

MICPA 55TH ANNUAL DINNER
SEPTEMBER 20TH, 2013 @ SHERATON IMPERIAL KL HOTEL
DRAFT SPEECH BY PRESIDENT
MR KEN PUSHPANATHAN

Yang Berhormat Datuk Hj Ahmad bin Hj Maslan
Deputy Minister of Finance

Yang Berbahagia Tan Sri Dato' Setia Hj Ambrin Buang
Auditor General of Malaysia

Yang Berusaha En Raslan Abdul Rahman
Vice-President, MICPA

Yang Berbahagia Datuk Robert Yong
Chairman, Public Affairs Committee, MICPA

Yang Berbahagia Tan-Sri Tan-Sri, Datuk-Datuk and Datin-Datin

Heads of our Fellow Professional Bodies and Distinguished Guests

Members of the Media

Ladies and Gentlemen

It is my great pleasure to welcome all of you to the Malaysian Institute of Certified Public Accountants' 55th Annual Dinner. May I also take this opportunity to express our sincere appreciation to our Guest of Honour, Yang Berhormat Datuk Hj Ahmad Maslan for gracing this occasion.

The Institute's annual dinners are traditionally held on the eve of our Annual General Meetings in June of each calendar year. However, this year we had to defer the dinner due to the timing of the recent 13th General Election and the formation of the new Cabinet.

This year's dinner is to commemorate the 55th Anniversary of the Institute since its incorporation in 1958. In celebrating the event, I need to touch upon some key events throughout the past year. The past year has been a year of establishing stronger roots and broadening the Institute's horizons, which charts the path for us to grow as a Malaysian professional accounting body on an international stage. This includes growing in depth in technical acumen, reinforcing collaborations with our partners, and expanding in wider outreach to potential candidates and members. It was a year of **"Moving Forward"** as an Institute, where we continued to push ahead to greater heights.

Our strategic partnership with the Institute of Chartered Accountants Australia (ICAA) continues to be a successful one for both Institutes as the incentives of gaining two professional qualifications through one examination route , as well as the Global Accounting Alliance (GAA) passport granted to our graduates have drawn in many more candidates – both from public and private universities. The joint programme is able to attract bright students and coupled with the all round support provided to the candidates, we continue to maintain high pass rates for all our modules, achieving an overall average pass rate of 73% since we commenced the joint MICPA-ICAA Programme in 2009.

The MICPA Students Sponsorship Programme (SSP) which was launched two years ago and endorsed by TalentCorp as one of its Structured Internship Programmes, continues to attract more numbers , both in terms of candidates as well as participating employers, many of whom are in our midst tonight. Through this scheme, employers are keen to identify and secure promising candidates early on. Successful SSP candidates receive sponsorship for the MICPA-ICAA Programme, an internship placement, and finally a permanent job offer from the employers upon graduation. We recognise that our SSP candidate numbers have increased by 23% since last year. We have seen several Gold Medal prize-winners emerging from these SSP candidates and we are proud of them.

MICPA also continued its strong working relationships with all our regulators. In this respect we worked with the Audit Oversight Board to continually strengthen corporate governance practices in Malaysia. In a joint forum recently organised by the MICPA and ICAA, the topic of “Quality Control in Practice” was discussed, emphasising the need to ensure quality audits are performed by the audit firms. It was during this forum that a joint publication by the ICAA and MICPA was officially launched, titled the ‘Quality Control Guide’ which is available to all members, and can be downloaded from the members’ portal on our website. The guide incorporates the various elements of quality control set out in ISQC1 and provides guidance to audit practitioners to meet the ISQC1 requirements. It covers the areas of *Documentation, Leadership Responsibilities, Ethical Requirements, Acceptance and Continuance of Client Relationships and Specific Engagements, Human Resources, Engagement Performance and Monitoring*. I hope that all our members especially those in practice will find it useful.

In another important initiative, the Institute responded to the Companies Commission of Malaysia with respect to the Institute's commentary and views on the recent proposed Companies Amendment Bill specifically on the areas of Accounting, Auditing, Insolvency practices besides Corporate Governance and Legal reforms.

In line with the Institute’s objectives, we continue to maintain the technical excellence of the Institute through consistent touch points and interaction with the various regulators and standard-setters pertinent to the accounting and auditing profession. I was privileged to be invited and to be a part of the International Federation Of Accountants (IFAC) and Global Public Policy Committee (GPPC) Host Symposium in Singapore on *Building Investor Confidence, and Strengthening Financial Reporting Infrastructure in the ASEAN Region*, where I was one of the panellists in the session on “*Corporate Governance in the ASEAN Region*”.

Last year’s summit event was the IFAC's International Auditing and Assurance Standards Board (IAASB) Roundtable held in Kuala Lumpur in October 2012 – which was one of only three locations worldwide chosen by IAASB to be a convergence forum of thought-leaders in the accounting industry. The other two being Brussels and New York. The Institute was honoured to be a co-host of the event, along with the ICAA and the Malaysian Institute of Accountants (MIA). The event stirred up many views and opinions about the proposed

revised auditor's report on financial statements and generated fruitful discussions amongst the accounting fraternity in the region .

In terms of student outreach, we have embarked on many initiatives to build our brand and promote the MICPA-ICAA Programme. Last October, the Institute ventured into Australia for the outreach to Malaysian students studying in Australian universities through participation in career fairs organised by Graduan Malaysia in Melbourne, Sydney and Brisbane. This event, supported by TalentCorp, was aimed at showcasing career opportunities available in Malaysia for Malaysian undergraduates studying in Australia and we will be doing so again in early October. Our outreach garnered positive responses based on the registrations received from discerning Malaysian students returning home and signing up for the joint Programme in the first 5 months of this year.

We have also actively increased our online presence to create further outreach to our members as well as tertiary students who may be interested in finding out more about the Institute. Since the official launch of our revamped website during our Annual Dinner last year, we have seen a positive increase in the number of visitors to our site. On our social media platforms such as Facebook, Twitter and YouTube, it is encouraging to see continuous growth in our number of fans and followers and also in the increasing number of people who are engaging with us through conversations on these platforms. This bodes well for the future of our Institute.

Ladies and gentlemen,

At this juncture, I wish to emphasise that only through the active participation of MICPA members can the Institute's activities thrive, irrespective of whether these are of a technical, promotional or community and social nature. In fact, later this evening, we will be recognising the accomplishments of an esteemed member through the award of the Anugerah Presiden. The recipient of the Anugerah Presiden is nominated by the Executive Committee of MICPA and is based on an individual's exceptional contribution to the profession, community and the Institute. This year's award will be particularly memorable as it is the 12th instalment of the Anugerah Presiden since the award was introduced in 2002.

A critical link in the training of our future professionals are our Approved Training Employers (both in Stream 1 and Stream 2). I am pleased to note that many of them are represented here tonight. As employers, you will be keen to know that in delivering the MICPA-ICAA Programme, the attributes of professionalism are embedded into the Programme so that our graduates are able to excel both in their career aspirations as well as in the duties assigned to them at the workplace. Having recently witnessed the graduation of many of our Programme candidates and the presentation of awards to our Gold Medal winners at our 2012 Excellence Awards ceremony, I am proud to say that they are indeed of high calibre and represent both the Institutes and their employers in good stature.

At the same ceremony, the Institute was delighted to officially admit our first Japanese national as one of our members. This marks a milestone for us as the Institute's bye-laws were amended to accept admission from all the 11 Global Accounting Alliance (GAA) member bodies. Of these 11 bodies, we extended recognition to the 4 new members, namely, the Hong Kong Institute of Certified Public Accountants (HKICPA), Institut der Wirtschaftsprüfer in Deutschland e.V. (Institute of Public Auditors in Germany, Incorporated Association) (IDW) Germany, The Japanese Institute of Certified Public Accountants (JICPA) and the South African Institute of Chartered Accountants (SAICA). This will indeed pave the way for greater diversity within the Institute's membership base.

In line with broadening our horizons, last year saw an increase in the number of locations that our candidates can gain their practical, relevant work experience required to qualify as a professional accountant. With the amendment of the Institute's bylaws, our candidates are now able to accumulate their 3 years' practical working experience in countries outside of Malaysia, as long as there is a MICPA or GAA member practising in the organisation of their choice to supervise and mentor them. With this recognition of overseas working experience, our candidates have even more flexibility in terms of where they choose to work, which supports the fact that accounting is indeed a globalised profession and that members of our Institute are not bound to practising only in Malaysia.

Allow me to conclude by thanking the Institute's Executive Director, Mr Foo Yoke Pin and his team at MICPA for their dedication and excellent efforts to advance the Institute over the past year, and to all of you here for your strong continuous support of the Institute's

activities over the past years. With our continued efforts and your active encouragement and support, I am sure we shall achieve greater success in strengthening the accounting profession in Malaysia.

With that, I wish you all a pleasant evening ahead.

Thank you.

KEN PUSHPANATHAN

SEPTEMBER 20, 2013