

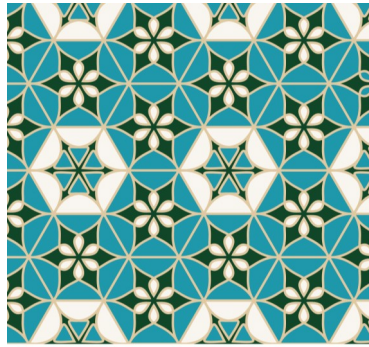


Q4, December 2015

Welcome to IAPA's Quarterly newsletter

Creating the fabric of a global society

Global Support.
Local Knowledge.



IAPA Social



DISPATCHWORK

*The brand new publication containing news
and information for Members of IAPA*

IAPA - A global association of independent accountancy and business advisory firms

>200 member firms

67 countries

>1bn USD





Words from the CEO

I welcome you to the first edition of *Dispatchwork*. This follows the theme of our new website, being launched in the New Year, and the idea of IAPA members creating the "Fabric of a Global Society".

I am now coming to the end of my first 6 months as CEO of IAPA. In this short amount of time I have met a number of wonderful people, through my attendance at the BHD Canadian meeting, the Latin American meeting in Guatemala, the UK200group annual international forum, and the global IAPA annual conference in Hong Kong (as well as my guest appearance at the European meeting in Lisbon). I am starting to feel very much part of the IAPA family and thank all those who have already shown me much support and welcomed me to this very close and enthusiastic group.

I thank our previous chairman, Helmi Talib, for his dedication, commitment and wisdom and look forward to now working with our new chair, Jan Huygens.

You will see as you read further down this publication the recent highlights: the new members recently recruited, and I welcome all of those to the association; a full report of the

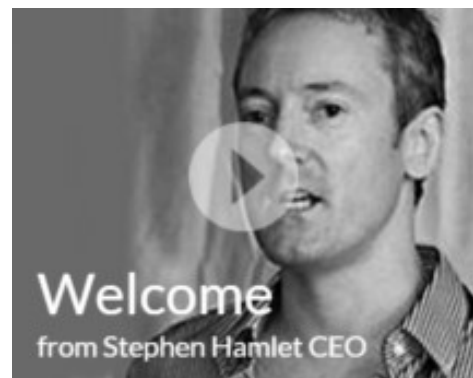
conference in Hong Kong, kindly provided by Ozgur Demirdoven (Turkey), along with reports on our other meetings around the globe; and the story behind our new branding, with images from the brand new website being launched in the New Year. Social media has become a vital resource for all organisations and, along with the website, we recently launched IAPA TV and have already uploaded 3 mini videos (covering our meetings in Canada and Guatemala). We will soon be uploading a highlights video of the Hong Kong conference, with a main corporate video to be produced in early 2016.

I also look forward to the production of a Marketing pack, planned for the New Year, to assist members promote their membership of IAPA and hence market your ability to service internationally expanding businesses through access to IAPA firms around the world.

I thank those who have contributed to this publication (news articles from individual members can be found towards the back of this edition) and encourage all of you to share your latest news, and anything you feel will be of interest to fellow IAPA members, by emailing these to the centre for inclusion in future editions and for the website "Latest News" section.

I am also delighted to report that IAPA has featured recently in the Press and you will see clippings from articles, including an interview with our new member in Japan, the appointment of Jan as our new global chairman, along with an interview from the International Accounting Bulletin forum, and an article featuring myself talking about associations with three other global executives of accounting groups.

Click on the YouTube icon to the left hand side to view IAPATV...and the flickr icon to see conference photos.



As we approach the end of 2015, I wish all a happy festive season and a very successful New Year. I look forward to new initiatives within IAPA, new directions coming from the strategic planning sessions that will be commencing soon, and enhanced communication and activity amongst all member firms. See you in 2016!

Best wishes,

Stephen

IAPA Social



SAVE THE DATE:

IAPA marketing forum

for marketing personnel /
development partners

**Friday, 19 February 2016,
Sheraton Airport Hotel,
Amsterdam**

Subsidised for IAPA members, IAPA is delighted to announce its first marketing forum for members to share best practice and creative ideas from their own firms at both the national and international level. Full information to follow shortly...please save the date.

IAPA conference update:



During the IAPA 2015 AGM, the tenure of a number of International Board members came to an end, including that of the 2012-2015 Chairman, Helmi Talib (above).

The new International Board is listed to the right. Outgoing Board members included Steve Bankler, Marion MacDonald and Wayne Price and each were presented with a gift at the end of the Gala Dinner to express sincere thanks for all their time and commitment to IAPA. The remaining outgoing Board members Gerry De Luca and Vicente Orlando were not present to receive their gifts.

New Chairman Jan Huygens dedicated special recognition to Helmi for his 6 years prior as IAPA Vice-Chair and then IAPA Global Chair. Helmi received a standing ovation as he gave his address to all delegates, thanking his Board and the Centre for all their support and thanking the members for their dedication to the association.



Above: Steve Bankler, Marion MacDonald and Wayne Price.

Jan also acknowledged the fantastic support given by Helmi's wife, Nazmah (pictured below with Helmi and Jan)

Helmi delivered a final note of thanks to immediate past CEO, Susan Humphry, for her 10 years of devotion to IAPA. Susan retired in June 2015 and sadly due to a family loss was unable to attend the conference where she had been invited as a guest and where she had planned to say a final farewell to global members. Warm wishes were sent to her from all with best wishes for her retirement.



Thanks to Helmi Talib and wife Nazmah for Helmi's leadership as Global Chair over the last 3 years.

2012-2015

Who's Who @ IAPA

International Board



Jan Huygens
Chairman



Adam Wilson
Finance Director



Martin Clapson
Vice-Chairman &
European
Regional Chair



Tom Rex
USA Regional
Chair



Norberto Bruschi
Latin-American
Regional Chair



Mohd Noor Abu Baker
Asia-Pacific
Regional Chair



John Campbell
Canadian
Representative

The story behind the new branding

Whilst in Hong Kong, CEO Stephen Hamlet took the opportunity to update members on new marketing initiatives (reported on page 2), including a NEW look and feel to the website. Below offers the challenge IAPA faced, the solution and a snapshot of what the new website will look like — to be launched officially in January next year.

The Challenge

To launch a new website that communicates that IAPA is growing with a positive and focused new energy

To create a brand that reinforces its position as a global association

To enable both existing and new clients to get a real insight into why IAPA is the only association to join; to create a buzz and 'forward thinking' excitement, and to build on that with 'real-life' examples of quality, experience, knowledge and insight

To build a site that defines 'inclusiveness'. Displaying a knowledge of culture and understanding of local and international business

The Solution

- Create a brand that's multicultural and connected in a very real way to the members; a global association that understands local culture and the needs of international business
- Communicate the 'inclusiveness' of the brand. It's open, understanding and welcoming. And reinforce that the whole is more than the sum of the parts
- The website should be the hub of the service. A place to be informed, entertained and supported. Full of easily accessible news, views and advice.
- Communicate the brand's confidence and success. Celebrate your skill and ability in bringing people together and nurturing relationships



The 'weave' theme creating a new strapline



WEAVE:

To form by combining various elements into a connected whole.

To invent, construct or intermingle.

To create a structure or framework eg.

'the fabric of society'.



....The 'weave' theme will be replicated throughout IAPA's website and all promotional materials including a new digital marketing pack — coming soon for all members....

IAPA website launch date:

January 2016

IAPA digital marketing pack:

Early 2016

IAPA Conference update:



We are delighted to report on the recent IAPA International Conference, held in Hong Kong, 15-18 November.

Many thanks to Ozgur Demirdoven (*above*), (MED YMM ve Bagimsiz Denetim A.S., Turkey) who has kindly written the article below.

It's the time for IAPA's International Conference, again. This will be the most exciting conference for me since for the first time it is organized in a city where I have never been, the magnificent city of Hong-Kong, or "fragrant harbor" in Chinese meaning. Hong Kong is an autonomous territory on the southern coast of China, well known for its impressive skyline and deep natural harbor. Home to around 7.2 million residents of diverse nationalities, Hong Kong is one of the world's most densely populated regions. It is one of the three most important financial centres, alongside New York and London, and has developed into a major global trade hub. Above and beyond the business side, this vibrant city offers many different attractions.



The IAPA International Conference offered delegates an appealing and varied programme, combining specialist subjects with animated experience exchanges and knowledge with culinary delights.

Firstly, it was a very good selection of hotel by the IAPA Centre in terms of location, quality, conference facilities and amenities.

The conference started for me with a nice Aqua Luna boat cruise activity to get to know members better with the astonishing view of harbor lights. It was a fantastic chance to see the known faces and meet with new faces in a very relaxing and breath-taking atmosphere of the impressive lights of the harbor skyline. This was followed by a great meal in BLT steakhouse, by the harbor side.

I attended the very well organized meeting of the IAPA Asia-Pacific Regional Event on Sunday afternoon, 15 November, where I enjoyed meeting the friendly Asia-Pacific members. This was followed by an amazing International Conference opening ceremony, combined with cocktails and a welcome dinner, plus an authentic show with harbor view.



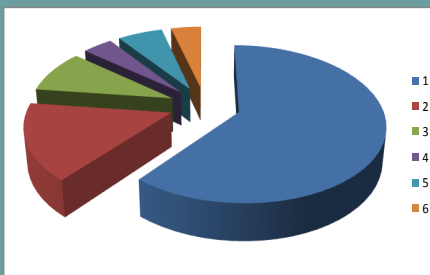
On Monday morning, 16 November, IAPA Global Chairman Helmi Talib (Helmi Talip & Co, Singapore) welcomed all members with his warm and well-prepared speech, which was followed by our new CEO Stephen Hamlet's dynamic speech about his visionary look into the future of IAPA, detailing new features such as IAPA TV, a new website and target countries for recruitment.

HK Conference Stats:

100% of survey

replies stated the Intercontinental Hotel location and facilities were good / excellent

What are the key reasons why you attended the HK conference?



- 1 = Networking opportunities
- 2 = Knowledge exchange
- 3 = Travel
- 4 = Attending the regional event
- 5 = Understanding more about IAPA's objectives
- 6 = IAPA Board obligations

96%

Were either successful or very successful in achieving these aims

85.7% stated the

Tax Forum was good / excellent

80% stated the Audit

Forum was good / excellent

91% stated the balance

between business and social time was good

IAPA Conference update:

Then followed the new members' presentations and a speed networking session. The speed networking was a great success, offering a fantastic opportunity for us to get to know many new faces within IAPA and the services their firms offer at the start of the event.



Fascinating speaker David Clive Price also attended the conference on Monday morning and delivered a keynote speech on "Doing Business in China" and showed us how we can bend like bamboos, I am still in the form of C letter, hope it helps !



The Monday afternoon session was filled with success stories of members, a marketing strategy presentation by our CEO (*top picture*), followed by roundtable discussions between members.

We ate an unforgettable dinner in The House of Jasmine in the evening that was an exquisite Chinese Banquet enriched with the noodle master show! The master chose "me" and "IAPA Vice-Chairman Jan Huygens (A Audit b-cvba, Belgium)" as his apprentice - thank goodness he did, so we can pursue a second career! Who knows, may be we might even

threaten his position in a couple of years!! (*Noodle Master below*)



The annual IAPA Tax and Audit Practice Forums provide a sound platform for IAPA experts to exchange ideas, views, experiences and knowledge. These were enriched in Hong Kong with the workshop sessions on Tuesday morning 17 November, and involved thought-provoking interactive group work.

An excellent Transfer Pricing case study was prepared by Mr. Jay Sanghrajka (Price Bailey, UK) who chaired the session along with Mr. Alphons van de Ven (ESJ International, Holland). David Stevens (Ellacotts UK and UK200Group Representative) chaired the Audit Forum, leading group discussions on recent challenges to the profession, including audit regulation in respect of group audits, local compliance issues, audit thresholds, amongst other current topics.

The session ended with useful discussions on how to maximise opportunities for audit work with other IAPA member firms.



A further session of roundtable discussions followed on Tuesday afternoon on the future strategy of IAPA, where members put their ideas on the table for creating a healthy and successful future for the association. The day ended with an exceptional Gala Dinner in "The Aberdeen Marina Club". All members applauded Mr. Helmi Talib (Helmi Talip & Co, Singapore) and his lovely wife for Helmi's successful 3 years' Chairman period and thanked them sincerely for his continuous efforts to make IAPA as one of the best accounting associations in the world. Members also congratulated and wished luck to Mr. Jan Huygens (A Audit b-cvba, Belgium) for being appointed as the new Global Chairman.



Thanks were also given to the outgoing International Board members whose tenure also came to an end in Hong Kong. Welcome to all new International Board members.

The conference ended with a social day event, where members visited Lantau Island and the Giant Buddha - the world's largest, seated and outdoor bronze Buddha. This was a great day to unwind and see more outside of Hong Kong City itself, whilst still networking with members in a relaxed environment.

IAPA Conference update:

In summary, this international conference was a great and unmissable chance for dynamic exchanges with fellow IAPA members and for discovering the vibrant city of Hong Kong. I look forward to seeing my new and established friends once again next year at one or many of the IAPA events.

HK photos can be seen on the IAPA portal



The IAPA International Tax Forum



The International Tax Forum met in Hong Kong on a bright sunny morning on Tuesday 17 November with Jay Sanghrajka and Alphons Van de Ven (*above, left to right*) chairing the meeting. We had around 40 delegates and the subject was Transfer Pricing - a topic which has been receiving some serious coverage in the Press with the likes of Starbucks, Amazon and Google. The delegates were divided into 5 teams and the subject was discussed by each team in the form of a Case Study requiring the groups to come up with their model answer, which each team presented to the rest of the delegates.

The case study covered a multi-national group of companies operating in a number of countries in the

aircraft industry with headquarters in the UK and operating companies in such different locations such as Brazil, China, France, USA and other locations.

Teams had to identify all related party transaction flows including sale of goods, provision of services, transfer of intellectual property rights, etc.

Teams took to the task enthusiastically and came up with some excellent solutions with one team outshining all the rest with their proposed answer.

It was agreed, post the above exercise, that a case study format was a good way of getting all the delegates involved in the discussion rather than having one or more one way presentations.

We have agreed to conduct the next **International Tax Forum in Rio 2016** in a case study format also with the subject matter being corporate structuring in a multinational group.

So, get your plans (and visas sorted) to join us for the next Forum in Rio which will be nearly as exciting as Rio itself!

Jay Sanghrajka

Price Bailey LLP

For dates and venues of IAPA's 2016 events, see p.18 of the newsletter

New members:

IAPA is really delighted to welcome it's newest member, Schulman Lobel, USA:



Schulman Lobel New York City, USA

Founded in 1958, with some 50+ international clients, Schulman Lobel is a 6 partner firm with offices in New York City and New Brunswick, employing some 60 staff in total. The firm offers a full complement of accounting, assurance, tax and consulting services to businesses and individuals. Key client industries include entertainment, family business, financial services, internet and technology, wholesale, manufacturing, professional practices, restaurants, hospitality and real estate.



Contact Partner:

Norman Schulman

Email:

nschulman@schulmanlobel.com

T: +1 212 868 5781

www.swallp.com



Above: Norm Schulman and Marc Zand accepting their new membership certificate in Hong Kong

During the Gala Dinner, IAPA Global Chairman, Jan Huygens and CEO, Stephen Hamlet officially welcomed the new members (from the last 12 months) who were present in Hong Kong with their membership certificates.

As well as Schulman Lobel, this included: Roberto Piazza, Studio Piazza Associati, Italy (*below*).



Ms Akiko Kutsuzawa and Ms Junko Ichimaru, TOMA Consultants Group, Japan (*below*).



Garry Pagaspas and Cecile Maglunob, G Pagaspas Partners & Co, The Philippines (*below*).



View more photos from Hong Kong from the IAPA International Flickr account.
Click icon below:



Cyprus is HOT

Important changes to the Cyprus tax system

There have recently been important changes to the Cyprus tax system that mainly aim to:

- Harmonise and align the Cyprus tax system with relevant EU guidelines
- Simplify the Cyprus tax system and make it more attractive
- Strengthen the use of Cyprus companies in international tax structuring
- Make the island more attractive as a prime destination choice for persons wishing to invest in Cyprus property (being a main pre-requisite for acquiring the Cyprus permanent residency permit or Citizenship), change their tax residency to another country, move to Cyprus permanently along with their families, setting up real business substance and moving key employees to Cyprus.

An outline of the main tax changes are set out below.

Non domiciled persons are not subject to defence tax

Prior to the new amendment defence tax was applicable on physical persons who were Cyprus tax residents (based on the 183 days test), and was applied on certain types of worldwide income (e.g. 17% on dividends, 30% on bank deposit interest, 3% on rental income).

The new amendment to the law introduces the concept of 'non-domiciled' persons and provides that defence tax is applicable on



Cyprus tax resident persons who are also domiciled in Cyprus. This means that individuals who are NOT DOMICILED in Cyprus, and regardless of whether they are Cyprus tax residents, will now NOT BE SUBJECT to defence tax, thereby having dividend and interest earned in their hands completely tax exempt.

Furthermore, significant tax exemptions of up to 50% exist for salaried income earned in Cyprus in the hands of foreign persons who move to Cyprus.

Notional interest deduction on equity introduced

As from 1 January 2015, companies will be entitled to a notional interest tax deduction on 'new equity'. New equity means funds or in-kind payments introduced into the share capital of the company after 1 January 2015 and which have actually been paid and used for the operations of the company. This interest will be calculated based on the effective interest earned on the 10 year government bond yield of the country in which the new equity is invested plus 3%, with the

minimum rate being the equivalent 10 year bond yield of Cyprus plus 3%. This notional expense deduction will be tax deductible to the extent that it relates to business assets and cannot exceed 80% of the taxable income of the company for the year.

New Capital Gains Tax exemption

Gain on a future sale of a Cyprus situated property (land or buildings) will be completely exempted from the 20% capital gains tax if such property is purchased between the date the law comes into effect and 31 December 2016.

Land registry (Transfer) fees reduced

For properties transferred until 31 December 2016 there will be a 50% reduction on the land transfer fees.

If you need any clarifications or assistance you may contact the **Head of Totalserve's Tax Department:**

petros.rials@totalserve.eu

Proposals on tax changes affecting corporations and individuals in Luxembourg

In the context of the presentation of the annual budget bill, the Luxembourg Government has submitted two draft laws on 14 October, 2015 (No. 6900 and No. 6891), which provide for tax changes affecting corporations and individuals.

Changes to the minimum tax for corporations

Currently, the Luxembourg based corporations are subject to a minimum tax for both corporate tax (reference is made to our Flash News of 5 January 2015) and net wealth tax purposes (EUR 62 for S.A. Société anonyme / Public limited company, S.C.A. Société en commandite par action / Partnership limited by shares and S.E. Société Européenne / European company and EUR 25 for S.à r.l. Société à responsabilité limitée / Limited liability company).

Within the draft law, the minimum tax for corporate tax purposes will be abolished and taken into account again through a corresponding change of the net wealth tax and under addition of a further tariff layer. The minimum tax rates shall correspond to the corporate tax rates (including the contribution to the employment fund). The distinction between finance and holding companies and the other companies was also resumed, as was the classification based on the balance sheet total.

Moreover, a graduated net wealth tax rate shall become applicable as from 01.01.2016.

- 0,5% for a tax base of up to EUR 500 million (as before)
- For a tax base of over EUR 500 million, the net wealth tax consists of the sum of EUR 2,5 million and 0,05% of the portion of the tax base exceeding EUR 500 million, whereby there is no cap.

Abrogation of the IP Regime

In connection with the OECD report published on October 5, 2015 on action 5 of the Action Plan on Base Erosion and Profit Shifting (BEPS Action Plan), it is planned to abolish the Luxembourg IP Regime (Art. 50bis LITL and §60bis BewG) with effect from 1 July 2016 (respectively from 1 January 2017 for the determination of business assets). In line with the OECD recommendations, it should be optional for taxpayers, who already make use of this regulation, to continue to apply the IP Regime for a transitional period of 5 years starting on 1 July 2016 and ending on 30 June 2021.

Currently, no draft for introducing new regulations for a new IP Regime has been submitted yet, which then would be in accordance with the so-called "Nexus Approach" provided for by the OECD. It is however expected that a respective draft bill will be put forward in the near future..

Changes impacting individuals

The draft bill also proposes tax changes with regard to individuals, who are only tax resident in Luxembourg during part of the year. So far, in the event of a partial tax residence, only employees could opt to be treated as if they were tax resident for the entire year. This option might be advantageous, as various lump-sum amounts, limits, allowances, etc. can only be taken into account in the tax assessments in this case. This option shall now be made available to all partial resident taxpayers, regardless of the type of income generated.

Moreover, it is provided for the possibility that individuals, who change their tax residence to Luxembourg, can opt for a so-called "step-up" in relation to their qualifying participation in corporations (> 10%) and the respective convertible loans. This measure is intended to be introduced to prevent possible double taxation,

Balance sheet total	Other companies	Finance and Holding companies
0 to 350.000	535 €	535 €
350.001 to 2.000.000	1.605 €	3.210 €
2.000.001 to 10.000.000	5.350 €	3.210 €
10.000.001 to 15.000.000	10.700 €	3.210 €
15.000.001 to 20.000.000	16.050 €	3.210 €
20.000.001 to 30.000.000	21.400 €	3.210 €
Exceeding 30.000.000	32.100 €	3.210 €

in as much as an exit tax, for instance, is imposed on such securities in the exit country.

With this step-up, the purchase price of the respective securities, from a tax point of view, will be revalued to their market value at the time of the move to Luxembourg. Thus, part of a possible subsequent capital gain, relating to the period before the move, remains tax-free in Luxembourg.

Whereas the initial date of acquisition before the move is used for the calculation of the respective holding period, the year of arrival in Luxembourg should be taken as a basis for the calculation of the revaluation coefficient as laid down in Art. 102 (6) LITL.

For further information, do not hesitate to contact one of our team members, who will be glad to assist you at any time:

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Prosperity feature in Australian Accounting Awards

East Coast accounting and financial firm, Prosperity Advisers has won the prestigious 'Fast-Growing Firm of The Year' award at the Australian Accounting Awards 2015.

The Australian Accounting Awards are the only industry awards designed to showcase excellence right across the accounting profession. With a broad range of categories that examine excellence across the breadth of the profession, the Australian Accounting Awards provides a platform for all industry leaders to be recognized.

Prosperity recognises that the rate of business change continues at an increasing pace and invests considerable time and resources in a disciplined planning process that keeps them at the forefront of those changes. Prosperity regards its vision as 'true north' as they continue to evolve their advice offering. Prosperity's innovative approach to advice have resulted in 2-year revenue

growth of 29% in a period where research house IBIS have reported accounting firm growth to average just over 3% per annum.

Prosperity Director of Business Services and Taxation, **Megan Faraday-Bensley** accepted the award on behalf of the 150 strong team. (picture right). She thanked Prosperity's clients for their continued support and added "Our strategy of embracing industry change and disruption as well as developing a culture that has enabled us to attract and retain good people has enabled us to continue our double digit growth."

Prosperity CEO, **Allan McKeown** said "We are very proud of the collective efforts of our people across our Newcastle, Sydney and Brisbane offices. The Fast-Growing Firm of the Year Award is a wonderful recognition for the tremendous effort our team has put in supporting our five point growth strategy.

Our focus on value added service rather than number crunching tasks means our clients receive advice that is more holistic and forward looking to assist them to drive innovation and make better decisions.



For more information contact:

Allan McKeown, CEO

T: 0414 293 148

Megan Faraday-Bensley, Director

T: 0415 250 190

MED YMM ve Bağımsız Denetim A.Ş.'s subsidiary MED IDEA Bilgi Yönetimi ve Ticaret A.Ş. has become Canadian CaseWare company's exclusive distributor in Turkey.

CaseWare International Inc. is a company that sells software solutions for accounting, auditing, financial, risk and governance professionals. Founded in 1988, CaseWare is an industry leader in providing technology solutions for finance and accounting, governance, and risk and audit professionals. With over 400,000 users in 130 countries and 16 languages, CaseWare products deliver tremendous value across industries and continents.



Global Leader in Data Analytics

IDEA® is a powerful and user-friendly data analysis tool designed to help auditors, accountants and other finance professionals perform data analysis quickly to help improve audits and identify control breakdowns. IDEA® allows you to analyse 100% of your data, guarantees data integrity and provides easy analysis with over 100 audit-relevant tasks.

Innovators of Continuous Controls Monitoring

CaseWare continues to redefine the continuous controls monitoring space with the flagship product, CaseWare™ Monitor, providing a reliable solution for organizations around the world, looking to address control breaches quickly and efficiently.

For more information, contact:

Ozgur Demirdoven

Managing Director | MED YMM & Bagimsiz Denetim

E.odemirdoven@medymm.com.tr

Update from Haines Muir Hill Melbourne, Australia



CHARTERED ACCOUNTANTS | FINANCIAL ADVISERS

TRUST | LOYALTY | CARE

Partner Changes

The commencement of the new fiscal year saw the retirement of our founding Partner Chris Haines and the introduction of two new partners – David Golik (Tax) and David Caskey (IT). Chris was seen off in fine style with a client cocktail function at a well known riverside venue in inner Melbourne.

David V Goliath

We can happily report that over recent months, we have successfully run five significant tax cases against the Australian Taxation Office (ATO), thereby saving our clients many millions of dollars in tax.

We have also managed to get through several intensive ATO audits with no adjustments made to our clients' tax returns.

Digital Marketing Campaign

We have engaged the services of a specialist digital marketing company to design and implement a structured campaign aimed at privately held and family businesses. The campaign will involve writing content of a problem solving nature to engage with CEO/ CFO people in these businesses.

Dashboarding

Our IT Director David Caskey is working on the development of an advanced dashboard reporting model

for rollout through our client base, providing real time business management information.

For more information please contact CEO, **John Steed**



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Facsimile +61 3 9840 1188

www.hmh.com.au

Update from Stark & Stark, Israel

Stark&Stark CPA has won different tenders in the last months, enabling it to open new professional fields:

We were recently chosen to be the auditors of **Lev Hasharon hospital- a mental hospital owned by the government** and of **Park Ariel Sharon- a government company** which is one of the biggest environmental rehabilitation projects in the world. Studying the concepts and principals of this unique organizations along with its special GAAP is challenging. We have **expanded our tax department** and have added to our ranks **Adv.**



Yoel Stark, tax expert comments, 'We are engaged in calculating Real Estate tax in Israel and abroad as well as voluntary disclosure for Israelis with unreported income from financial assets and real estate assets abroad, and foreign residents with those in Israel. .We achieved significant agreements with the tax authorities for our clients, with major tax savings.'

Iris Stark was once again re-elected **Vice President of the Institute of Certified Public Accountants in Israel**. Iris was recently honored as the dinner chair of "**Leket Israel- the National Food Bank**" annual Gala, honoring a unique gleanings program that rescues nutritious agricultural surplus for those in need.

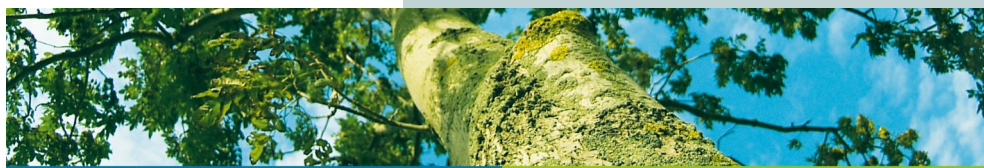


Iris and Moshe Stark

T: +972 9 7774000

E: iris@starkcpa.com

Update from JM Corporate Finance, The Netherlands (IAPA commercial associate member)



2015 has been an excellent year for our firm. At this moment we have 20 ongoing assignments which vary from valuation, due diligence, search for strategic acquisition candidates to total M&A advising. Our firm is growing and that is why we are seeking for a new advisor to strengthen our team. Bart Koreman, senior advisor, has completed his study M&A and valuation early 2015. So we are constantly investing in our profession and quality of our firm.

We also notice more interest from foreign parties to invest or participate in Dutch companies (SME). Last year we had many contacts and transactions with parties in the United States, Canada, United Kingdom, Spain, Belgium etc. Also some IAPA leads have been followed up by our firm.

The improving economy, the higher number of transactions and the rising interest of (strategic) parties also creates higher (accepted) multiples.

For example, the average EBITDA multiple in the Dutch IT industry is about 5.5-6.5 (average multiple 2012: 4).

If you or your client consider a (strategic) takeover or establishment in the Netherlands, please feel free to contact us!

For further information regarding our core business, please visit our website:

www.jmcorporatefinance.nl/uk.

Jan van Wijngaarden, Partner
jvw@jimpartners.nl

Bart Koreman, Senior Advisor
bk@jimpartners.nl

IAPA Deutschland AG, 2015 Annual Meeting, Budapest

The 2015 annual meeting of IAPA Deutschland AG was held in Budapest from 27 to 29 November. The meeting was hosted by our Hungarian associate member Fekete Law Office. They had attended the 2014 IAPA meeting in Munich when they kindly offered to host the 2015 event.

On a nice winter evening the meeting started with a guided walk through the most impressive city of Budapest with tremendous views. Subsequent to the walk all attendants had dinner in a typical Budapest restaurant.

Following a long-standing tradition of German only members, we were pleased to welcome to this meeting Dieter Ehart from WTE Wirtschaftstreuhänder GmbH Vienna, Austria, Katrin Gerig and Tobias Stocker from Revitrag, Switzerland, Zsolt Fekete, Gabor Mako and Dalma Szani from Fekete Law Office, Hungary and, last but not least, by Martin Clapson as Chairman of IAPA Europe and now Global Vice-Chair.

After a short introduction by Gabor Mako, perfectly spoken in German, the meeting started with the technical session.

Martin Clapson gave an IAPA update and subsequently Revitrag introduced a new product, i.e. Comprehensive Services for elderly People. Tobias Stocker then presented a cross-border case study based on an actual tax project which was carried out earlier this year by Revitrag in combination with KBHT.



Michael Thelen from KBHT brought the attendants up to date regarding new developments in the German profession and also provided a brief summary of the International Conference recently held in Hong Kong.

Ullrich Bork from KBHT gave an update on BEPS (Base Erosion and Profit Shifting) from a German point of view.

Subsequently Dieter Ehart from WTE presented a summary of the Austrian tax reform applicable as of 1 January 2016.

All attendants usually very much appreciate this part of the meeting because of the country specific information provided which improves the basis for networking between IAPA members.

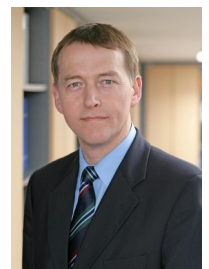
After lunch the AGM of IAPA Deutschland AG was chaired by Ullrich Bork as the Chairman of IAPA Deutschland AG's supervisory board. The usual agenda was dispatched without any specific comments.

Next year's meeting (**2-3 December 2016**) will be held in Neuss hosted by KBHT giving them the opportunity to present their new premises to which they will move on 1 January 2016.

After the meeting all attendants and guests were invited by Zsolt Fekete to his private vineyard at Plattensee where everyone enjoyed the wine tasting and a typical Hungarian buffet.

Saturday ended with dinner in a very nice restaurant located above the vineyard with a tremendous view on Plattensee.

A big thank you to Zsolt Fekete and his colleagues for their great hospitality.



Ullrich Bork and Herbert Hilger
KBHT, Germany

IAPA Conference update (cont):

IAPA's September events in Canada, Guatemala and Hungary

Late summer was a busy period for IAPA's conference & events, starting in September with the annual BHD event for IAPA's Canadian Members, Moncton Canada, IAPA's regional Latin American Event, Antigua City, Guatemala and a European Fly/in - Fly/out event for IAPA's younger professionals in Budapest, Hungary.



BHD Annual Conference

17-20 September 2015

The BHD Canadian group's annual meeting (*members pictured above*) opened on Thursday, 17 September in Moncton, New Brunswick with welcome drinks at the Casino Hotel. Stephen Hamlet, IAPA's new CEO was delighted to talk with the representatives of IAPA's Canadian firms for the first time and to introduce himself and learn about their practices.

The official conference commenced on the Friday morning with Stephen making a presentation on behalf of IAPA, discussing all the plans he had for the future development of the association and how they would benefit the member firms. This was followed by several presentations from the Canadian delegates on a number of practice management topics. Business continued on the Saturday morning, which

preceded the afternoon's activities of a friendly rivalry golf tournament, or a cruise on Shediac Bay for those who wanted a more relaxing time.

Stephen commented: "It was a fabulous few days. I really enjoyed not only getting to know IAPA's Canadian members personally, all of whom made me feel so welcome, but also discovering so much about their practices and business aspirations. I look forward to continuing to work with these firms, supporting their international requirements and providing practice assistance through various IAPA initiatives." IAPA thanks the host firms and Valerie Marcil, as BHD's outgoing Chair.

IAPA-Europe's Fly in/out event

24 September 2015

Budapest was the venue for IAPA-Europe's recent **European Fly-In/ Fly-Out Seminar**, this time focusing on OECD BEPS Action Plans, transfer pricing issues, chain transactions and foreign direct

investment trends.

30 delegates from 13 firms converged at the Budapest Airport Hotel on Friday 18 September for a day's interactive discussions on the themes "OECD BEPS Action Plans", "Chain Transactions, VAT Registration Liability" and "Foreign Direct Investment Trends in Europe". Representing 8 countries, delegates were able to debate over BEPS Project, exchange ideas from their different national perspectives, learn about how to handle best the risk associated with intercompany transactions, have an insight into new international interpretations of chain transactions and determination of place of supply, moreover, discuss what the driving forces are behind recent investment trends.



After a day of interesting discussion, delegates headed into Budapest for a walking tour along River Danube from the Parliament Building crossing over the old Chain Bridge into the Castle Hill area. The delegates had plenty of opportunities to taste famous Hungarian wines during the group dinner and a Wine Bar afterwards rounding off the official programme. Many thanks to IAPA's commercial associate, Fekete Law Firm for hosting this productive event.

IAPA Conference update (cont):



IAPA Latin American Event 24-27 September 2015

The IAPA Latin America meeting took place from 24-27 September, in Antigua City, Guatemala. Host firm, Paredes, Saravia & Asociados, S.C. welcomed all delegates to the event with a drinks reception and dinner on the evening of Thursday, 24 October.

Following the success of the inaugural Latin-American Business-to-Business networking day in 2014, a second B2B meeting was arranged for the Friday, with approximately 50 businessmen and women, some being clients of IAPA's host firm, attending the event. Stephen Hamlet was delighted to be offered the opportunity to present at this event on behalf of IAPA and explain the qualities and reach of the international association.

With 11 different countries represented, the IAPA Latin America conference officially commenced on the Saturday morning, following a delightful dinner the previous night, which included some fabulous local entertainment.

Juan Carlos Paredes, from local firm, introduced everyone to the meeting, followed by Stephen Hamlet who continued proceedings with an update on latest developments, demonstrating new planned initiatives for IAPA.

Outgoing Latin American chair, Vicente Orlando (below right), led the formalities of the rest of the meeting, which consisted of presentations from representatives of each of the member firms throughout the region. Just before the AGM, an open discussion session invited delegates to share their experiences over the past 12 months, as to their local economies, practices and service lines, amongst other matters deemed of interest to the rest of the group, sharing and imparting knowledge.



Saturday night was a fantastic evening of fine dining, rum, tequila, and expert dancing to Latin music from a local, live band. A great time was had by all and once again we must congratulate our IAPA host firm,



Paredes, Saravia & Asociados, S.C for organising such a wonderful event. Sunday was a final day for informal networking as the group undertook a tour of a coffee plantation and visited Guatemala City.

Stephen commented: "This was my first experience of an IAPA Latin American meeting and it was such an amazing experience. Despite the many problems throughout much of Latin America - economical, financial and political - I was greeted by delegates and guests from IAPA member firms who were full of passion, optimism and dedication to work hard, learn from each other, and do the best they possibly could to succeed in their businesses and in life."

See the video and interviews from the event on IAPA TV - click [here](#)



IAPA in the press....

"The effective tax rate of Corporation Tax is decreasing, and it has been said that the target will fall below 30%," says Akiko Kutsuzawa, certified public tax accountant at TOMA Consultants Group, a IAPA member. "This will be positive for foreign companies, not only Japanese companies, in addition to the recent changes to the Company Act that allows the establishment of a company without a Japanese resident as director."

Kutsuzawa says TOMA has succeeded in serving as a comprehensive consultant for foreign clients who require visa-related services, company establishment, tax and accounting consulting, individual tax filing, and social security consulting. "We've also introduced services relating to inheritance tax consultation for individual clients who have assets overseas," Kutsuzawa adds.

IAB interview with TOMA, Japan

made in Mechelen
nieuws voor ondernemers

Nood aan technisch personeel? Kies net als je collega's voor Tormans

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Jan Huygens is nieuwe voorzitter IAPA

Door Bart De Bruyn op 24 november 2015

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Tijdens de algemene vergadering van IAPA, de internationale associatie van accountants en bedrijfsrevisoren, in Hong Kong werd Bonheidenaar Jan Huygens verkozen tot global chairman. Hij is momenteel managing partner van A Audit, met kantoren in Antwerpen en Bonheiden. IAPA is een internationale associatie van accountants en bedrijfsrevisoren met meer dan 200 onafhankelijke leden. Hierdoor vertegenwoordigt de organisatie wereldwijd ruim 300 kantoren in meer dan 65 landen. De jaarlijkse globale omzet bedraagt ruim 1 miljard euro.

Jan Huygens is sinds 2003 lid van IAPA. De voorbije

jaren was hij eerst Europees voorzitter van IAPA van 2006 tot 2012, nadien internationaal ondervoorzitter van IAPA. Negen jaar lang maakt hij dus al deel uit van de International Board. "Hij heeft een sterke geschiedenis van succesvol leiderschap, kan innovatieve ideeën genereren en begrijpt wat de mondiale behoeften zijn van onze leden", zegt Stephen Hamlet, CEO IAPA. "Al deze kenmerken maken van hem de ideale persoon voor deze rol. Ik kijk enorm uit naar onze samenwerking." Jan Huygens wil met IAPA een nieuwe richting voor groei inslaan. "Het beroep evolueert op wereldwijde schaal, de internationale behoeften van IAPA leden en hun klanten veranderen, dus ook wij moeten ons als organisatie aanpassen en mee evolueren", aldus Huygens.

Naast Kan Huygens telt A Audit nog twee andere partners en een tiental medewerkers. Het kantoor bekleedt een 100-tal commissarismandaten in middelgrote familiale ondernemingen, Belgische dochters van internationale groepen en vzw's in de regio Antwerpen-Brussel. Daarnaast voert het ook bijzondere audit-opdrachten uit, zoals de verslaggeving inzake vereffeningen, inbrengen in natura en fusies en splitsingen, zowel als adviesopdrachten inzake overnames van bedrijven.

IAPA new Global Chairman, Jan Huygens, announced in local Belgian Press



Associations, the low-cost model

Four executives from four global associations tell Vincent Huck about their organisations' business models, how they believe they are perceived and the lack of recognition from the industry for business models other than networks

International Accounting Bulletin: There is an idea often voiced, especially at the higher end of the network ranking table, that there is a spectrum between pure referral affiliations on one end and single global partnerships on the other, and that in coming years there will be a drift towards the single global partnership side of the spectrum due to regulatory and commercial pressure. Do you agree?

have MSI in front of their name, but I think that's more from a local branding point of view. And that's not the same as them wanting to become a network.

I think that within the association world, we may need to take on some of the behaviours of a network. But again that's not the same as becoming a network.

What I mean by that is that there might be a need to look very carefully at service

partners who left the Big Four, or other large networks, to set up their own firms, that for most of them, the last thing they want to do is go back to what they left in the first place.

Malcolm Ward: I agree with almost everything that has been said. One problem that for me was the root of it, coming from the network world, is that the only language the industry seems to have for anything related



Stephen Hamlet, IAPA

Arguably they purport to be global providers, yet in some ways they're not.

What we are all about is businesses, as it has been eloquently said around the table, that are genuinely independent, wish to be that way, and value it.

A frustration is that the whole industry, in terms of quality and standards, only really appears to have regard for the Forum of Firms (FoF) membership, and to be a FoF member you need to be network, and even then the FoF is largely concerned with global audit, which is a proportion of what member firms really do.

people we're here to serve, and how would they see and interpret what we're trying to do. And I think if the client can perceive that he is dealing with the same people, with the same accountabilities across jurisdictions, that really makes you a network.

When businesses approach our firms, it's completely clear they're dealing with a series of firms that work together but are independent from one another. That is our approach at associations.

The IESBA definition is trying to capture the concept of centralised quality control, meaning that one person writes a set of standards and procedures, and these are imposed on all the member firms. Which is not the approach of any of the associations, even though they may have quality manuals and best practices.

Similarly, joint training is where it gets very muddled - when they say any organisation that conducts joint training is a network, well, that would make just about every firm in the world a network; it just doesn't fit.

Hamlet: Tim, you were saying earlier you rarely have pressure from your firms about wanting to be a network - I now probably see a little bit more pressure in the association I just joined compared to where I came from, a bit of pressure for more help from the centre to help them look at targeting clients together.

Hamlet: And it's a shame that in such parts of the world, the client is giving a higher perception to the firms branded with an international name. And this is the reason why these firms want to have the IAPA or DFK or MSI or AGN in front of their name because they don't think they're going to get as much work, unless the client thinks they are a bigger entity, implying higher levels of quality. But that's the wrong perception. As we've just said around the table, that's not really what's going on.

Ward: Although you know I think all of our members do get something very substantial from association membership. They get access to a collaborative, non-competitive peer group to work with and learn from. It is a lot better for client service than small stand-alone firms in immature regulatory and professional environments.

Our CEO, Stephen Hamlet, takes part in a roundtable discussion on associations with a select group of chief executives.

Vox pop: International Accounting Bulletin 2015 industry forum

During its annual industry forum, Francesca Hashemi took the temperature of the room and sought views from the delegates on the topic discussed.

IAPA vice-chairman Jan Huygens: Technology is definitely helping auditors; it enables us to do the audit in a far more efficient way. Time is of the essence these days, and now you can do tests on whole batches of data that would have taken weeks to check. Now, we can take a whole data file out of the computer, run a few tests and gain results that are quite extraordinary. You can also do 'discovers' in record time.

One thing we're looking at the moment at IAPA is how concentrated the market has become. Our member firms are all independent; some are very small and some are rather big, but they are all confronted by this concentration, which is happening in all markets.

Something of particular concern in Europe is that the European authorities have imposed new regulations, whereby they hope to achieve a wider variety of providers, because they would like to limit the weight of them as a major market in case one of them has a major mishap, and you have the same problem as Arthur Anderson had in the past. What we see with new regulations coming in is that even though they mean well, we think even more concentration is going to happen, and it is even making it more difficult for smaller players to enter the market of larger companies.

In reality smaller firms can do just as well as big firms. In Belgium we say an audit is an audit, and the audit done by a smaller firm should not be any different from an audit done by a large firm. It's an issue dictated by the market to some extent. All the capital markets require, or want, a signature from one of the Big

Four. You see it with other clients, for example, in the diamonds industry, they want the best. 'The best' is the dominant party in the market. This makes it difficult for IAPA to stay in the market of public companies. It's a choice we need to make. Either we go in the network direction and add larger member firms, or we go in a different direction and become larger by adding more medium-sized members and spread ourselves all over the globe. It's a very important change and we're going to have a strategic review session in the next year to decide which direction we will go.

Shine-Wing deputy managing partner Xiaoying Li: The second session's security theme was very interesting, and I particularly enjoyed the discussion around trends and big data. Our firm pays a lot of attention to big data and the information system, data security, and especially our client's data security.

IAB October interview with IAPA Vice Chairman, Jan Huygens

IAPA Diary for 2016

February

- Asia-Pacific Sub Regional Meeting, Dubai
- *Friday, 19 February*, IAPA Marketing Forum, Amsterdam, The Netherlands

April

- *Friday 15 April*. IAPA Europe fly in/out forum for the younger professionals. Tax Theme. Istanbul, Turkey

June

- *2 June* IAPA Europe Golf Networking Day, Vienna, Austria
- *3-5 June* IAPA Europe Regional Conference, Vienna, Austria
- *24-26 June* IAPA USA Regional Conference, Portland, Oregon

September

- BHD Canadian Conference, Winnipeg, Manitoba

October

- *23 October* IAPA Latin American Regional Conference, Rio de Janeiro, Brazil
- *23-26 October* IAPA International Conference, Rio de Janeiro, Brazil

November

- *16-18 November* UK200Group Annual Conference, Southampton, UK

December

- *2-3 December* IAPA Deutschland Conference, Neuss, Germany



**Wishing all our members a
happy festive season and
a prosperous 2016**

