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President's Annual Report

The Institute is now entering its 20th year, having been incorporated in 1996.

A key change to the organisation structure of ICMA in the past year was the establishment of *Regional Offices* and the appointment of Regional Directors located in strategic regions. Overseas Regional Offices were established in (1) China (Including Hong Kong And Macau); (2) India (Including India, Pakistan, Bangladesh, Nepal And African Subcontinent); (3) Indonesia (including Regional Offices in the Special Capital Region of Jakarta; West Java; East Java and Central Java); (4) Lebanon; (5) Malaysia; (6) Papua New Guinea; (7) Philippines; (8) Sri Lanka (9) European Union; (10) United Arab Emirates; (11) Cyprus; (12) Vietnam and (13) Iran. These Regional Offices will be responsible for representing the Institute and its activities in the Region.

Over the past year the Institute was successful in canvassing for the role of 'Management Accountant' to be maintained for a sixth year in the Australian Government's *Skilled Occupation List (SOL)* for General Skilled Migration (GSM).

I would also like to report on the following initiatives:

Continuing Education Market: The ICMA has recognised that there is an executive market that requires *specialised training* in specific areas. As such it has commissioned the development of a series of *Certificates of Proficiency* in varied topics (such as IFRS and Islamic Finance etc).

Higher Education Market: The ICMA has recognised many members are looking for further education via a Master of Business Administration *(MBA)* and those that have an MBA, are looking for a Doctor of Business Administration *(DBA).* As such, the ICMA has sponsored the development of an MBA and a DBA program specifically to its members via *Calwest University* in California, USA. See *www.calwest.org*

High-Flyer Student Market: The ICMA has decided to focus not only on experienced executives; but also focus on the next generation of professionals. As such it has introduced the *Emerging Professional Scholarship Program* to train the next generation of management accountants. The Regional Offices will market this scholarship program to the universities in their designated region.

Islamic Professional Education Market: There is strong demand from Islamic countries for a 4-7 day program for already qualified generalist accountants to be versed in Islamic Accounting & Auditing and Islamic Banking & Finance. As such the ICMA is proposing launching a *Certified Islamic Public Accountant (CIPA)* professional qualification.

IMAC Activities: Amongst the activities in the last year more under our control, was the launching of the *International Management Accounting Collaborative (IMAC).* The ICMA is the founder charter member of IMAC which is now the global organization for the management accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. Representations were made over the year to form further alliances with the following bodies: (1) Institute of Cost Accountants of India (ICAI); (2) Asia Pacific Management Accounting Association (APMAA); (3) Institute of Certified Professional Management Accountants of Indonesia (IAMI). These discussions are ongoing.

Publications: The Institute's website is now significantly updated and incorporates a *Member's Section* that could only be accessed by current financial members. I urge all members to make use of the membership fees they have paid, and go to this member's section as it provides a wealth of information. The eNewsletter *On Target* continued to be published and the web-analytics indicates that it gets on average 2,000 visits and 3,000 page views per month.The ICMA continued to publish a world-class academic research journal, the *Journal of Applied Management Accounting Research (JAMAR)*. Two issues were published in the year in both print and online modes. The latest JAMAR issues are also only available to current financial members.

Research & Library: Research and professional development also continued in the two organizations set up by the ICMA: (1) *The Institute of Certified Carbon Analysts and Auditors (ICCAA)* and (2) The *Institute for the Advancement of Corporate Reporting and Assurance (IACRA).* The Library now has over 12,000 texts and professional and academic publications, and has now one of the best libraries in Australia in the professional areas of management accounting and risk management

Membership Services: The Institute Secretariat continued to provide the following services:

- Providing Continuing Professional Education (CPE) to members via Calwest University in the USA and the Academy of Finance and Management Australia (AFMA).
- Maintaining the corporate website that was in keeping with the enhanced international profile of ICMA
- Designing and maintaining a Member's Only area on the website.
- Publishing 6 copies of the On Target eNewsletter.
- Increasing the holdings of the Library by over 200 texts and professional and academic publications during the year.
- Having a World-Class Customer Relationship Management (CRM) system to handle the membership, invoicing, examinations and accounts.
- Conducting Examinations in all Branch locations and in over 20 countries where students undertake the CMA program online.
- Setting up an ICMA Blog, with links to Facebook and Twitter
- Continuing with the links to CEO Institute for Members

I wish all members Happy Holidays!

Best Wishes

Michael Tse, FCMA, CGBA

President, ICMA

CEO Message: Auditing Opinions for Sale?

Recently, I chaired the Graduation Ceremony of CMA Professionals of ICMA (Australia) in Sri Lanka; where the Chief Guest, Deputy Minister Eran Wickramaratne, lamented about the dearth of accounting professionals and professionalism. This was reported in the *Education Times* section of the **Sunday Times** on October 3, 2015.

Thankfully, the Minister was talking about Financial Accountants and Auditors. Mr Wickramaratne said he was in the Committee on Public Enterprises for 5 years and found that, most often, auditors approved accounts that are not a true reflection of the real accounts of the relevant company. *"It is sad to say that professionals in this country have failed the people of this country*," he said, adding that most often he had *"wondered why there weren't relevant notes or adequate disclosures for some accounts".*

The problem that was highlighted by Minister Wickramaratne is not only applicable to public institutions, but private companies as well. It is also not a Sri Lankan problem, but an international problem. Professional accountants and auditors world-over are giving *'opinions'* about the state of affairs of an organisation that have no counterparts in commercial reality, often hiding behind an international accounting standard that has no relevance in the business environment of the country in which the business operates in.

Here is a case in point.

Recently, I attended the Annual General Meeting of a private company in Colombo. This company had purchased a sizable amount of land in the heart of Colombo about 100 years ago for approximately AUD1,000; and built a factory spanning the entire area. (I am disguising the numbers and dates, but the essence of my case is factual). About 10 years ago the company moved the factory out of Colombo; and cleared the land. Then, it utilised about 20 per cent of the land to build a showroom. The showroom construction cost approximately AUD 100,000. The land on which it was built, inclusive of the vacant area was worth about AUD 10 million by then, but was still recorded in the accounts at the original value of AUD1,000. Today, the 80 per cent spare land can be easily sold to a developer and is conservatively worth about AUD 30 million!

Therefore, the value of the company that was being reported to its shareholders was understated by about 30 million Australian dollars! And the auditors, who are essentially appointed by the shareholders to look after their interests, were happily agreeing to this ridiculously fictitious number!

I raised this valuation discrepancy at the AGM and was told that the company has opted to use the cost option to value the land. Following my pressing the issue with the Company Secretary as to how the Auditors (a Big 4 Audit firm – which I will name as the Big 4a Firm) could have given a 'True and Fair' opinion of accounts that are so obviously understated, The Company Secretary obtained this opinion from the Audit partner:

"The property plant and equipment of the company are measured at cost based on the company's accounting policy, which is mentioned in the note number 3.4.1 to the financial statements. This is in line with LKAS 16, Property plant and equipment. Please see paragraph 29 of LKAS 16 which gives an entity the option to choose either cost model or the Fair value model. Accordingly company's policy is the cost model." (Junior Audit Partner, Big 4a Firm)

Not being happy with this response, in which essentially the 'form' is given precedence over the 'substance', I asked the Chief Partner of the Big 4a Firm, for a opinion on this specific case. This was specifically with regards to the *International Financial Reporting Standard* on *Fair Value Accounting (IFRS 13*) that the auditor stated was used when giving its opinion on the state of affairs of this particular company.

The Big 4a Chief Partner's response was that IFRS 13 only specifies the methodology to be used when fair valuing an asset. It does not he stated, specifically require any

Professor Janek Ratnatunga, CMA, CGBA

CEO, ICMA Australia

asset to be fair valued - such requirements are specified by the relevant standards. He also stated that:

In the case of the land, the company has opted to use the cost option as opposed to the revaluation option; as IAS 16 permits a company to use either of the options. Had the company opted to use the revaluation option, then IFRS 13 would have come into play.

For the informed reader, the *Sri Lankan Accounting Standard* (*LKAS 16)* is for all intents and purposes a carbon copy of the *International Accounting Standard* (*IAS 16)* and pertains to the valuation of *Property, Plant and Equipment (PPE).* IAS 16 allows the company itself (rather than the auditors) to determine the value of its PPE based on cost or market value.

The Big 4a Chief Partner agreed, however, that the land is very valuable and stated that if the company wishes to switch to the revaluation model in the future, then the surplus on revaluation will be routed through equity as a revaluation reserve.

The Big 4a Chief Partner's reference to IAS 16 prompted this follow-up query from me:

I agree that the company has a choice. But does this not depend on 'recognition date'? As per the standard (IAS 16), the cost of an *item of property, plant and equipment is the cash price equivalent at the 'recognition date'. If the old factory still remained at the property, then the recognition date could be argued to be the cost incurred to purchase the land and build the factory in the 1910s. However, as the factory was demolished and the land cleared and a part used to construct an office and showroom; the asset is quite different now; and therefore should not there be a new "recognition date" that comprises of (1) the cleared land valued at fair market value, plus (2) the cost of clearance; plus (3) the cost of constructing the new building?*

The Big 4a Chief Partner's response was that:

"The asset, i.e. the land, remains the same; only thing different is the use to which it is put to. This doesn't change the recognition date of the land, which will remain as the date when it was first recognised in the books of the company.

Clearly The Big 4a Firm and its partners were placing the 'legal form' over 'economic substance' in their opinions.

I then asked the Chief Partner of ***another*** Big 4 firm in Sri Lanka (which I will name as the Big 4b Firm) for a view giving him only the facts of the case as shown earlier. His views were more objective:

Whilst IAS 16 allows the company to opt for the cost model in the case of PPE, another standard, IAS 40 pertaining to Investment Property is more relevant for the vacant land. Even though only 20 pc of the land space is used for business purposes, the PPE standard has been used by the company on all of the land. It could be argued, however, that IAS 40 is more relevant to the 80pc vacant land; and IAS 40 requires the fair value to be disclosed if the cost model is used (Chief Partner of Big 4b Firm).

Clearly, there was a clash of accounting standards and unclear definitions as to if the asset being valued was Property, Plant and Equipment or Investment Property. A company may claim that an asset is PPE one year, and then go and sell the vacant land the next year without any wrongful disclosure consequences.

Despite all these issues as to the definitions of assets and as to which international accounting standards to use; there is an overriding requirement for auditors to give a "true and fair' view as to the state of affairs of the company to the shareholders. The Chief Partner of the second Big 4 firm had this to say:

It would be difficult for accounts to present a true and fair view if form had overridden substance. IAS 8 states that for information to be reliable, it must be reported in accordance with economic substance, rather than strictly in adherence to its legal form. Indeed if material transactions are not accounted for in accordance with their substance it is doubtful whether the accounts present a true and fair view (Chief Partner of Big 4b Firm)..

This is more in line with what the Sri Lankan Deputy Minister Eran Wickramaratne required in terms of the 'professionalism of accountants'. Clearly giving a True and Fair opinion just because it complies with the accounting standards is a case where auditors cannot see the forest (big picture) because of the trees (detail).

True and Fair is not something that is merely a separate add-on to accounting standards. Rather the whole essence of standards is to provide for recognition, measurement, presentation and disclosure for specific aspects of financial reporting in a way that reflects economic reality and hence that provides a true and fair view.

The Financial Reporting Council (UK) in a 2014 report on the subject of *True and Fair* gives the following guidelines to preparers of accounts and those charged with governance and audit:

- Always to stand back and ensure that the accounts as a whole do give a true and fair view;
- To provide additional disclosures when compliance with an accounting standard is insufficient to present a true and fair view;
- To use the true and fair override where compliance with the standards does not result in the presentation of a true and fair view; and
- To ensure that the consideration they give to these matters is evident in their deliberations and documentation.

The Financial Reporting Council states that this will help ensure that accounts in the UK continue to demonstrate the high quality that users have come to expect. *This should be no different world-over for both public and private institutions.*

The Chartered Accountants and CPAs should ensure that auditing opinions are not merely given for the payment of an audit fee, but reflect the true and fair state of affairs of an organisation.

Also accounting professional bodies in developing countries should resist this 'new colonialism'; i.e. the colonisation by Western interests - not with guns; but by forcing us to apply international (Western) accounting standards in quite different business environments..

Warm Regards,

Professor Janek Ratnatunga,
CMA, CGBA

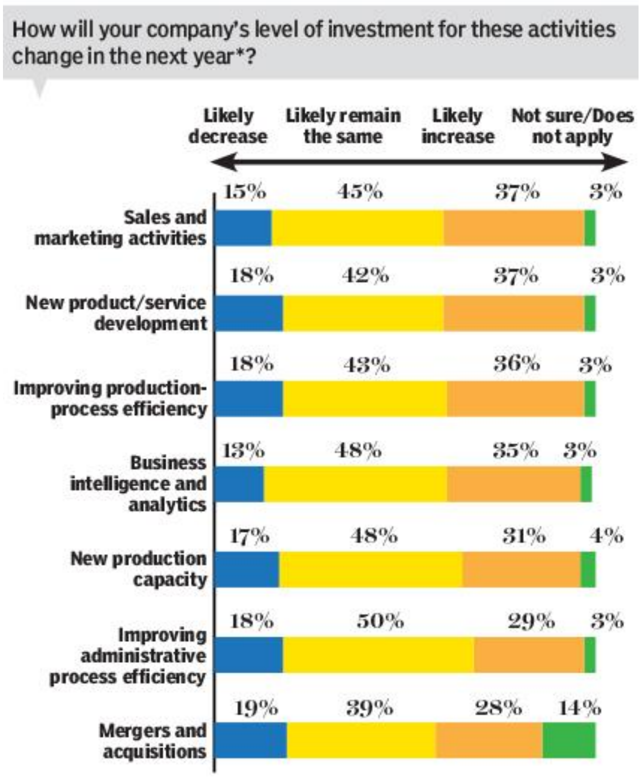
CEO, ICMA Australia

A Growing Priority

Each year CFO Research, in collaboration with American Express, surveys senior finance executives at large companies around the world to better understand their strategies for strengthening their businesses during the coming year. In the *2015 Global Business and Spending Monitor,* we found that many businesses around the world fell short of last year's ambitions to capitalize on economic growth. Today, particularly outside of North America, business leaders are rethinking growth strategies to cope with economic uncertainty, market volatility, and the aftermath of recession.

Many of the 565 finance executives surveyed now appear to be heeding the old adage, "You have to spend money to make money." Asked where they plan to invest this year to support business growth, respondents show the most interest in sales and marketing and in new product and service development — categories that focus on identifying and addressing demand, winning market share, and boosting revenues. In both categories, 37% of all respondents plan to increase their companies' outlays over the coming year. In addition, 36% of respondents anticipate increased investment to improve production efficiency, and 31% plan to invest more in adding production capacity. (See Figure 1.)

FIGURE 1



*Compared with last year
Note: Percentages may not add to 100, due to rounding

Oh, Canada

Canadian businesses are positioning themselves to forge ahead in the pursuit of expanded sales. The number of Canadian respondents planning to increase investment in new product and service development soared to 60%, a huge jump over the 17% that planned such increases in 2014.

Canadian responses show similar surges in plans to invest in sales and marketing activities (45% versus 24% in 2014). Likewise, in response to another survey question on spending plans, a high percentage of Canadian executives say they expect their companies to increase spending on advertising, marketing, and public relations (63% versus 21%). Clearly, Canadian business leaders will be targeting new revenue growth in the coming year.

Companies in other countries also are focusing on spending and investment aimed at boosting revenue growth, survey results suggest. About half of the respondents in both Hong Kong (50%) and China (48%) plan to increase investment in sales and marketing, compared with an average of 37% across all respondents in the survey. The largest increases in the number of respondents who anticipate more investment in sales and marketing emerged in Mexico (45% of respondents versus 13% last year) and the United Kingdom (41% versus 25%).

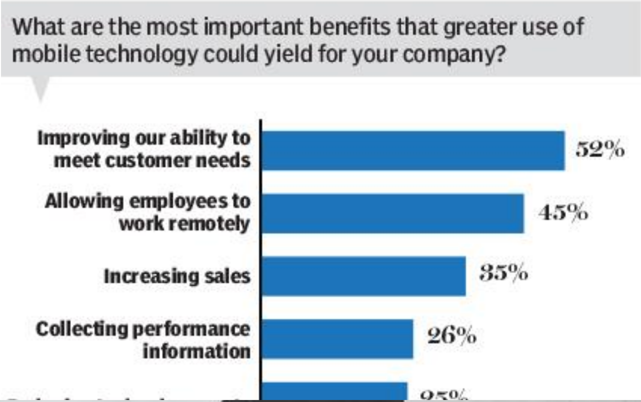
In Asia, China and India lead the way in terms of improving production efficiency, with 45% of respondents in each country planning to increase investment. Hong Kong is not far behind, at 43%. Plans to increase production capacity are highest in Hong Kong (43%) and China (42%).

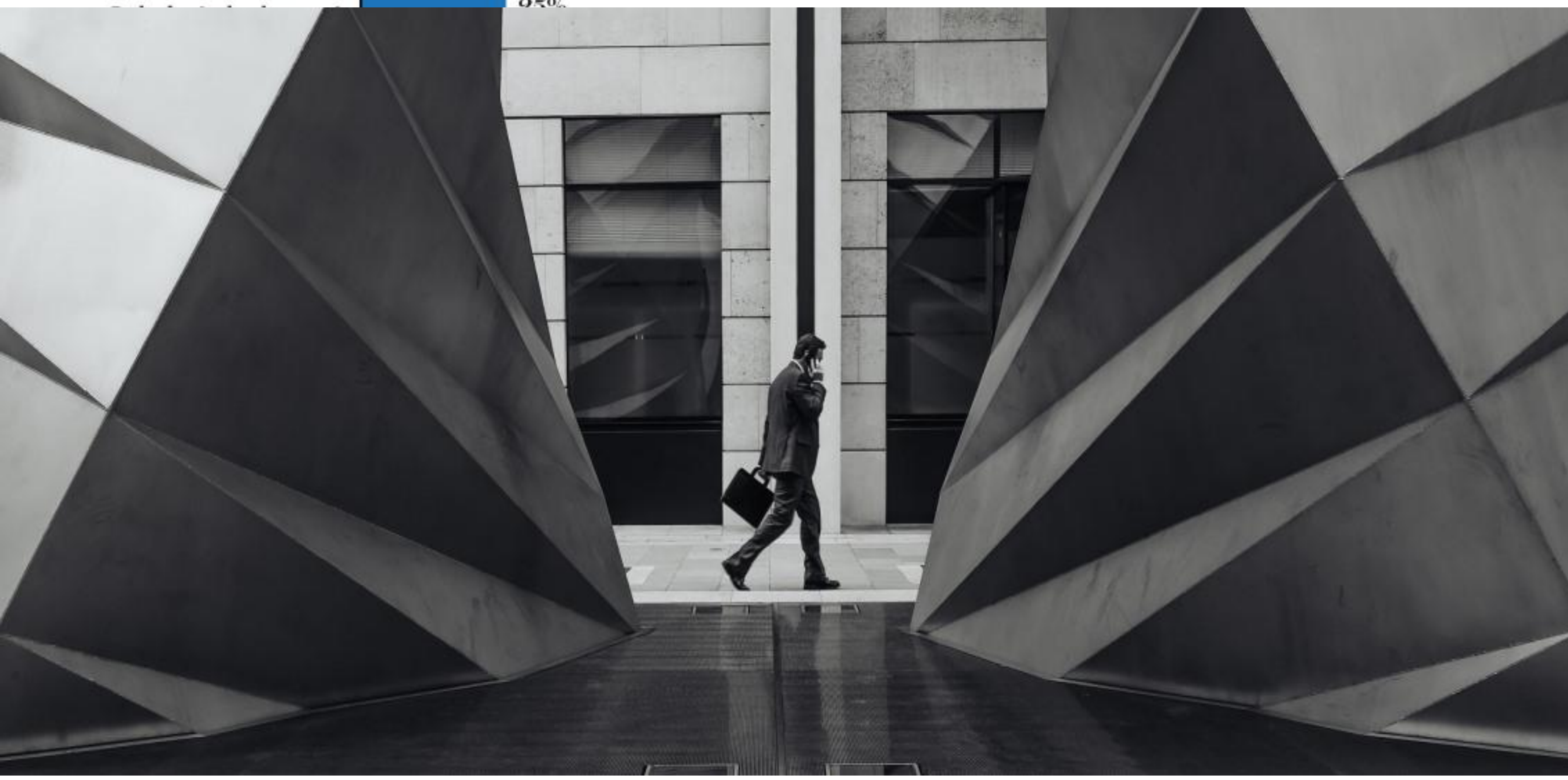
United States: Focus on M&A

The United States presents an interesting and different picture. Survey respondents in the U.S. are more likely than their peers in most other countries to say that their companies expect to increase investment in mergers and acquisitions. Forty percent of U.S. respondents report that their companies plan to increase investment in M&A, compared with 28% of all respondents to the survey.

The 40% of U.S. respondents expecting an increase in M&A is 12 percentage points higher than last year's results, and places the U.S. among the leaders in pursuing growth through M&A opportunities. U.S. respondents also stand out in that they give approximately the same weight to increasing investment in M&A as they give to increasing investment in organic growth, either through new product and service development (36%) or through sales and marketing activities (39%).

FIGURE 2





While the U.S. economy remains one of the most stable in the world, it is also one of the most mature, and the survey findings may reflect the fact that finance executives feel that their best prospects for growth lie in building from the outside in.

Finance executives in both France (40% of respondents) and the United Kingdom (39%) match the level of interest in M&A seen in the U.S. Overall, French respondents have the bleakest outlook for their own economy of any country covered by the survey, and so finance leaders there may see transactions as one of the best paths leading out of their current difficulties.

U.K. business leaders, on the other hand, seem more determined to spend their way back to fiscal health than to cut back, and they appear to be considering both organic and inorganic opportunities for doing so.

On the Move

With the amount of available business data continuing to increase, companies are looking to give their employees better access to information and enable better analysis of it. As a result, mobile technology is attracting interest from executives in the survey. The CFO of a U.K. infrastructure and engineering firm, for example, notes that "remote working is very high on our agenda." Mobile technology is helping this company meet its growing need for specialized skill sets that are difficult to source in some of the geographic locations in which the firm is expanding. With remote working, says this CFO, "we find ways of making it less important where people actually live."

Better meeting of customer needs and allowing employees to work remotely are the two most important benefits of the greater use of mobile technologies, according to survey respondents. (See Figure 2, above.) Respondents from some Latin American countries (Chile, Mexico, and Argentina) and Spain are among the most likely to make mobile technology a priority. For some geographies, mobile is where customers and their money can be found; in others, mobile can allow a business to leapfrog infrastructure challenges to grow in new markets.

Senior finance executives themselves seem to be convinced of the benefits of mobile technology. In a separate *CFO* survey, nearly 9 out of 10 respondents (89%) say that advances in mobile technology and better connectivity to enterprise systems have substantially increased the frequency with which they check mobile devices for messages. Two-thirds (66%) of respondents agree that responding to business e-mails/messages outside of normal business hours enables them to be more effective managers, and 79% agree that doing so enables them to be more efficient in their jobs.

Financial Executives Express Concerns About Regulatory Mandates

More than half of corporate finance executives in the US rank future regulatory mandates as their highest compliance concern, according to a new survey by audit, tax and advisory firm KPMG LLP.

Given developments in the economic, risk, and regulatory landscape, the challenges for companies will continue to be intense in 2015. Of the 450 financial reporting executives polled at KPMG's 24th Annual Accounting and Financial Reporting Symposium, nearly 51 percent pointed to the specter of future regulations as a key concern, with another 16 percent citing the navigation of current regulatory compliance issues as a top worry. Tax compliance (22 percent), and data infiltration and IT security (11 percent) also were identified as leading concerns.

"In this heightened environment of regulatory guidance, it is critical that companies understand the current and pending compliance issues, and the ripple effects on many aspects of their business operations," said Thomas Duffy, KPMG's national managing partner for Audit.

With FASB's new revenue recognition standard and other accounting changes on the horizon, companies should be developing transition plans and identifying implications for financial reporting and accounting processes, staffing, resources, and IT systems – yet many are struggling with implementation. When asked about major concerns for year-end reporting, almost a third (32 percent) rated revenue recognition highest, and almost 64 percent of those surveyed said they still had not settled on a way to adopt the new standard.

About 22 percent of those surveyed said their major concern centered on improving the effectiveness of their disclosures, and 20 percent of respondents said implementing COSO 2013 was chief among their worries for year-end reporting. Meanwhile, nearly 43 percent of those polled said they planned to adopt COSO 2013 in 2014, while 31 percent said they would implement the new framework in 2015. More than one-quarter of the financial executives said they do not plan to implement the framework immediately and were uncertain as to when they would.

"Between revenue recognition and COSO, it's a significant year for changes in financial reporting, both in the framework and the standards," said Duffy. "This requires adequate planning and resources to ensure a smooth transition in the year ahead."

As companies work towards implementation of new mandates, nearly four in 10 participants rank simplification of accounting standards by the FASB as its top priority and 37 percent said that providing clear application and implementation guidance on the new standard should be central to the FASB's agenda.

In addition, executives were not immediately convinced their companies would seize the option to adopt International Financial Reporting Standards (IFRS) if the U.S. Securities and Exchange Commission provided the reporting standard as an option for U.S. public companies. If IFRS was an option for U.S. registrants, just over 8 percent of respondents said their company would adopt IFRS as soon as practicable, while 51 percent said they would weigh the costs and benefits. Over 40 percent said they would not adopt IFRS.

The Disruption of the Payments Industry

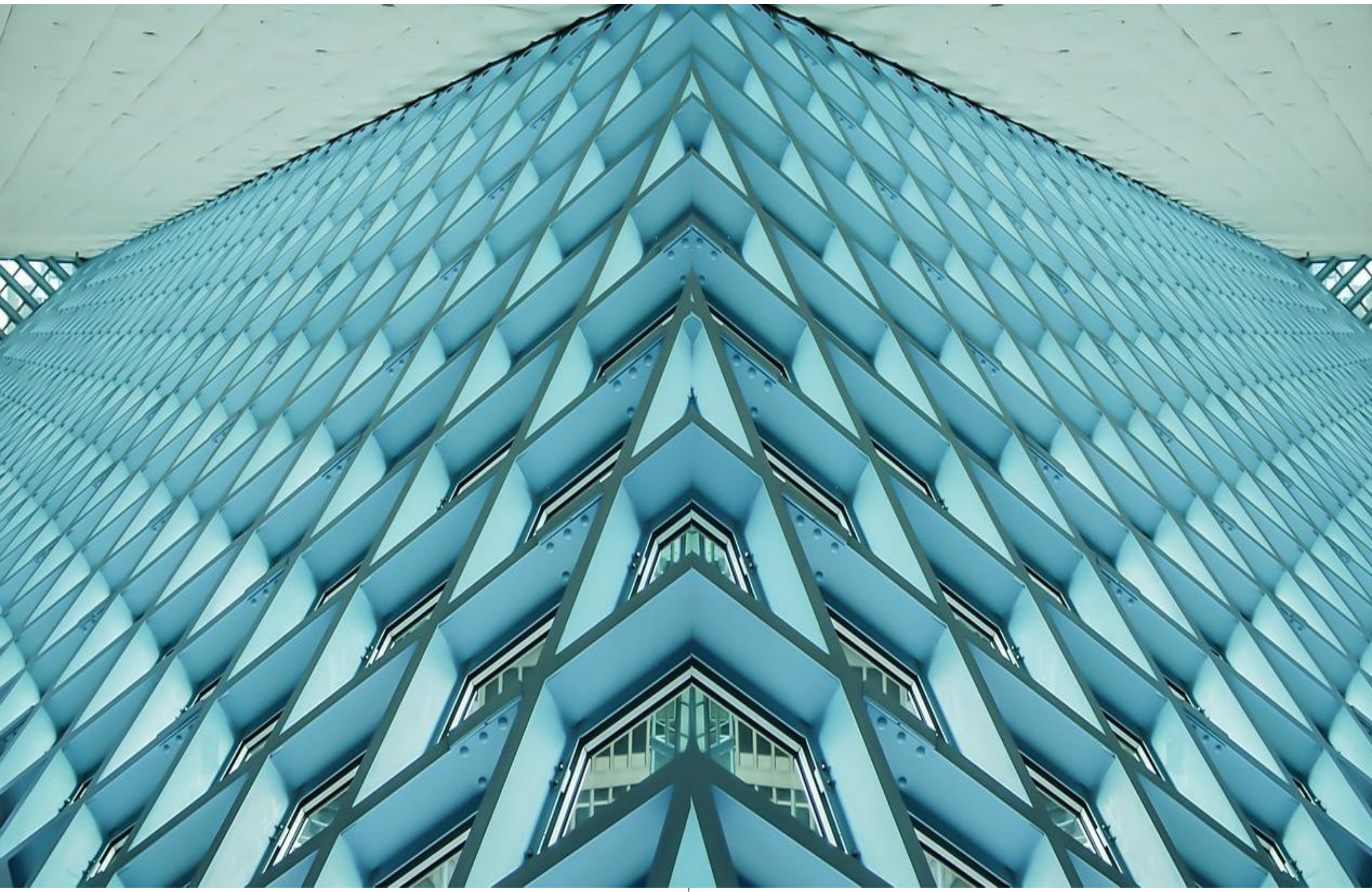
Global payments revenues have been growing at rates in excess of expectations. Once again, Asia—and China in particular—is the primary engine propelling the global numbers, but all regions, even those where revenues have recently been in decline, are contributing to the surge. Payments growth is currently a truly global phenomenon.

Looking ahead, however, we expect global payments revenues will begin to reflect the flip side of Asia's prominence as a growth driver. The expected macroeconomic slowdown in Asia–Pacific, in other words, is dampening expectations for payments growth overall. However, the turnaround in other markets will make up for some of this decline. We forecast that this rebalancing between emerging and developed markets will lead to tempered but still healthy revenue growth of 6 percent annually through 2019 (exhibit).

Our most recent research reveals several additional trends of note. In 2014, as in 2013, growth resulted primarily from volume rather than margin growth ($105 billion versus $30 billion). Liquidity-related revenues (those linked to outstanding transaction-account balances) were again the largest revenue-growth contributor (53 percent). But transaction-related revenues (those directly linked to payments transactions) climbed more strongly in Europe, the Middle East, and Africa (EMEA), as well as in North America, contributing more to revenues than they have in any year since 2008.

We expect the contribution of transaction-related revenues to continue rising through 2019, growing at a compound annual growth rate (CAGR) of 7 percent (compared with 5 percent for liquidity revenues) and contributing more to global payments-revenue growth for the period ($360 billion compared with $220 billion). Weakening macroeconomic fundamentals, primarily in Asia–Pacific, will mostly affect worldwide liquidity revenues; transaction-related revenues, more driven by payments-specific trends and the ongoing migration of paper to digital, will continue to grow at historical rates. Further, the digital revolution in customer behavior and the intensifying competition will likely revive the "war on cash," giving further impetus to transaction-related revenues. Still, with CAGRs of 9 percent in EMEA and 7 percent in North America, liquidity revenues should continue to grow as interbank rates recover from historically low levels.

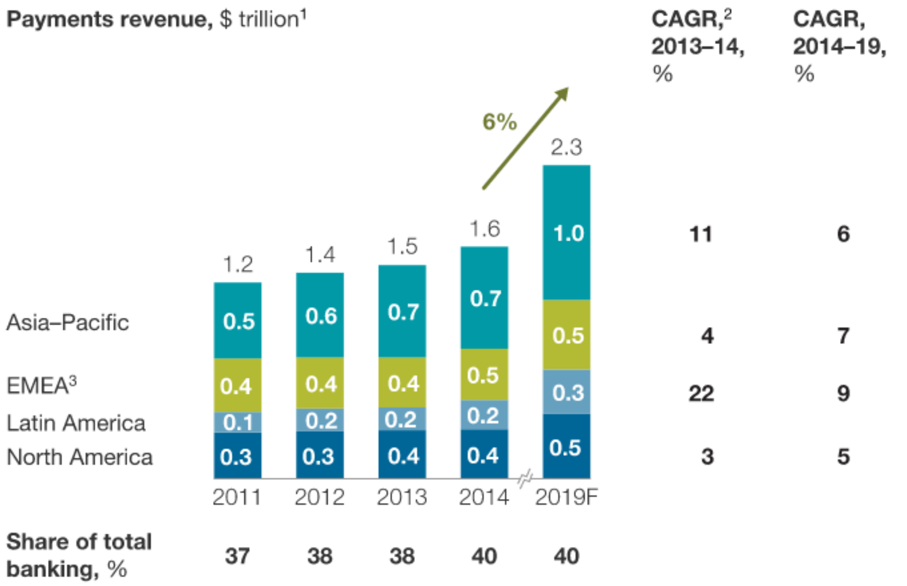
We also anticipate a rebalancing of revenue growth. During the past five years, payments revenues grew at a CAGR of 18 percent for Asia–Pacific and Latin America combined, comparing favorably with flat revenues in EMEA and North America. During the next five years, however, these growth rates will be 6.5 percent and 6 percent, respectively.



Setting aside changes in macroeconomic fundamentals that are difficult to predict, we foresee four potential disruptions that will alter the payments landscape in the coming years:

- **Nonbank digital entrants will transform the customer experience, reshaping the payments and broader financial-services landscape.** The payments industry has recently seen the entry of diverse nonbank digital players, both technology giants and start-ups, that are presenting increased competition for banks. While start-ups have generally not been a major threat to the banking industry in the past, we believe things will be different this time due to the nature of the attackers, the prominence of smartphones as a channel, and rapidly evolving customer expectations. To maintain their customer relationships and stay relevant, banks will need to respond to these changes with new strategies, capabilities, and operating models.

Global payments revenue is forecasted to grow by 6 percent annually for the next five years.



[1]Figures may not sum, because of rounding.
[2]Compound annual growth rate.
[3]Europe, Middle East, and Africa.

McKinsey&Company

- **Modernization of domestic payments infrastructures is under way.** The industry is currently going through a wave of infrastructure modernization that is required to compete effectively with nonbank innovators and address evolving customer needs. More than 15 countries have modernized their payments infrastructures in the past few years, and many others are in the planning stage. Because infrastructure upgrades are costly at both the system and bank levels, banks need to find ways to build products and services on top of the infrastructure that provide value to end users and accelerate the war on cash, in order to recover these investments as quickly as possible.

- **Cross-border payments inefficiencies are opening doors for new players.**The entry of nonbank players and new infrastructure demands are not limited to domestic payments: they will also affect cross-border payments. To date, banks have done little to improve the back-end systems and processes involved in cross-border payments. As a result, cross-border payments remain expensive for customers, who also face numerous pain points (for example, lack of transparency and tracking, as well as slow processing times). However, as nonbank players increasingly encroach on the traditional cross-border turf of banks—moving from consumer-to-consumer to business-to-business cross-border payments—they will force many banks to rethink their long-standing approaches to cross-border payments.

- **Digitization in retail banking has important implications for transaction bankers.**The digital revolution will extend well beyond consumer payments and retail banking, causing significant changes in transaction banking. As customers grow accustomed to faster and more convenient payments on the retail side, they will soon demand similar conveniences and service levels in transaction banking. Having witnessed the impact of nonbanks in consumer banking, transaction bankers are becoming more aware of the nonbank threat in their own backyard and of the potentially major downside of failing to invest in digital infrastructures and services.

Overall, we expect to see the payments industry continue to grow at a moderated yet healthy rate during the next five years. But amid that growth, there will be a rebalancing of revenue sources, and, more important, powerful disruptive forces will begin to reshape the global payments landscape.

Download the full report on which this article is based, [Global Payments 2015: A Healthy Industry Confronts Disruption].

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The Tax System Can Play a Role in Australian Innovation

Australia's tax system can help create an economic shift towards a sustainable innovation pipeline, writes Alex Evans.

Australia's quest to develop a stronger innovation ecosystem has seen a growing focus on the income tax system, and whether it should be used as a lever to help achieve this goal.

Some have argued the government should not use tax incentives to spur the shifts needed to make Australia an innovation hub. This view is based on the argument that tax incentives have never been central to the success of Silicon Valley or Israel's innovation ecosystems. However, there has been little analysis of why this is so and no-one has stopped to ask whether this analogy is apt for Australia.

Australia is in a very different position now to where the US was from the 1970s through to 2000 when Silicon Valley went through the biggest phase in its development. One part of this difference is the level of military expenditure available for investment in technology.

In the US, between 1970 and 1992, the lowest level of military expenditure as a percentage of GDP was 4.6%. At the start of the 1970s, the level was much higher (7.8%), and that was a decrease from the level in the 1960s (in 1962 and 1968, the level was 9.0% and 9.1% respectively). Between 1992 and 2001 in the US, the level steadily fell from 4.3% down to 2.9%.

There are various reasons for the fluctuations across time, including engagement in war (the Cold War and the Vietnam War) and changes between Democratic and Republican administrations. But the broader point is that the baseline of military spending in the US at the crucial stage in the development of Silicon Valley was very high. The same is true of military spending in Israel – in 2014, military expenditure accounted for 5.2% of GDP. That is the lowest level of military expenditure there for at least 15 years.

By comparison, the level in Australia in 2014 was much lower, at 1.8% of GDP. This is nothing near the historic levels in the US or the relatively recent levels in Israel. While only a small proportion of military expenditure will be invested in new technology in any country, countries that have had high levels of military expenditure have had higher levels of investment in new technology.

Submarines alone won't do it

Some have pointed out that, given the importance of military investment to the ecosystems in Silicon Valley and Israel, Australia's next submarine contract is vital. However, one contract is unlikely to be enough to single handedly develop technology that can dramatically transform the existing landscape and provide a backbone for the future of innovation in Australia. (No pressure, right?) This also raises a broader question about whether it's possible for Australia to increase its current level of military expenditure and whether that is what we want.

In addition to the disparity between military expenditure in Australia and the US, there is a huge difference in scale of GDP. In 2014, Australian GDP was approximately US$1.454 trillion and US GDP was US$17.419 trillion. The sheer scale of US GDP is significant due to the failure rate of startups. Anecdotally the failure rate for tech startups in the US is around 90%. A lot of capital is lost in the quest to find the next Facebook or Snapchat. Scale helps innovation.

Further, an important part of the success of US startups has been the scale of their domestic market. Exporting to international markets has tended to come much later (although this temporal lag was more pronounced in the 1980s than it is now).

In Australia, the relatively small size of the domestic market means Australian startups will need to export much earlier in their lifecycle. Ian Maxwell has previously suggested that a startup tech sector in Australia could be successful if startups were acquired by the corporate sector, and established corporations then went through the process of commercialising and exporting the process or technology globally. This point is worth exploring further. His broader point – that Australia is going to need to come at the problem differently to the US – is compelling given we are building from a different baseline, in different conditions and with very different parameters. We need to work with our strengths.

Given the figures above, it's highly unlikely investment from military spending alone will be able to sustain an innovation ecosystem in Australia. Given the capital required to commercialise research and innovation and the size of our economy, we will need to be clever about how to drive capital towards such an ecosystem.

Tax concessions may not be the silver bullet. Based on past experience, e.g. with concessions for film, R&D and infrastructure bonds, any concessions would need to be tightly controlled to prevent manipulation and avoidance. However, it seems unwise to completely dismiss the tax system as playing a role in achieving the economic shift we are seeking.

One idea worth exploring further is whether it is valuable to undertake some rebalancing between the level of concessions and subsidies that are currently directed towards individuals and those directed towards business vehicles, even if this is only temporary. The rationale is that a flourishing and productive private sector may remove the need, or assume responsibility, for providing some of the benefits to individuals. The UK seems to have had some success with that strategy.

In this vein, some have recently argued that the revenue lost to negative gearing and the investment in real property that it has encouraged would be better redirected towards the startup sector.

In 2015, NATSEM estimated that Australia currently foregoes A$3.7 billion in revenue each year to negative gearing of residential property (A$7.7 bn when combined with the CGT discount) and there's also evidence negative gearing mostly benefits higher income taxpayers.

Abolishing the Australian tax sacred cow of negative gearing would be unpopular. But it is the type of change we should be considering if we really want to direct investment towards innnovation.

Alex Evans is a lecturer in tax law at the UNSW Business School.

This opinion piece was first published in The Conversation.

14 Ways to Capitalise on Leadership Coaching

While coaching is a highly effective way of accelerating your development as a leader, it also represents a significant investment of time and money. Here are fourteen ways to get the most out of your leadership coaching experience.

1. Craft a bold new future.

Challenge yourself to move up to a whole new level as a leader. Don't waste this opportunity by settling for minor changes and fine-tuning. Spend time early in the coaching process crafting a picture of the most ambitious future possible for you as a leader. When this picture both excites you and scares you, you will know you have the right one. Expect great things from yourself and the process.

2. Drive the process.

Unlike most other learning and development processes, you are responsible for setting your own learning objectives, crafting session agendas and structuring the coaching schedule. This is your show. Take charge. And be very, very selfish. For once, it really is all about you.

3. Steel yourself for a rocky road.

If the changes you need to make to really lift your game as a leader were obvious and easy, you would have made them already. Prepare mentally for the rigorous tasks of self-assessment, learning and personal change. Think about what you are willing to learn, invest, risk and sacrifice to become a better leader. Recognize that leadership development is impossible without personal development.

4. Seek out new sources of feedback.

Invite the perspectives of others, especially the stuff that is hard to hear. Pick six people who regularly see you in your role as a leader, tell them that you are involved in a leadership development process, and ask them how you can better use your leadership talents to have a larger influence on others.

5. Prepare well for each session.

Before each coaching session spend 15 minutes in quiet private contemplation creating an agenda for the coaching dialogue. What are the most important leadership issues facing you at this moment? How have you fared since the last coaching session? How can you best use your time with your coach? Spend another 15 minutes quieting your mind from the frenetic pace of day-to-day organization life. Do what you need to do to get yourself ready to explore new territory, challenge your current thinking and experiment with new leadership practices.

6. Be at your best.

Schedule your coaching sessions for times when you are rested; not at the end of the work day when you are drained, tired and out of gas. Coaching is often an intense, arduous process and will be most rewarding when you are at your physical and emotional best.

7. Focus on outcomes.

Great leadership is measured by one thing: the impact that you have on others. It is not about being popular or easy going. Keep asking yourself one question: "What can I do to help others on my team or in my organization become more aligned, engaged, committed, productive and innovative?" You are the instrument of leadership but are measured by how others perform.

8. Hold on to the important stuff.

Use the coaching process to get exceptional clarity on those principles and aspirations that are most important in your role as a leader. Resolve to hold on to these at all costs. Significant, sustained change can only happen when is it is rooted in your closely-held personal values.

9. Let go of the unimportant stuff.

Use the coaching process to identify the assumptions, behaviors and habits that no longer serve you well and are best left behind. Think about this process as aggressively pruning your approach to leadership so that you can blossom into a much stronger leader.

10. Always move forward.

Leave every coaching session with at least one specific action that will advance your leadership in some way and commit to completing this action before the next session. This will include things such as experimenting with a new practice, having a difficult conversation, redesigning how you invest your time, restructuring your personal strategies or acquiring the resources you need to meet your goals. As the Spanish proverb says: "Habits are like cobwebs, and then they become cables".

11. Reflect on and generalize your learning.

After each coaching session, take 15 minutes of private time to reflect on your progress, crystallize your new learning and insights, and determine how you can apply these to other areas of your work and leadership.

12. Use your coach well.

Don't waste time trying to impress your coach. Your coach assumes that you are a very talented, committed leader with the potential to make a much bigger impact on your team and organization. Your coach is not your personal advisor, counselor or therapist. You will get few recommendations and answers. Your coach, however, has great faith in your ability to chart your own future as a leader and will challenge you, encourage you, confront you, affirm you and provoke you…always in service of your learning and development.

13. Develop the habit of being direct and candid.

Use the coaching process to expand your ability to give feedback and constructively confront others. Start with your coach. Let your coach know what is working for you, what isn't and what you would like changed.

14. Celebrate your performance breakthroughs.

While coaching is often an arduous process, it can also be a wonderful adventure replete with amazing insights and great personal victories. Take time at each session to talk about your wins, no matter how small, and revel in your progress. Enjoy the journey. It will likely be one of the most rewarding times of your career.

It Will Never Happen to Me

Famous last words.

I've heard this sentiment more often than I wish throughout my career in the insurance and risk management industry. The bad news is that all CEOs and small business owners WILL suffer a crisis of some sort on an annual basis. It's not if, it's when. If they aren't ready to effectively mitigate the calamity; not prepared to be resilient; and not prepared to communicate with employees, supply chain and clients, then the ramifications range from gut wrenching to fatal to the company. *Are you ready?*

Crisis planning, disaster recovery, and communicating in the midst of chaos are an executive leadership function. This is where visionary strategy from the CEO is imperative. The implementation and work can be delegated, but not the strategy. This is where most CEOs make their biggest mistake. They think they can delegate this away.

All you have to do is open a Wall Street Journal, USA Today, or New York Times on a daily basis to read about businesses being devastated by disaster. Tune into CNN and watch it as it happens. And, I'm not just referring to natural disasters like hurricanes. Here is a short list of crises that have occurred to small businesses and could to yours. In each case, some sort of crisis response and damage control was required…

- A cyber crime compromises your database and threatens the identities of employees and clients.
- A cyber attack cripples your technology with a virus, leaving you unable to operate and out a lot of money to fix.
- One of your employees suffers a heart attack and dies in the office with dozens of employees watching and trying to help.
- An employee sues you for age discrimination after you terminated them for cause.
- Your server room suffers a broken water pipe and floods the room damaging your system.
- You suffer a devastating fire that will mean a complete rebuild. What do you do with 50 employees tomorrow? What do you tell them?
- One of your key executives' poor behavior lands on the front page of the local paper. The reputation of your business is now on the line. What's your first step?
- A massive windstorm causes a power outage and power may not be restored for 4-5 days.
- One of your drivers causes an accident that kills someone else, and then test positive for drugs.

I can do this all day. My guess is, that if I put you in a room with your peers, you could do the same. The problem is that too few CEOs actually do anything about it. Their method of managing and responding to risk is to call their insurance agent, hoping that it crisis is insured, and then respond in real time. Decisions made in real time are most often very poor.

The reason most business owners eschew proper planning is because he thought of doing it is daunting. They've been led to believe that it's too time and energy consuming. The reality of it is that it's not. You just need to know what you're doing.

Here is my easy to use guide on how to ***quickly and painlessly develop a plan***….

1. Allocate 2 hours of uninterrupted time with your leadership team and yourself. Close the doors, turn off the cell phones and require focus from everyone.
2. Decide who is in charge in the event of *any* This person should have authority to make decisions and also have a backup in case they are unavailable. They will be your *Crisis Commander*.
3. Create a simple, yet effective communication plan to communicate with employees, clients, supply chain partners, and families. Take into consideration loss of power and connectivity on your plan. That means you need to have a redundancy plan for communications as well as technology.
4. Find someone who is able to effectively and comfortably deal with the media. It should be someone different than the person in charge. This person will deal with press releases, interviews, and other media requests.
5. Determine your most likely perils, and which ones would cause the most damage. Discuss appropriate responses.
6. Test and practice your plan. This action gets overlooked all the time!
7. Meet as a group at least quarterly to reassess and make changes as necessary.

This may seem oversimplified. If you just do this, you're ahead of most of your peers. If you go beyond this and make effective crisis response part of your culture, then you dramatically improve your chances of avoiding a crisis to begin with; mitigate the ones you can't control; and respond in a way that protects your business, employees, and reputation.

C-Suite Executives Put on the Spot and Asked How They Measure Up

Decades of C-suite capability development frustrations have come to an end. Leading C-suite executives now have the tools at their fingertips to objectively assess, and seamlessly build, enduring distinctive capabilities. Obstacles that have traditionally impeded their capability building initiatives will become a distant memory.

"The Future Leaders Scorecard Tool (FLST) is the first of several complimentary executive scorecard tools we are introducing", says Gianni Fracchia, Founder and Principal of Derwent Scotch. "We have developed a series of online scorecard tools to help the C-suite determine how well their organisation's capabilities do, or don't, measure up. We have removed the ambiguity and guess work that have prevented the C-suite from establishing true organisational position representations, and subsequently developing required capabilities."

Catering to the demands of the C-suite executive of today, and tomorrow, the Derwent Scotch scorecards are "the standard" in organisational capability self-assessment. Of the several scorecards being introduced, the FLST addresses the development of a Future Leaders capability – the capability to cultivate successive future leaders that attract, develop, and retain superior talent to secure an organisation's future.

Taken online with results available immediately, the scorecards equip the C-suite with a comprehensive understanding of the strength of their organisation's capabilities. Their assessment results can help them assess if investments in underlying resources are adequate, and ignite the development of a platform to attain excellence in their respective capabilities; ultimately, attaining organisational excellence.

For more information and to see how you measure up, visit derwentscotch.com/scorecards.

Navigate Your Career… Don't Let It Founder!

Do you have a career plan?

Do you have a vision of where you want your career to be in five to ten years?

Do you have a career goal?

All of the above questions are critical in navigating your career journey and achieving your personal life ambitions. Careers are not separate from your life goals…both are deeply entwined and inter-related.

History is a great teacher, so I invite you to consider the life and achievements of that great explorer Matthew Flinders who single handily was the first person to circumnavigate Australia. It is an epic story that I encourage people to read as there is so much we can learn from this intrepid explorer.

That's right, he sailed a boat by himself around Australia drawing detailed maps of the coast line, including reefs and other perils for future seafaring voyages. His charts still form the basis for most navigation around the Australian seaboard almost 200 years later.

So how does this relate to your life journey and career pathway in particular:

- He had a goal to prove that Australia was an island continent
- He carefully packed provisions and the appropriate equipment for his journey into the unknown
- He was committed to documenting every stage of his journey and to draw detailed maps of the coastline for the benefit of future travellers

In other words, his personal goal was to be achieved by building a positive resource for others (career and personal goals complimenting each other).

Matthew Flinders loved his work and when he finally returned to England many years later became a prolific author on the Australian continent, its geography, flora and fauna.

This was no haphazard outcome! He continually did things and took action to make his career and life an exciting and positive legacy to society.

Taking action is fundamental to every person's career and with action comes risk. Plans and good preparation mitigate risk and actively assist in achieving our goals.

Nevertheless, the major risk of doing nothing is mediocracy, career stagnation and a life of under achievement.

Be bold, plan, initiate action!

Accept the fact that life can be influenced by random events, so be flexible with your plan, but never lose sight of your goals.

Develop a mentor as your lighthouse, navigate the reefs carefully but determinedly, and most importantly help others on your journey.

Europe's New Worry: Portugal

In July**,** six months after Greece elected a left-wing, anti-austerity government, the country came perilously close to leaving the euro. So it's easy to understand why markets are nervous at the prospect of Portugal, a poster child for European austerity, replacing its reform-friendly, center-right government with a left-wing, anti-austerity coalition. The yield on 10-year Portuguese government bonds jumped 53 basis points to peak at 2.83 percent on November 9 since the ruling Social Democrats lost their majority in the Portuguese Assembly in elections held October 4. (Yields have since dropped to 2.49 percent). The stock market rose for a few days after the election, but is down nearly 4 percent since then. Despite the market's fears, however, Credit Suisse thinks it unlikely that Portugal is destined to follow in Greece's footsteps.

In October, the Social Democrats (the main center-right party) won the most votes of any party, and Portugal's president reappointed Prime Minister Pedro Passos Coelho. It soon became clear, however, that the Social Democrats couldn't form a stable government. Meanwhile, the Socialists, who received the next-largest share of votes, made a deal with the Communist Party and the Left Bloc, the latter of which has been compared to Greece's populist Syriza party, to form a coalition with enough votes to govern. On November 10, the left-wing alliance pushed through a no-confidence vote to topple Coelho's government. Portuguese President Aníbal Cavaco Silva can now either appoint a caretaker government headed by Coelho, which would need to find common ground with the Socialists and others to get anything done, or allow the left-wing alliance to take power. A third possibility: the Socialists accept Coelho's challenge to allow early elections that might produce a more stable configuration in the Assembly.

No matter which short-term outcome prevails, political instability is most likely ahead. The three left-wing parties have major policy differences, and Credit Suisse believes a coalition government would only last a few months. The Left Bloc and Communist Parties are anti-austerity Euroskeptics. The Communists campaigned on nationalizing Portuguese banks, dropping out of NATO, and restructuring foreign debt. The Socialists are more moderate. Antonio Costa, the leader of the Socialists and presumptive prime minister in a left-wing coalition government, has said the new government would not follow Greece's example by forcing a confrontation with European creditors over debt restructuring.

The Socialists do want to ease off austerity, however. Over the last few years, the government has hiked taxes, overhauled state-owned enterprises, privatized assets, laid off 10 percent of government workers, cut public-sector salaries, and passed a slew of private-sector reforms, including changes to bankruptcy and labor laws.

The results have been impressive. Portugal exited its €78 billion European bailout in May 2014, though the so-called troika of the European Central Bank, European Commission, and International Monetary Fund continues to monitor the country's finances and economic policies. Setting aside some one-time spending on big-ticket items over the past year, including a bailout for a failing bank, Portugal's budget deficit is at 3.4 percent, down from 4.8 percent two years ago. Borrowing costs have also fallen dramatically. Though government debt yields climbed close to 3 percent following the elections, they're nowhere close to the double-digit rates of 2012.

The country's economy has been growing steadily since 2013, and Credit Suisse's predicts higher growth in Portugal than the euro zone in 2016, 2 percent to 1.8 percent. Portuguese labor costs have fallen sharply since the European debt crisis, and exports have soared. By the end of 2013, exports accounted for more than 40 percent of the economy, up from less than 30 percent before the crisis. But the recovery isn't only externally-driven. Growth in private consumption accelerated to 3.2 percent, year-over-year, in the third quarter of 2015, the largest increase since 2010. Consumer confidence has been climbing since 2013, with unemployment falling from a peak of 17.5 percent in January of that year to 12.2 percent in September – still high, but a marked improvement no less.

A left-wing government might raise government workers' salaries and reduce those taxes that the previous administration raised in an effort to reduce the deficit, but European monitoring and the Socialists' stated desire to avoid a Greece-style crisis make a complete reversal of austerity measures unlikely. Portugal's private-sector reforms are also likely to stay. "Even if a leftist coalition were to govern, we believe the Portuguese Socialist has a sufficiently strong European DNA to avoid more fundamental uncertainties that were present in the Greek crisis earlier this year," say Credit Suisse analysts in a recent report. Finally, the European Central Bank's quantitative easing program is likely to keep borrowing costs relatively low. Portugal has done a considerable job digging itself out of an economic and fiscal crisis, and a change in government isn't likely to derail that progress.

ICMA and IAMI Sign Historic Mutual Recognition Agreement

Figure Professor Janek Ratnatunga, CEO of ICMA shakes hands with Mr. Afdal Bahaudin, the Chairman of IAMI.after signing ICMA-IAMI MOU

The ICMA and the Indonesian Institute of Management Accountants (IAMI) signed a Memorandum of Understanding (MOU) on October 26 in Bali, Indonesia. The purpose of the MOU is to strengthen cooperation between the two parties in professional development and the professional community in Indonesia. ICMA and IAMI will cooperate, participate in, and organise conferences, seminars and joint activities mutually beneficial to both parties with focus on contemporary areas to the profession in Indonesia, including ICMA providing speakers for conferences and annual CPD events of IAMI.

The MOU included a ***Mutual Recognition Agreement (MRA)*** in which:
For IAMI members:

- IAMI's CPMA members with 15 or more than 15 years working experience will be admitted as full certified members (CMAs) of ICMA.
- IAMI's CPMA members with minimum 10 years experience and holding minimum of a masters degree in accounting or business (Maksi or Magister Manajemen) and/or holding a doctoral degree in accounting and have taken the CPMA examinations. will be admitted as full certified members (CMAs) of ICMA.
- IAMI's CPMA members with 10-15 years working experience will be admitted as full certified members (CMAs) of ICMA after completing a 4 full day seminar (or equivalent) held by ICMA via one of its partner universities in Indonesia.
- IAMI's CPMA members with 5-10 years working experience will be admitted as full certified members (CMAs) of ICMA after completing a 4 full day seminar (or equivalent) held by ICMA via one of its partner universities in Indonesia, and passing an assignment set by ICMA.
- IAMI's CPMA members with 3 - 5 years working experience will be admitted as associate and have to complete 4 full – day seminar (or equivalent) held by ICMA via one of its partner universities in Indonesia, and passing a 3-hour examination set by ICMA based on the material covered before they can become ICMA full members.
- IAMI members who choose this route to get CMA certification must maintain their membership of IAMI.

Prof Misbahul Munir (IAMI); Prof Michael Tse (ICMA President, Mr. Afdal Bahaudin, the Chairman of IAMI; Prof Janek Ratnatunga (ICMA CEO); Dr Ana Sopanah (ICMA) and two other IAMI Representatives after signing ICMA-IAMI MOU in Bali.

Prof Michael Tse, ICMA President welcoming Prof Misbahul Munir by pinning a CMA Badge.

For ICMA members:

- ICMA's CMA members with 15 or more than 15 years working experience will be admitted as full certified members (CPMAs) of IAMI.
- ICMA's CMA members with minimum 10 years experience and holding minimum of a masters degree in accounting or business (MPA or MBusAcc) and/or holding a doctoral degree in accounting and have taken the CMA examinations will be admitted as full certified members (CPMAs) of IAMI.
- ICMA's CMA members with 10-15 years working experience will be admitted as full certified members (CPMAs) of IAMI after completing a 4 full day seminar (or equivalent) held by IAMI.
- ICMA's CMA members with 5-10 years working experience will be admitted as full certified members (CPMAs) of IAMI after completing a 4 full day seminar (or equivalent) held by IAMI, passing an assessment set by IAMI.
- ICMA members who choose this route to get CPMA certification must maintain their membership of ICMA.

The two parties agreed to the contents of the Memorandum of Understanding and on the implementation and the commitment towards cooperation and sustainable development goals for professional career development.

APMAA 2015 ICMA Co-Sponsored Conference

Picture of VIP Participants, including Professor Michael Tse, ICMA President and Prof Janek Ratnatunga, ICMA -CEO

The APMAA 's 11th Annual Conference 2015 was held on October 26-29, 2015 at the Udayana and Warmadewa University, in Bali, Indonesia. The theme of the APMAA 2015 was "*Management Accounting For Sustainable Development*".

Prof. Janek Ratnatunga, the CEO of Institute of Certified Management Accountants, Australia, was a **Keynote Speaker** and gave a talk on *"Costing Life: Air, Water and Food".*

He said that although air, water and food, are the fundamental requirements for life to exist on this Earth; excessive greenhouse gases concentration in the atmosphere is not only causing climate change, but also air pollution. Water costs are also related to the issues of climate change. It is clear that many industries depend on water in the supply chain for their workforce and production and to maintain a healthy operating environment. Professor Ratnatunga asked if the water price should be reflective of its value or is water a basic human right? Finally, he addressed the issue of 'food', i.e. how big business has taken ownership of the genetically modified (GM) 'seeds' required to grow the food. He warned that by using patents, GM companies have taken away a farmer's right to save seeds for the next season. He argued that management accountants need to undertake the calculations that favour humanity, rather than profits.

Professor Michael Tse, ICMA President with Prof Bam Bam, CMA and Prof Nurlaeli, CMA both from Airlangga University at the APMAA the conference (above). Prof Bam Bam, who is a CMA program presenter, won the APMAA 2015 best paper award. Also in the picture is Dr Ana Sopanah, ICMA East Java Regional Director and Prof Janek Ratnatunga, ICMA – CEO.

Prof Janek Ratnatunga, ICMA - CEO delivering Keynote Address (above) and with the students of Udayana University (right),

Member News

Sri Lanka Country Representative of International Association of Anti-Corruption Authorities (IAACA)

Nihal Sri Ameresekere, FCA, CMA, has been appointed, as Sri Lanka Coordinator of the International Association of Anti-Corruption Authorities (IAACA). Mr. Ameresekere has been a Member of IAACA since its inauguration in October 2006.

IAACA, supported by UNODC was inaugurated in 2006 to promote and facilitate the *UN Convention Against Corruption (UNCAC)*, which came into force in December 2005.

The Annual Conference & General Meeting of IAACA was held in St. Petersburg, Russia between 30th October and 2nd November 2015, and was followed up by the UN Conference of State Parties to the *UNCAC* from 2nd November to 6th November 2015.

Sri Lanka was the 2nd signatory to ratify the *UNCAC* in March 2004, and the 19th Amendment to the Constitution in Sri Lanka has mandated the implementation of the Articles of the *UN Convention Against Corruption*.

This is an important juncture for the new Sri Lankan Government combating fraud and corruption on several fronts.

The *UN Convention Against Corruption* applies with equal force to both and public and private sectors, managing public funds in fiduciary trust.

Nihal Sri Ameresekere, CMA, is also an Associate Member of the American Bar Association, Certified Fraud Examiner, and a Director of the International Consortium on Governmental Financial Management.

ICMA congratulates him on this prestigious appointment.

The picture shows the student group with Professor Ratnatunga celebrating the end of 7-days that many said gave them excellent tools to do their jobs. One student commented that “this is by far the best strategic finance course I have attended”.

Dubai, U.A.E. Branch Activities

The 18th CMA program was conducted by Wisdom Institute in Dubai in October 2015. The program was again facilitated by Professor Janek Ratnatunga, the CEO of ICMA Australia. It was a lively 7-days of intensive leaning on the strategic issues of management accounting.

Once again, the participants were extremely senior professionals from leading companies in the Gulf region including: Habtoor Leighton Group, MTN Sudan Co, TRC PamCo, Johnsons Controls, MPO – Iran, Dubai Culture Centre, Mercator Solutions, Technomark Energy, Emiarates CA, Oasis Ventures and Enserv International.

What's On in the World of the CMA?

- November 2015: CMA Intensive Program (Ho Chi Minh City), *AFA Research and Education*, Vietnam (in Vietnamese).
- November 9, 2015: ICMA Annual General meeting held at CMA House, 5/20 Duerdin Street, Clayton, Victoria 3168, AUSTRALIA.
- February 20-22 & 25-28, 2016: CMA Preparatory Program, Academy of Finance, Colombo, Sri Lanka.
- February 1-7, 2016: CMA Preparatory Program, Faculty of Economics and Business, Gadja Mada University, Jogjakarta, Indonesia
- February 1-7, 2016: CMA Preparatory Program, Faculty of Economics and Business, Gadja Mada University, Jogjakarta, Indonesia.
- February 10-16, 2016: CMA Preparatory Program, Segal Training Institute, Tehran, Iran.
- March 5-13, 2016: CMA Preparatory Program, Hulugalle Training Institute, Phnom Penh, Cambodia.
- May 9-15, 2016: CMA Preparatory Program, IPMI, Jakarta, Indonesia.
- May 2016: CMA Preparatory Program, Global Professional Advancement, Malaysia.
- June 1-7, 2016: CMA Preparatory Program, MMU Foundation (YUM), Melbourne, Australia.

Private Providers

Navitas Workforce Solutions, Australia

Wharton Institute of Technology and Science (WITS), Australia

Academy of Professional Education, India

Academy of Finance, Sri Lanka

IPMI (Indonesian Institute for Management Development), Indonesia

Multimedia College (MMC), Malaysia

Business Sense, Inc. Philippines

HBS for Certification and Training, Lebanon

Wisdom Group of Institutions (UAE)

Institute of Professional and Executive Management, Hong Kong

AFA Research and Education, Vietnam

Institute of Finance and Management PNG

Global Professional Advancement, Malaysia

Segal Training Institute, Iran

Centre for SMART, Salatiga, Indonesia