

MESSAGE FROM THE PRESIDENT

As the regulator and developer of the profession, MIA is committed to enabling a future-fit profession that will be resilient and relevant within any scenario.

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President

TOWARDS A BETTER TOMORROW

In an increasingly complex and uncertain world, it is critical for accountants to become more agile and adaptable in order to survive and thrive.

At the same time, we want to ensure that all accountants in Malaysia uphold the profession's public interest mandate and are empowered to contribute to sustainable development and nation building.

MIA works to achieve these aspirations through our advocacy and initiatives that are aligned with our strategic objectives and executed under our operational plan.

One, strong governance is the foundation of a future-fit profession. To strengthen MIA's regulatory powers, MIA engages vigorously with the Ministry of Finance (MOF) on the repeal of the Accountants Act 1967 (the Act). In the meantime, MIA will continue to collaborate with fellow regulators to boost our surveillance and enforcement powers.

As part of the changes to the governance structure, the gazettelement of the (Membership and Council) (Amendment) Rules 2023 which came into operation on 1 May 2023 now enables e-balloting, which facilitates digital transformation and makes it easier and more convenient for members to exercise their right to vote.

Two, competency development is essential to forging a future fit profession. In line with emerging trends in professional education and to improve accessibility, MIA has made available on-demand, hybrid, physical and customised learning programmes catering for our four membership sectors and different market segments. MIA also reached out to members via 52 engagement activities during the year under review and organised 35 complimentary events as part of our Corporate Social Responsibility (CSR).

Three, enhancing the value proposition of the profession is critical to strengthening the accountancy talent pipeline. The Government has set a long term vision of achieving 60,000 accountancy professionals to support economic and social growth. This will improve the current accountant-per-population ratio in Malaysia of 1:862, whereby about 38,500 members are serving Malaysia's current population of 33.4 million.

Our proactive efforts to enhance membership value and the Future Relevance of the Profession (FRP) have contributed to the achievement of 4.33% growth in new membership admission and 98.67% membership retention as of 30 June 2023. Members received additional value from the MIA Digital Membership Privilege Card which offered 107 benefits in total as at 30 June 2023.

Attracting and retaining the next generation of accountants will be equally critical to achieving a stronger and more sustainable accountancy profession. For the 2022/2023 financial year, MIA reached out to more than 6,300 students via 56 engagement activities.

The repeal of the Act will be a game changer in diversifying and attracting new talents. Under the restrictions of the present Act, only one membership level is recognised i.e. Chartered Accountant. The operationalisation of the new Act will allow for the introduction of three new membership levels based on the different proficiency statements required for accountancy professionals at various levels, as delineated in the MIA Competency Framework which is developed based on the International Education Standards of the International Federation of Accountants (IFAC).



MIA deems it equally important to collaborate and diversify talent to supplement the Institute's human capital. Importantly, we will continue to work towards widening the composition of the MIA Council, Committees, Task Forces and Leadership to ensure diversity, inclusivity, representation, and recognition of multiple perspectives affecting the profession. Our move towards e-balloting will support the broadening and deepening of the Council and Committees leadership and talent.

Four, strategic collaboration is at the heart of MIA's value creation efforts and empowers everything that we do. Globally, we actively engage and align our initiatives with the profession's agenda. On the local front, MIA collaborates with diverse stakeholders across the public and private sectors to advocate for the profession.



See pages 20 to 29 on Stakeholder Engagement

By leveraging on strategic collaboration, MIA is recognised as the voice of the profession both internationally and locally through key engagements such as:

- ▶ involvement and thought leadership at IFAC and ASEAN Federation of Accountants (AFA)
- ▶ provision of support to the Malaysian board member of International Public Sector Accounting Standards Board (IPSASB)
- ▶ Malaysia-Indonesia mutual cooperation to explore the regional accountancy services market and support ASEAN services liberalisation
- ▶ participation in the development of the new MQA Programme Standards of Accounting
- ▶ collaboration with Bank Negara Malaysia (BNM) on Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA) initiatives
- ▶ collaboration with the Malaysian Institute of Certified Public Accountants (MICPA) on the International Standard on Quality Management (ISQM) implementation for enhancing audit quality and practice management.

Our flagship MIA International Accountants Conference (MIAC) 2023 exemplifies the best aspects of our stakeholder collaboration, whereby close to 3,500 accountants from various sectors were in attendance to hear from 71 expert speakers, including a special address on accountants and sustainability by IFAC President Asmâa Resmouki.

Five, MIA continues to advocate for a more business-friendly and enabling environment to build economic resilience and support business continuity especially among SMPs and SMEs. A key initiative by MIA is supporting the Companies Commission of Malaysia's (SSM) proposal to increase the threshold of the audit exemption qualifying criteria to assist smaller companies in complying with the Companies Act 2016, which will benefit SMEs.

Six, as sustainability risks take centre stage and investors and stakeholders demand an urgent transition to low carbon business models, it is especially important to address the profession's sustainability agenda holistically in order to ensure the future relevance of accountancy professionals and the Institute.

Hence, in December 2022, the MIA Council approved the Sustainability Agenda concept paper which outlines MIA's strategy to advocate sustainability for the accountancy profession and to implement the environment, social and governance (ESG) agenda systematically at the Institute level.

Seven, MIA continues to drive digital transformation of the profession to enable business resilience and sustainability in the digital economy. A key milestone was our launch of the MIA Digital Technology Adoption Awards (DTAA) which recognises remarkable achievements in technology application by the accountancy profession in commerce and industry, public practice and public sector.

Acknowledgements

To future proof the profession, MIA is highly reliant on the contributions and collaboration of our diverse stakeholders.

On behalf of the Council, I wish to thank the MOF, the Offices of the Accountant General and the Auditor General, Ministries as well as the public sector and private sector organisations with whom we collaborate for supporting our efforts.

I also wish to thank my fellow Council members for their oversight and contributions. Many thanks are also due to the MIA Boards/Committees/Working Groups who play a major role in steering and enabling MIA's initiatives.

The Council would also like to express its appreciation to the management and staff of MIA for their professionalism and diligence in executing MIA's regulatory and development initiatives.

Last but not least, the Council would like to thank all our members for your continuing support and commitment to MIA and the profession. MIA is committed to continuously engaging with members to better appreciate your issues and challenges, and we will seek opportunities to contribute to members via more CSR activities.

Even as the profession evolves, we trust that members will steadfastly adhere to the professional standards, ethics code and the MIA By-Laws that are the cornerstone of the profession's public interest mandate.

As a purpose-driven profession, we have an invaluable opportunity to contribute to nation building. By working together to achieve a future-fit profession, we can build a better tomorrow.