

President's Communication — July 2009



Nasir U Ahmed, FCA
President, ICAB

My dear fellow members,

Assalamualaikum.

We have closed another fiscal year in June and started a new fiscal year 2009-2010. The budget which was placed before *Jatyo Sangsad* was approved with few amendments before the close of the financial year on the 30th June 2009.

The major issues of new approved budget are change in age limit for senior citizen and inclusion of 19BBBB, enhancement of limit for investment allowances for individual assessee to Taka 10 lacs from 5 lacs {(sec 44(3)(a)}, admissible deduction limit for Royalties, TSF, TNF etc from 5% to 8% of the profit and new SRO (SRO# 187-Law/2009) to allow AIT whilst paying annual road tax by an individual and few other changes etc.

As a practice of reporting of ICAB activities to you on a monthly basis through this "President's Communication" which started from this year, I would now like to touch upon some of the major activities carried out by ICAB during the month of July 2009 and also provide an indicative plan of our activities for August 2009.

CPD Seminars:

CPD seminar on the topic "Managing Business Risk" was held on 19 July 2009. The key note paper was presented by our member Mrs Shama Rukh Alam, FCA Group Finance Director of Duncan Brothers Bangladesh Ltd.

Mr. Annisul Huq, President, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) graced the occasion as Chief Guest. The session was chaired by Mr. ABM Azizuddin, FCA Council Member & Past President of ICAB. A good number of members attended the seminar and participated in discussion.

Evening Coaching Classes:

Evening Coaching Classes for PEII & PEIII students would start from August 2009 after declaration of results of May examination. ICAB and its Council are putting highest importance on students' educational facilities to increase pass rate in all professional examinations.

ICAB – ICAEW Twining project :

Current arrangement of this Twining project is scheduled to expire by September 2009. In the mean time ICAEW has applied for extension of this project for further one year till September 2010 to train teachers and others related persons on this new curriculum. We are at the final stage of approving new syllabus and communicating

the same to all concerned. We are taking all preparations for smooth switching over to new curriculum being designed under twining project. This will be another important milestone for ICAB. We are expecting to declare new syllabus soon.

Attendance at UNCTAD Seminar:

At the invitation of UNCTAD, President, ICAB attended one day UNCTAD-ISAR Conference on the "Financial Crisis and Its implications for the International Financial Reporting Architecture and Financial Stability", held at the Palais des Nations on the 01 July 2009 in Geneva. Presidents of many Accounting bodies, high government officials from different countries and other dignitaries around the world attended this conference.

The conference was divided into two sessions. The first session was chaired by Mr Nelson Carvalho, Chairman of 25th Session of ISAR. Other speakers of this session were 1) Mr Remo Croci, Policy Officer, European Commission, 2) Mr John Hegarty, Head, Centre for Financial Reporting Reform, World Bank, 3) Mr Gerald Edwards, Senior Advisor on Accounting & Auditing, Financial Stability Board and 4) Mr Peter Clark, Director of Research, IASB. The second session was chaired by Mr Syed Asad Ali Shah, President, Institute of Chartered Accountants of Pakistan (ICAP). Speakers at this 2nd session were 1) Mr Blaise Gangui, Chief Credit Officer in Europe, Standard & Poor's 2) Mr Vincent Papa, Senior Policy Analyst, CFA Institute, 3) Mr Richard Golding, Partner, PricewaterhouseCoopers SA, Geneva and 4) Mr Marcus Schuler, Managing Director, Markit.

All the speakers made presentations on various issues relating to recent financial crisis and its impact on financial reporting and relevant IFRSs. President ICAB participated in the discussion at both the sessions. He also interacted with Heads of various accounting bodies of Asia, Africa and Europe at this conference.

Discussion with the President, Lebanese Institute of Certified Public Accountants:

President, ICAB while attending UNCTAD Conference also held an informal discussion with Mr Antoine G. Gholam, President of Lebanese Association of Certified Public Accountants (LACPA). They discussed issues relating to mutual interest of both the institutes. President of ICAB discussed possible areas of cooperation between two institutes in the areas of Accounting education, research, IFRSs and ISA etc. Lebanon being an important country in the Middle East, any formal cooperation or MoU between two institutes could help Bangladeshi accountants getting jobs and finding professional works in Middle Easter countries including Lebanon. President of LACPA expressed his interest to work jointly with ICAB, in the field of Accountancy profession. President, ICAB also agreed with the President, LACPA that these two institutes should look into possible fields of cooperation. Mr David El Kazi, Secretary General of Lebanese Association of Certified Public Accountants (LACPA) was also present at this discussion.

Discussion with the President, Nigerian Institute of Chartered Accountants:

President, ICAB while attending UNCTAD Conference also held an informal discussion with Ms Elizabeth Omeresan Adegite, MBA, FCA, President of the Institute of Chartered Accountants of Nigeria. A brief discussion was held on probable areas of cooperation for mutual interest of both the institutes. President, ICAB discussed few areas of cooperation between two institutes in the area of Accounting education, research, IFRSs and ISA etc. President, ICAB briefed her in short the activities of ICAB in the field of Accounting Profession and professional education in Bangladesh. Ms Adegita showed keen interest in activities of ICAB. She also expressed her interest to visit ICAB at a convenient time. President, ICAB was happy to know her interest to visit ICAB and invited her to visit ICAB on a mutually convenient date some time late this year. Nigeria could also be a country for employment of Bangladeshi Chartered Accountants in the near future and this institute could help in job opportunities of Bangladeshi accountants as they have shortage of professional accountants. President ICAB feels that we should keep in touch with such professional institutes of developed and developing countries for searching opportunities for professional works and job placement. Mr Abel Aig Asein, MBA, ACCA, ACA Coordinating Director (Faculties) of Institute of Chartered Accountants of Nigeria and Mr J.O. Obazee, Technical Director of Nigerian Accounting Standard Board were present in this discussion. I strongly feel that President of coming years should take initiatives to continue /develop relationship with such institute.

Formation of Election Commission:

As per relevant bye-laws of ICAB Bye-Laws, 2004, a five members Election Commission has been formed headed by Mr Mohammed Toha, FCA as Chief Election Commissioner. The date of election has been fixed as 21st November 2009. Election Commission has already taken up various actions to hold ICAB election on the 21st November 2009. Detailed election schedule would be declared sometime in August 2008.

Attendance at the First Meeting of the SEC Consultative Committee:

Security Exchange Commission (SEC) recently formed a Consultative Committee with nine ex-officio members including President, ICAB. The first meeting of the Committee held on the 29th July at SEC Office, where President represented ICAB at this meeting. The Committee discussed various issues relating to Capital market including listed companies, listed securities, stock brokers etc and other related issues. Various important decisions were taken at this meeting to strengthen capital market.

Discussion Meeting with Mr Vernon Soare, Executive Director, ICAEW:

Mr Vernon Soare, Executive Director of ICAEW visited Bangladesh to review the progress of Twining Project and to discuss issues relating to signing of an MoU recognizing our qualification subject to certain conditions. A seven member team comprising President, few past Presidents and council members had discussions with Mr Soare on these issues. Later Mr Soare was invited to attend Council meeting where he made a presentation on the status of Twining project and discussed terms and conditions of MoU at length at this Council Meeting. Council members expressed their opinion and suggestions on MoU related issues.

Meeting with visiting delegation from Ashton University:

A research team from Ashton University, UK who are carrying out a research project on CSR activities by Corporate bodies in Bangladesh, met with President, ICAB at C A Bhaban on the 7th July. Dr Aatur Rahman Belal, FCA, Dr Stuart Cooper and Dr Prasanta Dey were members of this team. Professor Niaz Ahmed Khan of Dhaka University also attended this meeting. It is to be mentioned here that President, ICAB is one of two local members of the Advisory Panel of this research project in personal capacity.

Meeting with visiting IMF Team:

An IMF mission is conducting the Financial Sector Assessment Program (FSAP) update for Bangladesh. Ms Diane Mendoza and Mr Miquel Dijkman of this mission held a meeting with the President ICAB at C A Bhaban to discuss views on bank supervision, views on the banks & other financial institutions and the services they provide. At this meeting, President was assisted by Mr Shahdat Hossain, FCA, Vice President and Mr N I Chowdhury, FCA, Secretary.

Legal Notice to our tenant, M/S Omnitrans Limited (Enem Express Ltd):

One of my earlier communications, I informed you about long outstanding (since late 2007) of rent from one of our tenants of C A Bhaban, M/S Omnitrans International Ltd (Enem Express Ltd). We had tried many ways to recover the long outstanding rent from this tenant but failed. Failing all possible ways to recover money from this tenant, we have served Legal Notice to this tenant and its Managing Director & Director, on account of dishonour of their cheque, which was issued in favour of ICAB as partial payment of their long outstanding. This cheque was dishonoured due to shortage of fund in their account. We have now taken shelter of law for recovering this long outstanding.

Appointment of Dy Director (Learning & Professional Development)

We have appointed a Deputy Director (Learning & Professional Development) to look after activities of Directorate of Studies and other relevant areas. Director of Studies position was remaining vacant since beginning of this year. I hope we will have

improved services from this Directorate now onward. This new position is created in line with strategic plan prepared under Twining Project.

Other key activities of the month:

- Two Council meetings were held on the 16th July and 28th July. These meetings discussed various important issues including formation of Election Commission, fixation of Election date, considering recommendation of Sub Committee on MoU, Non Resident partner of C A Firms etc and decision taken.
- One Executive Committee meeting was held on the 16th July 2009, to take decisions on various professional and administrative matters of ICAB.
- 7 Member Council Sub Committee held a meeting to review the draft agreement for MoU provided by ICAEW. We had long discussion on various aspects of the MoU and submitted their recommendations to the Council.
- Review Committee for Published Accounts and Report (RCPAR) held one meeting to form sub committees for marking all annual reports under various sectors. They will also finalize nominations for SAFA BPA Award by 31st August. These nominations are to be sent to all members bodies and SAFA Permanent Secretariat for marking.
- Board of Studies held one meeting on the 28th July to resolve various educational and new syllabus related issues.
- Election Commission also held their 1st meeting on the 30th July to chalk out detailed program to ensure smooth holding of ICAB Election.

Activities Planned for August 2009:

We have already planned the following activities for the month of August:

- Carrying out recruitment process for the position of Executive Director (Project) and Director (Technical) for immediate appointment.
- Holding of at least one Council meeting.
- Finalization & declaration of new curriculum
- Arrangement of two CPD Seminars.
- Declaration of results of all Professional Examinations
- Holding meetings of the following Standing and Other Committees –
 - Executive Committee
 - Project Development & Implementation Committee

- Continuous Professional Development Committee
 - Review Committee for Published Accounts & Report
 - Board of Studies
 - Real Estate Committee
- Meetings of various Sub Committees have also been planned in this month.
- Meetings of Council Sub Committees for review of new curriculum and draft MoU with ICAEW has also been planned in this month.
- Signing of an agreement with Apollo Hospital to provide special facilities and cash discount on hospital bills to all ICAB members and staff.
- Meeting with Chairman, Power Development Board to request to enhance audit fees for Consumer Audit.
- Requesting all Chairmen of Listed Companies for enhancement of audit fees of their respective company and to make a plan to reach standard ICAB fee schedule within three years time. In addition, we have a plan to hold a meeting with the President of Association Listed Companies in Bangladesh requesting him to take necessary action to enhance audit fees.
- We are planning to issue laminated photo identity card for all members so that you can be a proud owner of the Institute Membership Card and flash it around and gain instant recognition as a member of one of the premier accounting institutes in this region. We would let you know in due course to provide relevant paper/ information to ICAB to do the needful.

Conclusion :

While concluding my communication with you, I would like to remind you all that we will be approaching into holy month of Ramadan in August, so we must take the advantage of this month to go close to the Almighty. Let Allah gives us strength to take full benefit of this holy month of Ramadan.

Sincerely Yours,



Nasir U Ahmed, FCA

Dated: 25th August, 2009