

**Speech delivered by Mr. Sujeewa Rajapakse, 21<sup>st</sup> President of the Institute of Chartered Accountants of Sri Lanka on 17<sup>th</sup> January 2012 at the Cinnamon Grand Colombo at his ceremonial induction.**

It is indeed a pleasure and privilege to address this distinguished gathering as the President of the Institute of Chartered Accountants of Sri Lanka.

At the outset I thank my fellow members for vesting me with the onerous duty of serving as the President of your Institute and for the confidence you have placed in me in entrusting that responsibility.

The massive responsibility cast on my shoulders to lead CA Sri Lanka is both challenging and exciting.

I am most honoured to have the opportunity to associate with an Institute of such prestigious standing and today I take justifiable pride in giving leadership to it as its' 21<sup>st</sup> President.

My association with the Institute dates back to 1994 when I first became a member and my bonds with the Institute has only grown steadily over the years. To be of service to my fraternity was foremost in my mind even as a student.

It is this passion that motivated me to run for council elections in 2003. I secured a convincing win, thanks to the overwhelming support of my colleagues. The confidence reposed in me by the membership was indeed a source of inspiration. I shall make every endeavour to ensure that this confidence placed in me is neither misplaced nor betrayed.

Since been elected to the Council, I had the honour of working with a galaxy of past presidents, Indrajith Fernando, Yohan Perera, Nishan Fernando and Sujeewa Mudalige, as well as fellow Council Members whose association no doubt enriched my vision for the Institute and the profession. This evening I make a solemn pledge to discharge my responsibilities to the best of my ability, and towards achieving this mission I beg of your unstinted support.

I would be failing in my duties, unless I make an endearing reference to our senior members including the founding members, who envisioned, developed and made this organisation a veritable professional entity. The frontiers they pushed put our Institute at the epicenter of the profession. These founder members, and those who followed in their footsteps shed a brilliant luster on our path. Today we draw on the legacy they left behind with gratitude and admiration. However, we must bear in mind that a profession cannot progress if it merely imitates its' predecessors; what builds a profession is creative, inventive and visionary activity.

I have complete confidence in the capacity and commitment of the members on my Council to the best interest of the Institute and to direct this organisation in fulfilling its strategic objectives.

We are at a stage where demands and expectations are diverse and ever increasing. We have reached a point where we need to respond more effectively to the demands of our stakeholders including our members and students.

Today we can boast of an impressive membership consisting of Chairmen, CEOs, CFOs, Directors and the list goes on. The fact that the Governor Central Bank is our own member is inspirational.

The richness of the CA Sri Lanka membership is its diversity. They represent a cross section of society representing different sectors. They undoubtedly rank among the most influential professionals in today's business world. The challenge is to have the right perception and come to grips with their diverse needs and interests. In this regard our vision is precisely akin to the vision of the global profession represented by IFAC which is, serving the "Public Interest", which is defined as the collective wellbeing of the general public. In furthering public interest, we reckon the needs of the employees of the Institute, employers who employ our members, training partners, educational partners, regulators and the business community.

We are one of the largest tertiary education providers outside Sri Lanka's University system with a massive student base of around 37,000. Indeed it is no easy task to cater to the demands of such a monolith, but the Institute will strive to ensure that we will respond to them more effectively.

To serve multiple stakeholders who are all equally important to the Institute is far from simple. Yet despite the complexities, my council and I assure you utmost flexibility transparency and fairness in responding to the stakeholders more effectively, while ensuring that we fall in line with ever evolving global trends. An item high on my agenda is to motivate the staff of the Institute to be more responsive to the members, students as well as other stakeholders.

I am beholden to the institute for inculcating the finest values, norms and traditions of our discipline, for moulding me as a professional worthy of giving leadership to the membership.

This is a period of immense competition, challenges and risks. The members are our primary product and as a responsible institute we should ensure that they are in a position to respond to globally changing demands much more positively.

Today employees are facing the ever increasing expectations of discerning employers and clients. Working environment undergoes rapid changes and employees are expected to adapt to this scenario swiftly. Law suits against members for professional negligence are on the increase globally. The time is opportune to introduce safeguards in this regard. We should consider the creation of limited liability partnerships so that our practicing members will not be exposed to unlimited liability in an indeterminate amount. Effective measures in capacity building would also reduce the incidence of professional negligence. I urge the Practicing Accountants Forum to be active and deliberate on these matters and make appropriate submissions to the council.

Principally I intend emphasizing more on member professional development. Basically our membership falls in to two categories practice and Industry. I hope to approach these two areas separately as their needs are not homogeneous. In particular we need to raise the standards of small practicing firms. These firms

scattered in the deep rural areas perform a yeoman service by supporting the growing SME sector. The once war ravaged north & east and the dry zones of the Deep South are now a hive of Industrial & agricultural activity, and the SME sector is becoming increasingly important. At this juncture, I am also pleased to announce that the World Bank has agreed to extend their financial support to enhance our technical activities.

At the same time I am also looking at strengthening the knowledge in the latest trends in financial reporting. I also believe in good governance & ethical practices & I assure you that I intend giving high priority to resolving such issues to protect the good name of our Institute. We are Chartered Accountants placed in high esteem by the public and we are bound by a strict & formal code of ethics. In fact it was none other than Governor Cabraal who initiated the concept of corporate governance during his tenure as the president. Today the corporate governance code is in the rule book of the Colombo Stock Exchange, our Institute & Securities Exchange Commission and we should take pride for this initiative.

We must reactivate our Institute journal to promote the talents of our members in contributing research based articles and making the publication a high quality academic journal.

Today we have to deal with new standards in financial reporting, governance, greater complexities in business transactions, and new technology.

Professional education therefore is imperative, not only for students but also for the members. It is an integral part of continuing professional development (CPD) of the membership.

Having realized the importance of CPD for its members, the Institute has organized CPD events on a regular basis for the benefit of our members and the business community alike. Education and training will be a top priority in my agenda with local and foreign resources.

Our role and responsibilities are diverse towards our stakeholders and the responsibilities lying on our shoulders are vast.

Enjoying wide recognition as the national body of accountants, we share a close relationship with the Government of Sri Lanka. We play an important and responsible statutory role apart from being the only accredited authority that formulates Accounting and Auditing Standards in Sri Lanka.

Chartered Accountants are held in high esteem among society and we should work with greater commitment to ensure that this confidence is preserved so that we remain relevant and effective in society.

Acceptance of responsibility to the public is what makes a professional different from others. We must not shirk away the responsibility of accepting public office, although financial rewards are absent. Assumption of such office may entail public criticism at times but we should be immune to such criticism as long as our conscience is clear.

Our members mark their presence not only locally. At least 30 percent of our members are spread in all continents across the globe, and our new members are taking up overseas assignments in various sectors, which is an eloquent testament to our global recognition. In this regard, during my tenure steps will be taken to activate CA Sri Lanka chapters particularly in Australia and U.K. for the professional development of our Members.

Today we enjoy harmonious partnerships with some of the world's most recognized accounting bodies, including ICAEW, CPA Australia, ACCA and CIMA.

CA Sri Lanka does not only concentrate on providing the chartered accountancy qualification. Today we are recognized as an institute which provides a range of qualifications including MBA and postgraduate diplomas for financial and non-financial professionals.

The MBA with the University of Southern Queensland offered through our Institute is one of the most popular programmes in the country.

Seizing the opportunity offered by the Government due to liberalization of education including higher education, I propose to strengthen the partnership with higher seats of learning.

I assure you today that every possible step will be taken to assist our students as I reckon that the future of our institute rests on their shoulders. With a view to enlist the co-operation of the students I propose to maintain a closer dialogue with the student's society. The CA Sri Lanka student society is an example for the rest of the student groupings in the country, as they have always adopted a peaceful and non-combative stance. Their attitude has always been consensual and not confrontational. It is heartening to note that they as a body have preserved and protected a sense of proportion and they should continue to act as a useful conduit in bringing students closer to the council.

This year is a significant year for us for a number of reasons. Among these reasons is Sri Lanka's convergence with the International Financial Reporting Standards. As the only body authorised to promulgate Accounting and Auditing Standards, this convergence spells out our commitment to be in line with global markets and developments.

Our duty is not merely to issue Sri Lanka Accounting and Auditing Standards and other pronouncements. We have to ensure that they are being complied with and companies including the SMEs sector understand the need for adopting such. The Institute has also organized various awareness programmes as a first step towards achieving success in this area. I propose to organize a series of workshops regionally to impart this knowledge more effectively.

We understand and appreciate our responsibility to contribute to the regulatory functions and will continue to work closely with the Central Bank of Sri Lanka, Accounting and Auditing Standards Monitoring Board, The Securities and Exchange Commission, Ministry of Finance, Auditor Generals Department and with the Department of Inland Revenue.

Today, although Sri Lanka may not have the menace of terrorism, many parts of the world are suffering from terrorism. Although our economic forecast is looking positive, the world continues to be penalized from the financial meltdown and we saw just recently how powerful nations across the Atlantic fell victim to the financial meltdown .

As large international financial institutions try to struggle back to their feet after suffering shocking collapses, the adverse headwinds may affect Sri Lanka too. If we don't watch our steps and ensure that we have a practical action plan to steer the country, or else we too will have to pay a heavy price.

CA Sri Lanka enjoys a vast global representation. We are a member of the International Federation of Accountants, Confederation of Asia Pacific Accountants and South Asian Federation of Accountants. And It is necessary to use these links and accelerate our interests with these groupings so the benefits may accrue on a mutual basis.

It will be my privilege to commission CA Sri Lanka's new building complex during the tenure of my office as the President. This imposing structure costing approximately Rs. 450 Million will greatly facilitate the discharge of our professional duties.

Today we are witness to dynamic development in our country, new infrastructure facilities including a modern expressway, construction of new high-rise buildings, commissioning of large scale power plants and an amazing boom in our once faltering tourism industry.

Our country's ambitious progress also means competition has increased by many folds. With today's progressive trend, we are faced with new complex business processes, litigation and various new conflicts as we learn to survive in today's complicated and competition rigged world. These developments herald a new role for the Institute in this era. It is our responsibility to help manage these challenges with meticulous care.

As a responsible institute, we understand and realize we have a role to play in the government's effort towards developing education in our country. It is true we have one of the highest literacy rates in the region, yet there is a lot more that needs to be done. We suffer from a dearth of qualified professionals and this has to be looked into seriously.

I extend my sincere thanks to the Central bank Governor and our very own member, Ajith Nivard Cabraal for accepting our invitation and being present here today as the Chief Guest.

I will seek advice and guidance from my line minister Hon Jonston Fernando, Minister of Co-operatives and Internal Trade and his Secretary Mr Sunil Sirisena , in the discharge of my professional duties. I am indeed thankful to them for their willingness to extend assistance to our Institute.

I will fail in my duty if I do not pay my heartfelt respect to my late parents. Even though I am not fortunate to have them with me, it is the foundation laid by them which enabled me to progress this far.

All throughout my life, my beloved parents were always a tower of strength to me, encouraging and guiding me and giving me strength during my school life, my career, and during all my other achievements. Without them, I would not be who I am today.

It was at Burah Hathy's as it was known then; that I commenced my career as an audit trainee and successfully worked my way up to being a managing partner as I am today. At this moment I pay my tribute to Late Mr Sangadasa who encouraged my father to guide me in to the accountancy profession and also Mr Percy Fernando who thought me the ABC of practical auditing.

I must also thank my Senior Partners for the guidance given to me during the early years which helped me to reach - this position today. I also take time to express my gratitude to my fellow partners, directors, management and staff of my firm - BDO Partners and it's Associates for the excellent cooperation extended to me in helping me to discharge my professional obligations.

I also pay gratitude to my alma mater Richmond College, Galle, which was instrumental in laying a firm foundation at the early stages of my childhood, imparting the importance of achievement and success and thereby giving me leadership qualities which in turn led me to becoming the deputy head prefect during the late 1970s.

The extra-curricular activities I took part during my school years taught me courage and gave me strength, and have today taught me how to face up to challenges in the right spirit.

I would also take this opportunity to thank my school Principal Mr. B. Suriaarachchi, teachers of the school and the teachers who taught me during my CA course.

I also thank my wife Ruwanmali and two children Piumika and Tharidhi for having the patience to bear with me when I have not been in a position to attend to their needs from time to time. They have made vast sacrifices all along to ensure my success. I am indebted to you always and without your encouragement and sacrifices, my journey would have been stressful and arduous. I would not have been able to be where I am today and I know you are aware that by my induction today, the time I get to spend with you will be very restricted and you will miss me for another two years.

With the assumption of office as the president, time sharing between family and the profession becomes a delicate exercise but I am certain that you will endure these sacrifices ungrudgingly.

The last two years have been most significant for our Institute, our outgoing President Sujeewa Mudalige led an able team of council members to bring about remarkable change to the Institute. I will fail in my duties if I don't extend my

appreciation to him and the Council for spearheading this change in the wake of various adversities.

I would also like to extend my sincere appreciation to all the staff of the Institute led by the Secretary / CEO Aruna Alwis for their commitment always in all Institute activities.

This evening I am indeed delighted to be in the midst of my colleagues, relatives, friends, well-wishers, business leaders and regulators. Your presence I must say is a great source of inspiration and encouragement.

This will be the beginning of a new era for the Institute of Chartered Accountants of Sri Lanka; we will see vast strides of accomplishments and new developments at the Institute over the next two years.

My dear members, the accountancy profession is standing strong and looking ahead. As the President of your Institute, your Council and I have a clear plan. The execution of this plan is made easier by the presence of my council members who have earned much recognition and fame in their respective fields.

We are committed to ensure that your Institute reaches greater heights and for that we must act immediately to give effect to that plan. No frontier is final for us and our search for excellence should remain high on our agenda. With your support, I am certain we can work to become a better, stronger and more effective profession.

**John Kennedy in his inaugural presidential address to fellow Americans said, (quote)** “Ask not what your country can do for you. Ask what you can do for your country”. **(Unquote)** I ask my fellow members to take a cue from this historic saying.

Let us join hands and take CA Sri Lanka to a new era!

***Thank you for your patient hearing  
Have a pleasant evening.***