to the increased in income generated from conducting examinations under the Revised MICPA Programme.

Total expenses increased marginally by RM263,400 or 9%, resulting from an increased in expenses incurred to promote and to conduct examinations under the Revised MICPA Programme and additional allowance for impairment loss of receivables.

Total assets increased by RM341,000 or 23.4% due to the substantial increased in fixed deposits. Total liability increased by RM114,500 or 10.4% resulting mainly from the expenses accrued for conducting examinations under the Revised MICPA Programme and members' fees received in advance. The Institute had an accumulated fund of RM581,900 as at December 31, 2010 compared to an accumulated fund of RM355,400 in previous year.

(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, 2010, the membership of the Institute stood at 3,158 compared to a total membership of 3,158 in the previous year.

A total of 58 new members were admitted under Bye-law 34(1)(a) to (d) having completed the Institute's examinations and fulfilled the prescribed practical experience requirements. Another 15 members were admitted under Bye-law (34)(1)(f) who were full members of approved overseas accountancy body and had been granted exemption from the examination on the basis that they have had adequate working experience in the relevant fields in Malaysia after qualifying as an accountant.

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 11 members was recorded.

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.

(c) Student Enrolment

The Institute registered a total of 93 new students comprising predominantly graduates with accounting degrees. 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 495 at December 31, 2010.

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.

In February 2011, the Institute had introduced the Students Sponsorship Programme whereby scholarships from participating firms would be offered to eligible students from accredited public universities in Malaysia to pursue the Taxation module and the Financial Accounting & Reporting module as an external professional course in the final year of their four year Bachelor of Accountancy degree programme. The objective of the Students Sponsorship Programme was to encourage high quality young graduates to pursue the Revised MICPA Programme. The response from the participating firms and universities were very encouraging. A total of 150 sponsorships had been offered by 6 accounting firms for the second half year of 2011 to students of 9 public universities.

The Institute had embarked on an active programme to promote the revised MICPA programme to public and private universities and institutions of higher learning. 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 31 universities accountancy programmes 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.

During the year, the Committee had embarked on a project of revising the Professional Stage Examination's (PSE) structure and syllabus. The revised PSE consisted of four modules instead of six modules. The four modules were Financial Reporting, Business & Company Law, Auditing and Business Strategy & Financial Management. The revised PSE would be launched in the end of 2011.

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

The membership of MICPA was involved in diverse areas of work. Almost 50% of our members work in all sectors of industry and commerce. The other half of membership was involved in practices which vary enormously in size and resources, providing a wide range of services. A challenge for the Institute was to provide services and support that meet the differing needs of the different segments of membership.

The overriding goal was to ensure that members maintained high professional standards and technical competence in the performance of their work and services. The Institute provided members with technical updates and guidance on all aspects of CPAs' work covering accounting, auditing and assurance, taxation, and insolvency practice. Continuing professional development (CPD) courses on a broad scope of topics are organised to assist members keep abreast of current changes in the work environment. The Institute monitors developments in laws and regulations that affect CPAs' work and makes representations to Government and the regulatory authorities.

The Institute maintained a network of Committees to help identify and deliver services that meet the professional development needs of specific groups. Our Technical Reference Panel provided free advisory services on technical, ethical and practice management matters.

It was reported last year that 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 will be added to improve the method of information delivery and communication between the Institute and members. The IT upgrading project had been delayed because the vendor was in the process of upgrading and enhancing the applications software. The IT upgrading project was expected to complete by the 4th quarter of 2011.

(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 and the President of the Association of Chartered Certified Accountants.

The 18th World Congress of Accountants hosted by the Malaysian Institute of Accountants and the International Federation of Accountants was successfully held from November 8 – 11, 2010 with the theme "*Accountants Sustaining Value Creation*". MICPA in collaboration with ICAA participated as an Exhibitor to showcase both bodies and in particular our technical content and expertise which sets CPAs and CAs apart from other accounting professionals.

(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.

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

4.2.1 Mr David Siew Kah Toong commented that the student number of the Institute had dropped over the years. If compared against the number of new staff recruited by the bigger firms, the student number was low. However, he felt that with the joint examination with the Institute of Chartered Accountants in Australia, he would expect the student number to increase since it addressed the issue of globalised qualification. Furthermore, the Institute had a lot of high profile members who could encourage their employees to sit for the joint examination.

The Chairman responded that the bigger firms were not recruiting big number of employees and the Institute faced strong competition from professional bodies that were more resourceful. The Institute would consider various means of promoting the joint programme to the students despite the fact that the Institute faced financial resources constraint.

4.2.2 Dato' Yeo How commented that there were more female undergraduate students in the universities compared to the male undergraduate students. The Institute might have to relook at its strategy in promoting the programme.

The Chairman responded that the point was noted and the Institute would take into consideration the point when developing its marketing strategy.

4.3 The Chairman proposed the resolution:

"That the Report of the Council and Financial Statements of the Institute for the year ended December 31, 2010 be and are hereby adopted."

The resolution was seconded by Mr David Siew Kah Toong and Mr Stanley Teo Swee Chua and was put to the vote. It was unanimously carried.

AGM 5/10 ELECTION OF COUNCIL MEMBERS

5.1 The Chairman announced that there were 10 vacancies in the Council and no new nominations have been received for election to the Council.

- 5.2 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 Md Lassim
  2. Gan Ah Tee, Dato'
  3. Lim Thiam Kee
  4. Loo Mi Li
  5. Maidin Syed Ali, Dato' Hj
  6. Ng Kim Tuck
  7. Poon Yew Hoe
  8. Tan Bun Poo
  9. Tan Theng Hooi
  10. Teo Swee Chua
- (b) Accordingly, there were no members standing for election to the Council.
- 5.3 The Chairman announced that in accordance with bye-law 8, as the number of candidates for election to the Council was equal to the number of vacancies in the Council, that all the 10 candidates who were standing for election, whose names had been read out just now, be and were hereby declared elected to the Council.
- 5.4 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 6/11 CONFIRMATION OF APPOINTMENT  
TO FILL CASUAL VACANCY IN COUNCIL

- 6.1 The Chairman announced that Dato' Syed Faisal bin Syed A R Albar had been appointed by the Council to fill a casual vacancy in the Council on October 16, 2010 and that in accordance with bye-law 13, such appointment should be subject confirmation at the next succeeding annual general meeting.
- 6.2 Accordingly, the Chairman proposed the resolution:

"That the appointment of Dato' Syed Faisal bin Syed A R Albar to fill the vacancy in the Council be and is hereby confirmed."

The resolution was supported by Mr Lee Tuck Heng and was put to the vote. It was unanimously carried.

AGM 7/11     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 Ms Loh Lay Choon and was put to the vote. It was unanimously carried.

AGM 8/1     ANY OTHER BUSINESS

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

AGM 9/11     CLOSE

There being no further business, the meeting was closed at 10:45 a.m. with a vote of thanks to the chair.

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

CHAIRMAN