

Hello Everyone,

It is that time of the year again where all of us are busy closing either the financial year or the tax year depending on the country in which we are! In the midst of all the humdrum, I am here again, for a update on the last couple of months.

Most of you are aware that MGI Asia participated in the Asia Tax Forum, organized by the International Tax Review in Singapore in May, 2013. The Forum provided a platform to MGI Asia to establish its first footprint in a space which is largely dominated by the big four firms. The conference was attended by over 200 tax professionals from the Asia-Pacific region with the keynote address being delivered by Mr. Mohan Parasaran, the Solicitor General of India. MGI participated in a panel discussion on "Tax in rapidly changing ASEAN economies", which received very good reviews. It was chaired by Mr. Pradeep Dinodia (Partner, MGI India). The other panelists were Ms. Ratna Febrina (Partner, MGI Indonesia), Mr. Michael Palumbo (Director of Tax, Baker Hughes) and Mr. Morrie Cheng (Head of Tax Asia, Sun Life Financial).

In our effort to position the MGI brand in Asia as a Thought Leader, partnering with organizations and events will help us in branding and positioning of MGI Asia within the tax professionals. With the success of our maiden venture in Asia Tax Forum, I hope that MGI Asia would continue to participate in events like these as they provide a platform to showcase its acumen in different countries on taxation issues.

In the last Area Meeting in Kuala Lumpur, the area as a whole has voted for carrying out a branding and Thought Leadership initiative, for which I am happy to report we have been able to successfully implement. We have not only started a newsletter but also participated in Asian Conferences and attending events locally using MGI branding. Three of the 14 members have been reported as tax experts by the International Tax Review in the Annual World Tax Guide for 2013. While we have worked a lot on improving the MGI brand within the region, we have lots more to do in the coming year. I hope we will be able to carry on with the same zeal.

In other news, I have attended the International Committee Meeting and the Latin America Area Meeting in May, in Montevideo, Uruguay. I am glad to report that both the meetings were successful and the new CEO Mr. Clive Bennett has stepped in to the shoes of the outgoing CEO Mr. Thierry Delvaux successfully. Of the key discussion points, the main

ones were the issue of the alliance actually being a network in some regions of the world like Europe and the legal implications of the same. There were also elections for the New Latin American Area Representative - Mr. Ricardo Ruiz Betancourt from Venezuela was elected who will succeed Mr. Carlos Pan on the IC. John Repetti also steps down in October 2013 as the North America Representative and will be succeeded by Mr. Ed Fahey. The next MGI Chairman will be Mr. Erik Emilsson when John steps down. The IC has also decided to carve out new region called MENA which will be the Middle East and the North African region. It was proposed that Mr. Salim Rajkotwala be persuaded to represent this region. However, I regret to inform with sorrow that Mr. Rajkotwala passed away suddenly, on 3<sup>rd</sup> June, 2013. We stand in solidarity with his family and firm in this difficult time.

Asia has been growing successfully in the last year with new members joining us in most of the rapidly changing ASEAN economies, our newest member being Hanmi Accounting Corporation in South Korea. We extend a very warm welcome to them!

Unfortunately, we have lost our member in the South Circle, Bangladesh and hope to re-instate a new member in the coming year.

Lastly, I urge everyone to attend the Asia Area Meeting coming up in Bangkok, Thailand on the 6<sup>th</sup> and 7<sup>th</sup> September, 2013 hosted by Nathee Audit Office. I assure you at this meeting we would be discussing not only issues, strategies and way forward for the coming year, but would also engage with external experts and professionals invited as speakers to understand how to **Innovate and Integrate** MGI Asia further.

Looking forward to see you in Thailand!



**Pallavi Dinodia**  
Area Leader – Asia



### BE A PART OF MGI EVENTS

#### **Australasia Area Meeting**

18-19 July 2013, Melbourne Australia  
Contact for further information: Christine Greiser

#### **Africa Area Meeting**

8-9 August 2013, Accra Ghana  
Contact for further information: Gerald Diamond

#### **Asia Area Meeting**

6-7 September 2013, Bangkok, Thailand

#### **MGI AGM 2013**

16-19 October, Sydney Australia

### **MGI ASIA AREA MEETING 6&7 September 2013 Chatrium Hotel, Bangkok**

The theme for this year's area meeting is ***Achieving the Vision: Innovate & Integrate*** and will be held over 1.5 days. The first day will be focussed on new business ideas, best practices and the second day (half) will be on the administration of the area

#### **AGENDA**

##### **Day 1 September 6**

8.45am – Registration

9.00am – Welcome address by Pallavi Dinodia. (set the tone for the meeting, objectives and deliverables)

9.20am – Welcome by host – Nathee Audit Office

9.30am – Forum on Driving Innovation & Customer Centric culture by Compass Institute  
Focus on how to seek and capture new opportunities plus looking at tools and frameworks that would help participants to build up innovative and a customer focussed firm

11.00am – Coffee break

11.30 – Continuation of Forum on Driving Innovation Customer Centric culture

1.00pm – Lunch

2.00pm – What do clients want from practitioners?

3.00pm – New member presentation (Vietnam, South Korea)

3.45pm – tea break

4.00pm – Business development - best practice case studies. What do members do to get new business?

4.30pm – Succession planning MGI Asia

5.00pm – End Day 1

6.30pm – Dinner & Cruise on Chao Phraya

##### **Day 2 September 7**

9.00am – Asia area update/ 2012-2013 status report. Success & Misses

9.45am – Next Steps – *membership benefits (technical support, manuals etc) brand & marketing strategies; membership growth strategies;*

10.45am – Coffee Break

11.00am – 2013-2014 action plan & budget allocation

11.45am – Election of Circle leaders & IC Leader

12.00pm – Wrap Up & Confirm & Agree action plan

12.50pm – Date/Venue of Next meeting

1.00pm – Lunch

### **MGI AGM 2013, COMES CLOSER TO HOME**

It has been generally noted by the Asia members the difficulty (time/cost involved, visa requirements etc) to travel to MGI AGM's held in North America or Europe. However this year's AGM held in Sydney makes it very easy for Asia members to get there. So no excuses! MGI Asia - let us be in Sydney to meet and network with other members from around the world and to show our support for MGI

### **Internationally renowned speaker confirmed for MGI AGM**

Being a member of MGI provides your firm with many opportunities to strategically grow your client base.

Joel Barolsky, the Managing Director of Barolsky Advisors and Senior Fellow of the University of Melbourne, will take us through a session on Thursday 17<sup>th</sup> October to help identify these opportunities and incorporate them into the way we do business.

Joel is an internationally recognised advisor, facilitator and educator to professional service firms, practice teams and client relationship partners.

Joel has advised over 100 leading professional service organisations including King & Wood Mallesons, Booz & Co, Davies Collison Cave, Parsons Brinkerhoff, Grant Thornton, Allen & Overy, Clayton Utz, Clemenger BBDO, Allen & Gledhill, GHD, Minter Ellison and Arup.

For further information check out Joel's blog: [www.relationshipcapital.com.au](http://www.relationshipcapital.com.au) and his LinkedIn profile: [au.linkedin.com/in/joelbarolsky/](http://au.linkedin.com/in/joelbarolsky/).

Whilst delegates and their partners are visiting Sydney, the 'Art & About Sydney' exhibition ([www.artandabout.com.au](http://www.artandabout.com.au)) will be on display. The City's streets and public spaces will be transformed into living art. This is a great time to explore Sydney that will feature local artist installations throughout the CBD as well as evening projections in Australia's oldest park, Hyde Park.

**This is the last month to benefit from the early bird discount, please visit [www.mgiagm2013.com](http://www.mgiagm2013.com), register and make payment before 30 June 2013 to receive a 10% discount on the delegate fee.**

We are counting down the months to welcome you to our beautiful city for an informative and uniquely Australian AGM.

Best regards,

Matthew Moy  
Director  
MGI Sydney

**ASIA TAX FORUM 8 & 9 May 2013**

Around 200 tax professionals both from practise and industry attended the Annual Asia Tax Forum at the Marina Bay Sands Convention & Exhibition centre in Singapore on 8 & 9 May

Organised by the International Tax Review this two day conference brought together tax experts from throughout the Asia Pacific region and beyond to discuss tax issues in Asia. MGI Asia was one of the sponsors of the event and conducted a session on "Tax in rapidly changing ASEAN economies". Mr Pradeep Dinodia managing partner of MGI firm in New Delhi S R Dinodia & Co Chaired the session. Ms. Ratna Febrina, Partner of S F Consulting, member from Indonesia was one of the speakers talking about the latest tax developments in Indonesia



Pradeep Dinodia



Ratna Febrina

The keynote address was given by Mr. Mohan Parasaran the Solicitor General of India. Featured topics included Transfer pricing, anti avoidance, international tax developments, dispute resolution & indirect tax. Two major sessions focussed on India & China and the major/ constant changes that is part of the tax regime there.



MGI members at the conference

The forum provided the delegates the opportunity to discuss issues of critical concern to tax practitioners and to understand the changing landscape of the tax environment

*“The ATF featured a stellar line-up of speakers and despite being only a 2-day event, the panel discussions covered substantial ground on a broad range of relevant issues. The forum was also an excellent platform to network with leading industry professionals, tax attorneys and advisors,”* said Imran Assan of MGI Menon & Associates, Singapore. This sentiment was supported by Dickson Leung MGI member from China who said *“I was impressed with the calibre of the speakers at the conference and quality of the delegates. This afforded the opportunity to network with tax experts from various industries.”*

MGI Asia was represented by our member firm from China, Singapore, Mumbai, Indonesia & New Delhi.



### PROFESSIONAL NEWS FROM AROUND THE WORLD

#### 2013 IAASB, IESBA, and IPSASB Handbooks Available

The 2013 Handbooks for IESBA and IPSASB are now available for electronic download.

#### Calling all SMPs: Let Your Voice Be Heard

Take the [IFAC SMP Quick Poll](#) now. The SMP Quick Poll is conducted by IFAC to take a snapshot of the key issues confronting SMPs and their SME clients. The poll should take about three minutes to complete. The results of this poll will be published in the next SMP eNews (register and subscribe [here](#)). The poll will close on July 8, 2013.

#### Sustainability: Challenges and Opportunities for SMPs and SMEs

Source: IFAC

Small- and medium-sized entities (SMEs) might think that sustainability is only relevant to large companies. Maybe they think they cannot afford to be sustainable, that measuring and managing environmental performance amounts to a costly and unnecessary burden. Moreover their accountants, both those employed by the business (accountants in business) and those providing services to the business (accountants in practice), will tell you it is a hard sell getting SMEs to embrace sustainability. However, SMEs that integrate sustainability into their core business strategy can benefit from lower costs, reduced risk, and new opportunities. And their accountants, typically operating in small- and medium-sized practices (SMPs), can play a key role in their journey.

#### SMEs and the Benefits of Sustainability

SMEs are crucially important to the health and stability of the global economy: they account for over 95% of all businesses and for the majority of private sector gross domestic product (GDP), wealth and employment creation, and social and environmental impacts. Meanwhile, there is immense pressure on the natural environment and a recognition that finite resources are fast depleting. Today, SMEs are increasingly being faced with pressure to measure and manage their impact on the environment. They are an integral part of the supply chain where there is

a growing demand for sustainability management both from customers and suppliers, especially for those SMEs seeking to secure contracts with governments or larger companies. SMEs also need to ensure they have access to the resources they need to be able to continue offer their products and services in the future.

That said, many SMEs may still feel they can delay addressing sustainability issues. Our [global SMP poll](#) indicates there are other more urgent issues preoccupying businesses, including economic concerns and keeping up with new standards, prompting sustainability to slide down their list of priorities. This may explain why few SMPs are presently offering sustainability services. But in the longer term, the sustainability issue is here to stay.

The good news is that there is [growing evidence](#) that sustainability initiatives, such as those to reduce an SME's carbon footprint, can also help improve their bottom line. SMEs of all shapes and sizes—for profits and not-for-profits, public or private, across all industrial sectors—stand to yield significant benefits from adopting sustainable business practices. The initial cost of integrating sustainability into the core business strategy, and reporting on it, can be more than offset by cost savings, reduced risk, positive brand association, and the ability to meet consumer, investor, and supplier demand for environmentally conscientious products and services. In this way, the initial cost is more an investment.

### **Opportunities for SMPs**

Accountants working in SMEs can help their employers at each step of the way, from advising on the costs/benefits of behavioral changes aimed at reducing waste, to investment in new equipment and alternate sources of energy, to developing a comprehensive environmental management system (EMS). However, many SMEs lack the capability to this without outside help. They will likely seek the help of someone they trust, their accounting firm, a demand that can generate new revenue opportunities for SMPs. But first SMEs need to know that they can expect assistance of this nature from their accountants.

Given that SMEs are keen to realize the financial benefits of adopting more sustainable practices, a starting point for SMPs might be to offer to help their clients implement the plan-do-check-act method for the control and continuous improvement of processes and products. This advisory service could include improving business opportunities and creating efficiencies, identifying the risks to cash flow that social, economic, and environmental change will present, and ensuring that clients or employers take advantage of the cost reductions, minimize any cost

increases, and maximize the potential revenue by adopting business strategies that identify and address those sustainability issues that are most relevant to their particular business circumstances. In addition, SMPs might wish to encourage their SME clients or employers to have an [EnviroReady Report](#), an engagement based on [ISRS 4400](#) that confirms that the business has an environmental management system (EMS) in place that meets the requirements in ISO 14001:2004.

Some accountants might also help SMEs do some form of sustainability reporting, such as the [Global Reporting Initiative's Level C](#). They could employ a step-by-step approach of making a public commitment to take action, assessing the business's impact, setting targets for reducing impact, acting to reduce impact, and publishing the business's policies and actions. Some SMPs are already helping their clients to develop metrics and the systems needed to capture and report on the metrics. If reporting is deemed valuable, SMPs could progressively do more, culminating in getting some form of assurance on what the client/employer reports, perhaps using the IAASB's [ISAE 3000](#) series of engagement standards, such as [ISAE 3410](#) for greenhouse gas emissions.

### **Initial Steps in Offering a Sustainability Service**

An [ACCA report](#) suggests that SMPs take the following steps to ensure they have the prerequisite expertise to offer a sustainability service:

1. Build partnerships—SMPs should establish collaboration with local environmental sustainability experts in order to gain local access to credible knowledge.
  2. Gain experience—This begins in the SMP's own business. Practitioners should review the environmental sustainability of their own business and then use that valuable experience to have rounded, relevant conversations, based on genuine experience, with their clients.
  3. Seek information—Practitioners should familiarize themselves with information sources that they could recommend to others or use to broaden their own knowledge.
  4. Formalize commitment—Where appropriate, practitioners should formalize their commitment to offering environmental sustainability advice through marketing and awareness raising in newsletters, their documentation, and website.
- Ultimately, offering a sustainability service can help SMPs both add value to the services they offer and help their clients/employers improve the way they run their businesses. Applying the same principles to the practice itself can help accountants improve the way they run their own businesses as well.

### MGI ASIA MEMBER NEWS

#### Appointment of members in key positions in India

Partner of S R Dinodia & Co., Sandeep Dinodia has been invited on the newly formed ICAI Committee for re-drafting the code of ethics governing all Indian members.

Managing Partner of S R Dinodia & Co., Pradeep Dinodia is one of 2 people from the accounting profession invited on a parliamentary committee set up by the Finance Ministry, Government of India to propose changes and improvements in the India tax administration.



### MGI GLOBAL NEWS

#### RLT opens new offices in Berlin and extends services

At the start of the year Essen headquartered RLT opened a branch office in the German federal capital, Berlin. With this step and consequent on the company being joined by auditor/tax consultant Markus Bauten and investment analyst Jan Seeger, who is certified by the Society of Investment Professionals in Germany, the RLT group sustainably strengthens its know-how in the areas of corporate finance and business consultancy. This is underlined by the launch of RLT Corporate Finance Solutions GmbH of Berlin, which will act independently on the market alongside RLT. Through this addition they are able to provide specialist provision in-house to address clients' needs in an area that is continually gaining importance.

The Berlin consultancy team will strengthen and further develop in particular the following business areas within the RLT group:

- Business check-up
- Business planning
- Business evaluation
- M&A consultancy

#### MGI Auckland turns 50!

MGI Auckland, way down under in New Zealand celebrated its 50<sup>th</sup> anniversary in business in May 2013. Celebrations included a cocktail party for 200 guests at the 144 year old Northern Club, a prestigious venue located in central Auckland.



Nick Francis addressing clients and staff at the Northern Club

Nick Francis, Managing Director, says "this is a huge milestone for us, a great celebration where we've proven our resilience even during the most challenging of times and have been fortunate enough to see our business grow from strength to strength."

MGI Auckland has a long-standing association with MGI. MGI Auckland founder Peter Wilson served as International Chairman of MGI between 1998 and 2001, and Managing Director Nick Francis served on the International Committee between 2002 and 2008. As a result the business has strong ties with other MGI members of the Australasian region and the wider alliance globally.

### Latin America Area Meeting

This year's Latin America Area Meeting which took place at the Sheraton Hotel in Montevideo from the 15-17 May was a great success. It attracted a record-high number of delegates with more than 60 attendees from 23 of the 25 MGI firms, across 15 countries within Latin America.



The meeting provided delegates with a great opportunity to network and strengthen bonds.

### US firm Santos Postal announces merger and further extends presence

MGI Member Santos Postal & Company from Rockville Maryland officially announced the merger of Thompson & Associates into Santos Postal.

The two firms combined will broaden Santos Postal's presence beyond its Rockville, Maryland office. The merger will be effective from the 1st August 2013 and means that the Santos Postal brand will now have dominant presence in the accounting profession with highly specialised capabilities in taxation, real estate, tax exempt organisations, government contracting and mid-sized businesses.

### INTRODUCING NEW MEMBER



### Hanmi Accounting Corporation

#### What is the history behind Hanmi Accounting Corporation?

*Hanmi was founded in July 2003 by 7 experienced CPAs and has now grown to one of top 20 accounting firms in Korea.*

#### How would you describe your firm today?

*Now Hanmi has more than 40 CPAs with 60 staff consultants serving clients of public companies, financial institutions and local governments as well as SMEs.*

#### What are Hanmi's areas of expertise & types of services offered?

*Hanmi does audit, tax and consulting like other accounting firms. We specially have strength in culture and art industry, cross-border M&A, tax strategy and ABS or asset based securitization. We have had remarkable achievements in that area to position ourselves as leading firm in those market sectors.*

#### What are your future plans for the company?

*We plan to be one of the top 10 accounting firms in Korea in the coming years. For that we try to recruit competent and energetic members from various specialties. We focus on harmony within the firm and also personal and global service to our clients.*



### What factors influenced your decision to join MGI?

*We thought joining MGI can be another milestone for us celebrating our 10<sup>th</sup> anniversary and also stepping stone to the next level of growth in the coming years. MGI's motto of personal, entrepreneurial, and global is in line with our business philosophy.*

### What can Hanmi offer MGI, your contribution to MGI?

*We can enhance MGI's brand in Korea by top-notch service to our clients. With our already established prestigious market status in Korea, MGI will swiftly be positioned in the Korean market as a leading alliance of highly professional resources.*

### What does Hanmi hope to get out of MGI

*We already have inbound foreign clients from more than 20 countries and outbound domestic clients to more than 10 countries. We hope to better serve them with MGI global family. MGI's knowledge network and sharing of best practices will be very valuable to us.*



## TIPS & HELP

### Capitalising on New Business

Sourced from Deltek a leading global provider of enterprise software and information solutions for professional services firms.

Deltek – Know more. Do more ([www.deltek.com](http://www.deltek.com))

*5 top tips on what Accountancy firms can do to make sure they are properly aligning resources and best preparing for upcoming opportunities in their pipelines.*

### Maintain constant visibility

Continuously communicate and report the status of your firm's overall workload to preempt quiet periods or—much worse—potential resource shortfalls. It's important that you focus on truly real-time updates to capacity based on a few factors: progress on current engagements WIP, assignments to new work, and planned capacity based on the constantly-changing probability of upcoming new work.

### Match long-term engagements against planned capacity

Just like all resources aren't the same, neither are opportunities. Don't make the mistake of using a single weighting to evaluate the likelihood of new business in your pipeline. Even more damaging, don't use an "ultimatum" win-or-lose system as the basis for your entire pipeline. Instead, you need to uniquely evaluate the likelihood of each new business opportunity, so you have a backdrop of reasonable expectations throughout your firm.

### Be proactive, not reactive

Be sure to identify predicted "quiet periods" in the market cycle ahead of time, and then place new business efforts to plug the gap. What's more, using billable resources for non-billable business development efforts during these time periods can often ensure you have the manpower and expertise to impact your win and success rate—ensuring consistent profitability and better, year-round utilisation.

### Ensure engagements are as profitable as possible

Focus on using the right level resource instead of having to "plug the hole" with a resource that is too high or low-level for the job, and just happens to be the only person available.

### Ensure you can deliver

A new client may not be profitable if it means bringing in additional contractors to help with the workload, but by reviewing the demand of potentially successful bids against available resources, you'll be able to plan from the outset and guarantee top delivery on new business

### Are You Aggressively Driving Firm Growth? Or are you biding your time in the passenger seat?

By Gale Crosley, CPA.

Founder and principal of [Crosley+Co.](#) The company provides revenue growth consulting and coaching to CPA firms.

Reach her at [gcrosley@crosleycompany.com](mailto:gcrosley@crosleycompany.com)

Let's play a quick word association game. Choose which of the following words -- "driver" or "passenger" -- best describes each member of your partner group in terms of their role in influencing firm growth.

My guess is that your imaginary "growth vehicle" quickly filled up with passengers, but that not many drivers climbed aboard. That is to say, you saw very few of them willing to grab the steering wheel and propel the firm forward.

What does it take to be a driver? How can passengers move to the other side of the seat? And will it really affect how and when you reach your destination? Fasten your seatbelt and read on!

#### WHICH SIDE ARE YOU ON?

Most partners with some degree of practice experience under their belt have comfortably settled into the passenger seat. When they joined the firm, they also joined the prevailing culture, typically an individual-contributor environment in which partners single-handedly seek business and serve their clients.

Newcomers tend to follow the road that's been paved by others, making progress within their book of business but doing little to grow the firm. Many go on for years, even decades, like this.

But what happens when they are asked to assume a leadership role -- when the managing partner tasks them with leading an audit practice or developing an

international niche? They quickly discover a simple truth -- it is impossible to drive from the passenger's side.

Unless they're willing to fall by the side of the road and be forgotten, these passengers must find a way to shift from responder to initiator -- from someone who's along for the ride to someone who envisions a destination, steps on the gas, and doesn't let up until they arrive.

Like driving a "real" car, steering a firm takes skills that must be taught and experience that must be acquired. Without these, the driver will inevitably lead the growth vehicle into a ditch.

#### NOT TOO LATE

What can you do to help your firm along the road to solid growth? The first step is to gain awareness of where you currently sit in the vehicle. Do you take bold initiatives (driver) or do you prefer to wait for someone to tell you what to do (passenger)?

Would you volunteer to conduct a financial analysis of a targeted niche, or would you ask the firm's chief financial officer to provide available data and be content with whatever you got?

Do you aggressively make appointments for research calls so you can learn about a buyer group or industry? Or do you give up, resigning yourself to the fact that "nobody called back?"

If you recognize that you've spent your career in the passenger seat and want to make the switch, take comfort in the fact that it's never too late. But you've got to become a driver by first driving the transition.

Identify a colleague or coach with the knowledge and experience you need and learn from them. Read books, attend webinars and conferences, and become an expert in the industry or service line you've been asked to grow. Analyze the work style of skillful drivers within and beyond your firm and emulate their approach.

You also need to understand what it takes to be a driver. Not only will you need the requisite skills, you also need to know where you're heading, what roads will most efficiently take you there, the type of gas (and other resources) your car requires, and who you'd like in the passenger seat next to you.

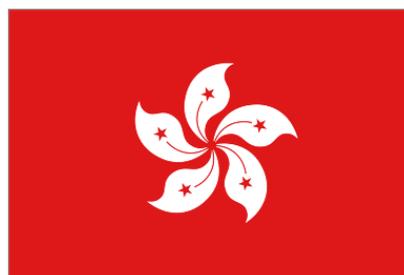
### LOOK FORWARD, NOT BACK

Rather than focus on the rearview mirror, look out the front window and focus on the future.

Announce to yourself, and anyone else who needs convincing, "I've been asked to take the wheel. I'm on a road that will not only lead the firm to its desired destination, but may also get me closer to my personal and professional mile markers. The trunk is packed with tools, the map is in front of me, and my eyes are on the destination ahead."



### MGI ASIA COUNTRY UPDATE



#### Tax season in Hong Kong

The Hong Kong Inland Revenue Department ("IRD") issued about 180,000 profits tax returns, 120,000 property tax returns and 250,000 employer's returns for the year of assessment 2012/13 on April 2, 2013. About 2.32 million tax returns for individuals were also issued on May 2, 2013. Taxpayers are required to file duly completed returns to the IRD on time.

The various deadlines are summarized as below:

<u>Due date</u>	<u>Event</u>
	<u>Profits Tax Returns</u>
15-Aug-13	Extended due date for "D" code returns of clients' appointed tax representatives
15-Nov-13	Extended due date for "M" code returns of clients' appointed tax representatives
	"D" code means financial year ended at 31st December
	"M" code means financial year ended during 1st January to 31st March
	<u>Tax Return - Individuals</u>
2-Jul-13	Extended due date for represented cases not involving sole-proprietorship business
2-Oct-13	Extended due date for represented cases involving sole-proprietorship business

#### Hong Kong and Malaysia tax treaty in force

The agreement between Hong Kong and Malaysia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income has entered into force. The agreement was signed in April last year. It came into force on December 28, 2012, after completion of ratification procedures on both sides. It applies in Hong Kong for any year of assessment beginning on or after April 1, 2013.

### Hong Kong and Qatar tax treaty signed

The Secretary for Financial Services and the Treasury, Professor K C Chan, signed an agreement with Qatar for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, on May 13, 2013.

### Invest Hong Kong

"Invest Hong Kong" launched the Start Me Up HK Programme on June 7, 2013 in order to promote Hong Kong as one of the best cities to start business. It is fast, easy and affordable to set up a business in Hong Kong.

*The Corporate Service Team of Kenneth Chau & Co. is always on hand to help.*

Submitted by Kenneth Chau & Co



### SINGAPORE STRENGTHENS FRAMEWORK FOR INTERNATIONAL TAX COOPERATION

As a thriving financial centre of international standing, Singapore remains committed to maintaining financial integrity. In order to protect its reputation as a financial centre, Singapore will be strengthening its framework for international cooperation to combat cross-border tax offences. The new measures effective January 2014 were recently announced in a joint statement by the Ministry of Finance, Monetary Authority of Singapore ("MAS") and Inland Revenue Authority of Singapore.

Under the new measures, the Exchange of Information agreement, endorsed by Singapore in 2009, will be extended to 83 jurisdictions instead of the current 41. A court order will no longer be necessary to obtain bank and trust information from Singapore financial institutions. Singapore will also conclude an inter-governmental agreement with the United States ("US") to comply with the Foreign

Account Tax Compliance Act ("Fatca"), since non-compliance would mean no access to US financial markets.

The changes to Singapore's Income Tax Act will be made before the end of the year and these changes will supersede the confidentiality provisions in the Banking Act. Observers have generally lauded the steps taken by Singapore to enhance international tax cooperation, since the changes will ease administrative aspects, lower Fatca compliance costs, and most importantly, reaffirm Singapore's reputation as a financial centre with the highest standards of transparency and integrity. These changes are in addition to the measures introduced by MAS since 2011, such as criminalising the proceeds from serious tax offences with effect from 1 July 2013, to ensure that Singapore's financial system is not used to harbour illegitimate funds or as a conduit for the flow of undeclared assets.

### CHANGES IN SINGAPORE'S ACCOUNTANCY SECTOR

A few changes have been introduced in Singapore's accountancy sector, as Singapore aims to transform itself into a global accountancy hub. First, a new statutory body, the Singapore Accountancy Commission, was established in April 2013 to collaborate with local and international communities and drive accountancy excellence in Singapore. Next, a mandatory post-university professional qualification, known as the Singapore Qualification Programme ("QP"), will be launched in July 2013 for those aspiring to become certified accountants. The QP will be a 3 year programme that combines examinations and practical work experience. This will give Singapore its own professional qualification, similar to the qualifications found in other leading jurisdictions and which are recognised for their rigour and international portability. The Singapore QP will allow non-accountancy graduates to pursue a career path in accountancy. Finally, certified accountants will undergo a name change. A certified accountant, presently known as a Certified Public Accountant (or CPA), will be known as a Chartered Accountant of Singapore with effect from July 2013.

Submitted by MGI Menon & Assoc