

PLEASE CHECK AGAINST DELIVERY

**WELCOME ADDRESS BY MR KENNETH YAP,
CHIEF EXECUTIVE, ACCOUNTING AND CORPORATE REGULATORY
AUTHORITY, AT THE PUBLIC ACCOUNTANTS CONFERENCE, WEDNESDAY
14 AUGUST 2013, RAFFLES CITY CONVENTION CENTRE**

Mrs Josephine Teo, Minister of State for Finance and Transport

Ms Lim Soo Hoon, Chairman of ACRA

Distinguished Guests

Ladies and Gentlemen

Good morning and welcome to this year's Public Accountants Conference.

2. The past decade has seen sweeping changes to the accounting landscape in Singapore. For many among us, these changes were first felt in Singapore when the Financial Reporting Standards were adopted in 2002. The spate of international accounting scandals in early 2000 also led to tighter financial reporting regulation and the introduction of independent audit oversight, which was the main catalyst for the formation of ACRA in 2004.

3. Today, robust auditor oversight is a key pillar of our corporate governance and financial reporting framework. Indeed, the Asian Corporate Governance Association, which ranked Singapore in top place within Asia in its latest report of corporate governance, noted that one of our key attributes was being a market leader which set the benchmark for independent regulation of auditors in the region.

4. Nevertheless, regulation is only the bedrock upon which all players in the financial reporting ecosystem must build on to engender confidence in our financial system. This is crucial as more challenges lie ahead. Accounting standards are becoming more complex, and financial preparers are required to exercise more subjective judgement in arriving at their figures. On the other hand, investors have become more cynical and require greater assurance and certainty amidst a backdrop of market volatility. A recent survey by ACCA Global found that since the 2008

Financial Crisis, two-thirds of UK and Irish investors are less trusting of information provided by companies. This further underscores the challenge that companies face in maintaining investors trust to stay competitive.

Developing a Trusted Accountancy Sector – ACRA's Collaborative Approach

5. More than ever, collaboration is the key to meeting these new challenges and lifting the accounting profession to the next level.

6. Today's conference is a testament to the value of collaboration and the importance of collective responsibility. The reports and guides that you have received as part of the conference package today are the joint effort of the ACCA, CPA Australia and ISCA. Of special note is a new guide entitled *Getting Your Accounting Right*, which is the result of a collaborative effort led by CPA Australia and the SMU's School of Accountancy, with contributions from practitioners, academics and ACRA. This guide aims to help management and shareholders better understand the role, governance and audit of financial statements. It also provides preparers with updates on major changes in accounting standards. In addition, we are also honoured to have the presence and support of the ACCA, the ASC, CPA Australia, ISCA, the SAC and other key members of the financial reporting community who will enrich the discussion by sharing their expertise and experience with all participants in today's conference.

7. The afternoon session is also reflective of ACRA's collaborative approach. Taking heed of feedback from practitioners who want more technical content in our conferences, the entire second half of the day will be devoted to sessions where technical content is delivered from a perspective of providing practical guidance. In this regard, we are honoured to have the President of ISCA, Dr Ernest Kan, open the afternoon conference with a keynote address on today's audit challenges and solutions.

8. ACRA has also partnered with CPA Australia to help shed more light on the challenges faced by audit practitioners. A focus group session was conducted with

members of the profession prior to this conference. The topics for the second half of the day have been customised based on this and other feedback received throughout the year. For example, many have asked for expert insights on the audits of construction contracts. Today, we are pleased to have a council member from the Singapore Institute of Surveyors share the quantity surveyor's perspective on ensuring accountability in construction projects.

9. And for the first time in this conference's history, ISCA in a joint collaboration with ACRA, has extended \$100 CPE training rebate on courses organised by ISCA to the first 300 participants who signed up for this conference. Partially funded by ACRA, the rebates aim to help members of the profession deepen their knowledge and expertise in areas of need. I strongly encourage those eligible for these rebates to make good use of them.

10. Beyond this conference, ACRA will be continuing this collaborative approach as we turn our attention to strengthening the entire financial reporting eco-system. In the next few months, you will be glad to find that when ACRA comes knocking, it will not likely be due to a PMP inspection. We will be seeking views from stakeholders involved in the financial reporting value chain. We will work with professional bodies, audit firms, preparers of financial reports, audit committees, company directors and many others. Your feedback and participation will be crucial if we want to further raise the quality of financial reporting and auditing in Singapore.

Conclusion

11. With these thoughts, I would like to thank all our stakeholders and sponsors for your generous support and participation in today's conference.

12. I wish everyone a fruitful conference and a great day ahead.

Thank you.