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All views are of the authors and not of the firm.

Voice Of Change

- Changed!!!

ISSUE 3, 2013

PKF SRIDHAR & SANTHANAM

From the Editor's Desk...

If we have to improve we need to constantly push the bar.

I am glad that the Editorial Committee has come up with its own push of the bar.

While the Newsletter is good it has become a little stale and needs to be infused with new blood.

This is what Editorial Committee is doing and I am very happy about it.

Way to go guys!

Now more of the S&S sites and EX S&S sites can chip in to make the NL a very interesting medium of communication.

What the Editorial Committee is proposing are new spaces for the following:

- A. CFO Speaks
- B. Interview with Rank Holders
- C. Alumni speaks
- D. Webinar take aways....

All the very best and let's strive to make the best NL of any CA

office!



CA S RAMAKRISHNAN

PS: Brief talks are now uploaded on soundcloud as Ramki47 for the staff's benefit.

The Managing Partner speaks...

I am very happy to note that the newsletter is taking a new avatar and we are adding number of new features to make it more interesting, informative and educative.

To me, it looks as though I am going 34 years back to the year 1979 when we started and Ramki started Newsletter somewhere in the year 1981. It is wonderful that it is not even second innings, for me it

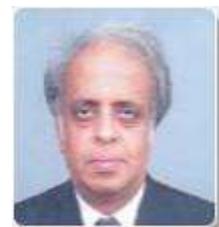
looks like playing second test match with such a wonderful young team with all of you.

Every time when people who don't know me, talk very highly of the firm, it is because of the great work done by all our staff, article trainees and leaders.

I wish you all the very best and pray to Almighty that we

should keep the image of the profession and our firm at its best.

All the very best!



CA S SANTHANAKRISHNAN

The Invincible Team



Coming Together is
the Beginning...

*Together
Everyone
Achieves More*



At every point in time during life, never does an individual work independently. Each one of us is dependent on someone for something. Right from the day we are born till the day our souls rest in peace, we are dependent. The same applies ditto to our professional lives.

Coming together is just the beginning.

“Together Everyone Achieves More” is an overused quotation. Still, it is a thought worth reiterating and being pondered over. The more number of times, the better! What does it mean to work as a team? Continuous Coordination, Complete Cooperation, Constant Communication, Convinced (sometimes unconvinced) Compromises.

We may be working with different people at different points in time. All of us should reconcile to the fact that each person is different. The differences may be subtle or drastic. It would be very unreasonable to expect all the team players/leaders to have the same set of skills, attitude or attributes. Coming together is just the beginning of a long winding journey. At this very infant stage of team building, we should not only be mentally prepared to accept the shortcomings of other people (all of us are not blessed to do this so easily!), but also be ready to shed our ego and appreciate people for their strengths. Just a “Good”, if not a “WOW”, would be sufficient to keep the team going. A pat on the back. A phone call, a message, a mail to say, “Hey! Nice work. Helped me at the right time!”. This works like magic (It doesn’t really need the Harry Potter wand!). Spend some time getting to know the members of your team. What they do. What their interests are. What background they are from. This helps in team building much better than anything else!

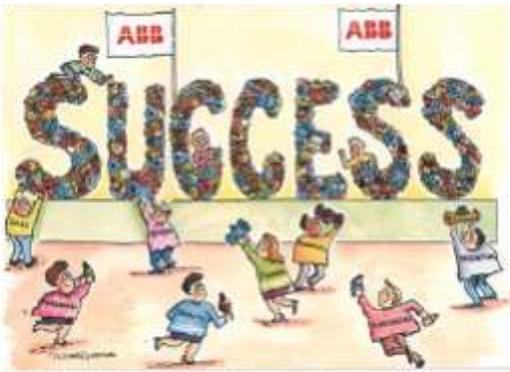
Keeping together is progress.

Everything seems rosy at the beginning. Enthusiasm is at its best. Somehow, mid way through an assignment, silent devils called “ego clashes” crop up. It may range from cold wars to word wars. Root cause may just be anything. People start getting bored about the team, about the work, about the client, just about everything. Performance dips. There are delays. Client starts complaining. All problems peak at this point. All at the same time. Like someone said, there are times when it does not just rain. It pours. The tight rope between the two poles – start and finish – has now started sagging under the weight of the brimming pressures. There is every possibility that the rope will crack. This is the time when people need to take a break. Think and realize what our goal is. Are we moving in

that direction? Are the current events contributing positively in any way to reaching the goal? Can “I” do something to set right this situation?

Generally, we have always been taught, to never use “I”. It has always been “WE”. However, there are times when we need to think individually when working as a team. An irony, but the truth. One individual can make or break a team. Someone should take the initiative to break the ice and channelize the energies in the right direction. When someone takes that one step, the positive energy will spread to the other members and put the team back on track! Keeping the team together evidences progress. It may not be an easy task all the time. But **IT IS POSSIBLE**.

Working together is success.



Synergy is a very famous concept in “Mergers & Acquisitions”. As stated in the oxford dictionary, Synergy is “the interaction or cooperation of two or more organizations, substances, or other agents to produce a combined effect greater than the sum of their separate effects”. This is the sum and substance of working together. As a team, we can achieve much much more than what we can as an individual. Why do most organi-

zations work as teams? Why is team building and team interaction given so much importance? This is the reason. The weakness of one will be offset by the strengths of the others. As a team, we should always aim at leveraging on the strengths of the team players. This has multifold benefits. There is better quality. Each person has the satisfaction that they have contributed their best. Everyone feels good about themselves. Your work gets done faster. Ultimately, the client is happy with the output. All of us go back home pleased and contented.

My dear friends, this cycle in team building repeats itself for every assignment. Every time you are in a new team, go with a positive attitude. Brace yourself, be prepared, learn to adjust and accommodate, take the lead when required, step away from the limelight when necessary. All this will help in working stupendously as a team.

Remember,

Coming together is the beginning;

Keeping together is progress;

Working together is success!

Henry Ford



Janani Vijayakumar

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Synergy is “the interaction or cooperation of two or more organizations, substances, or other agents to produce a combined effect greater than the sum of their separate effects”

The Crazy World of Advertisement

Dear S & S family,

A Warm welcome to the busiest month of the year...

Advertisement...one of the most irritating things that interrupt me while watching TV and I reckon you too feel the same way. But when I decided to write article on the same it became a very difficult task for me. Advertisement, in simple words means "a process of commercial promotion of goods and services in order to increase its sales".

In fact, it is an Art. Don't you agree?? See the following advertisement pictures which convey the theme and concept within a picture rather than going through a giant process



There are more
Commercials
these days than
the actual
program!!!

The first picture conveys that the product from Pepsi is so light that you don't feel like had a soft drink and hence will order one more. And the second one is about a glass cleaner conveying that if you use that particular product it will make the glass clean in such a way that it will not be visible.

Hence I can say that advertisement is "Art of conveying about the product in a shortest and smartest way in order to gain a substantial competitive advantage".



It is interesting to know that:

- The turnover of U.S. ad industry is about 2.3% of its GDP whereas Indian industry contributes less than 1% which indicated there are sundry opportunities in India going ahead.
- A recent survey in India had reveal that newspaper contributes about 75% of total advertisement medium, television & radio about 20%, magazine with 3%and online about 2%

Modes of Advertisement:

A) Informative Advertisement:

Concentrates on launching of a product in order to create and increase the demand. E.g. Airtel’s advertisement on money transfers between mobiles via “M-PIN”.

In India, newspaper contributes about 75% of total advertisement medium, television & radio about 20%, magazine with 3%and online about 2%

B) Persuasive Advertisement:

These are those advertisements which ponder on growth stage of the product. E.g. Zoo-Zoo’s ad of Vodafone.

C) Reminder Advertisement:

This type of advertisement tinctures mostly from Govt.departments & insurance companies reminding Viewers on the various due dates. E.g. Income tax department advertisement on Advance Tax.

D) Geographical advertisement:

These can be classified in to

- Global advertising, carrying one single advertisement all over the world. E.g. *I’m Loving it*” is a global ad of M.C. Donald’s
- national advertising, carrying in one nation only and encourages the consumer to purchase their product wherever sold. E.g. Dabur and Nirma ads.
- local advertisement, concentrating on a particular locality. E.g. Advertising about the new Computer courses in Colleges and Study circles.

E. Manipulative advertisement:

Advertisements based on inconclusive and incorrect information and are of limits free.

F. Covert advertisement:

This style of advertisements happens when a product or brand is embedded in entertainment and media. E.g. A hero uses only specific brand of cars(BMW/Audi cars)

G. Unethical advertisement:

Advertisements promising something which cannot be delivered. E.g. Weight loss advertisements.

H. Negative Advertisement:

These advertisements focus on negative attributes of competitors' products rather than concealing their own positive attributes. E.g. Pepsi v.s. Coca Cola and Horlicks v.s. Complan.

Considering all the above, there is a need to place ethical principles relevant to advertisement:

General

- Principles of the moral order must be applied to the domain of media
- Human freedom has a purpose: making an authentic moral response. All attempts to inform and persuade must respect the purposes of human freedom if they are to be moral.
- Morally good advertising therefore is that advertising that seeks to move people to choose and act rationally in morally good ways; morally evil advertising seeks to move people to do evil deeds that are self-destructive and destructive of authentic community
- Means and techniques of advertising must also be considered: manipulative, exploitative, corrupt and corrupting methods of persuasion and motivation

There is an imperative need for the improvement in the global standards for advertisement and the representative bodies of IAA

Three Specific Moral Principles

RESPECT TRUTHFULNESS (deception objection)

- Never directly intend to deceive
- Never use simply untrue advertising
- Do not distort the truth by implying things that are not so or withholding relevant facts
- "Puffery" is acceptable where it is consonant with recognized and accepted rhetorical and symbolic practice

RESPECT THE DIGNITY OF EACH HUMAN PERSON (attacks autonomy objection)

- Do not exploit our "lower inclinations" to compromise our capacity to reflect or decide either through its content or through its impact: using appeals to lust, vanity, envy and greed, and other human weakness.
- Give special care to the weak and vulnerable: children, young people, the elderly, the poor, and the culturally disadvantaged

RESPECT SOCIAL RESPONSIBILITIES (promotes consumption, empties communication, objections)

- Example: Concern for the ecology—advertising should not favour a lavish lifestyle which wastes resources and despoils the environment
- Example: Advertising should not reduce human progress to acquiring material goods and cultivating a lavish lifestyle.

Conclusion:

There is an imperative need for the improvement in the global standards for advertisement and the representative bodies of IAA (International Advertising Association) to follow the same to maintain the noble version of the competition among the industries.



Musham Panchakshar
cool.panchakshar@gmail.com

Nostalgia...



CA SRIPRIYA
SURESH
Partner,
Suresh & Balaji Char-
tered Accountants

*Never think that
you are doing
the same job
again and again,
for in repetition
lies the scope for
perfection.*

For any person to become a successful Chartered Accountant the place where they did their articleship really counts.

For what you learn in this three years shapes your career for the rest of your life. I am proud that I chose S&S to do my articleship.

I remember my first day at S&S. Mr. Ramki told us that we need to be very careful with our work for every mistake we do would cost dearly to both the firm and the client. This is my guiding force till date. I double check all the papers before signing them.

The numerous tours had helped me in building my confidence and helped me in becoming a self reliant person.

This is the place where I also learnt that work can become your form of self expression and when this happens rewards are bound to flow automatically.

I always think of Ramki Sir as a “Walking Library” and respect him immensely for his knowledge. I learnt from him that an hour invested in learning everyday will take you a long way in your career. I also learnt that on the job and beyond the job one should create enough avenues for learning.

I learnt the concept of “never say die” from SK sir. His 4th consecutive victory speaks about his planning ability and his desire to contribute to our fraternity.

Balu and Narsi always remind me of unfailing dedication.

The women’s conference also helped me learn from Rajeshwari Mam that leadership is not about leading from the front, but all about giving people their space and to ensure that the project is ultimately a success.

I thank Shankar Ganesh for having given me an opportunity to thank all these people for their contribution in my life.

S&S is definitely and will continue to be one of the most cherished periods of my life.

My only advice to S&Sites is keep your eyes open and always be ready to do any job given to you. Everything, whether you realise it or not, will help you in becoming a better CA. Never think that you are doing the same job again and again, for in repetition lies the scope for perfection.

Topper's Tips...



CA S V MATHANGI

The brain gets tired / bored after and we cannot be alter for more than 40 to 50 minutes at a time, which is why all school and college classes are for that time span.

I don't remember my marks and today they do not matter to me .

I got 8th rank in both CA inter and Final. I wrote my final exams in November 1997. I also got Best paper in Auditing in CA inter. I was judged the best Lady candidate from South India and got the Shivayogam awards.

I don't want to say this as I rarely remember it in reality unless someone reminds me. But if this will inspire even one person then I am happy.

I am not a great story teller and this was no magic.

There is one sure way to success and that is hard work.

I was a Physics graduate with great aspirations to get into research in Nuclear or Theoretical Physics. But these courses were not available in Chennai and hence it had to remain a dream. There was only one thing that I was sure about and that was my passion for numbers. I got admission to Madras university MBA program but it was not very impressive from here say.

It was my fortune and good stars that someone introduced me to Ramki sir. It is very hard to believe, but until that day I didn't know what CA was about. He looked at my mark sheets and started talking. I don't remember what he talked about, but one thing I remember was that I was thrilled to speak to him and at the end of the conversation had made up my mind to join S&S. Thus began my journey with S&S. I am ever thankful to him for that day.

We had almost the same leave rules as we have now (2 .5 months before CA inter exams and 3 months before final exams) and the last six months before the exams we were in class category and had permission to attend classes. The rest of the time we used to enjoy all the travel experiences that the firm offered. It was three years of learning every day in every aspect of work we did.

I generally don't like surprises that I can't handle and prefer to be prepared. 9 months before the exams I used to pull out my books and develop a study plan. I get bored very easily and hence every day I used to do not more than 20 pages of a subject material and would study two subjects only theory and one which requires application. I have never studied for more than 6 on7 hours a day even during the exam holidays or the day before the exams.

The brain gets tired / bored after and we cannot be alter for more than 40 to 50 minutes at a time, which is why all school and college classes are for that time span. Every fifty minutes I used to take a break for ten minutes. Similar memory enhances with reiteration. Hence I used to revise thrice before my exams and my first reading of the material would have been complete by the beginning of the exams holidays. No surprises when I cannot raise my doubts to anyone and I am not in office.

I had enrolled for a few classes but never attended even one subject fully. Since my reading of materials is over before the leave, I would be fully aware of what I know and what I don't. I had to attend classes only for topics on which I needed help. This would save a lot of time and trouble. No getting up at 5.00 AM and missing sleep or rushing to class and coming back home sleeping through the day.

I was very clear that we need to pass all subjects but perform exceptionally well in subjects at which we are good and know well. This was the way to get an aggregate. Hence I used to meticulously read all material from first to last page. Every page and every information is important not so much for the exams but for knowledge.

We are here to learn and we study to gain knowledge. **Excellence should be our goal and success will follow.** I have never forgotten this and I am a student till date. I find new things to learn even from my son's text books



I utilised every opportunity to learn at work in office. We may do the same work for six months but still I am sure that there is something to learn at the end of six months. Every one of our audits had some knowledge waiting for us to acquire.

My audit paper had questions on audit of stock broker. I had done an audit of a Securities Trading Company and I could happily answer the question. For most of the questions on Audit I could write from practical experience. In law we could answer on CARO (earlier MAOCARO), qualified reports, Board meetings, Section 301 and what not. In EDP we could write on systems and controls. In Accounts we could write on accounts of banking companies or consolidation or accounts of Holding and subsidiary companies. Our exposure to accounting standards was more than most of the students around us. Our partners shared/ continue to share all the knowledge they had/ have. All this didn't come out of the Book.

*Excellence
should be our
goal and
success will
follow*

So preparing for exams was not three months' work. This was done over three years at work and outside. I don't think there are any shortcuts.

For every student out there – if you have not started studying, start today. Learning from books and work experience should complement each other. One without the other is not beneficial. Remember every day, every minute- You are here to learn and become a CA.

When you are prepared for the exams then there is nothing to be afraid of and there is no pressure. Exams are also all about strategy. Draw a time plan and stick to it no matter what. But let this plan be simple and something that you can follow, something very realistic. (I used to take stock of the total number of pages that you have to go through in the study materials. If you have to read through say 3000 pages (8 * 400) and you have 6 months left (180 days) then it is simple arithmetic that you do at least 16 pages a day for reading once. If you need to do two revisions, assuming that every extra time you read, you read faster you will need to complete about 6000 or 7000 pages over the next 6 months- which means you read at least 40 pages a day. Every day you delay you need to make up more later on. And you need to spend more time on subject like accounts and costing to work out problems and comprehend methods of working out. You need to factor that too.

Some important do and don'ts that I followed which you may find helpful:

1. Avoid phone calls while studying.
2. Don't plan your studies with friends and compare others' progress with yours.- Each person is different and find different subjects easy or difficult. Judge your work with your own plans. You are best person to estimate your strengths and weaknesses honestly.

3. Classes are not a must. Use discretion in attending classes. You don't have to feel bad or upset that you are not attending all classes that your friends do. You could spend the time usefully studying what you need to.
4. Sleep and Eat well. You need to be healthy to see this through.
5. Learn to relax amidst all the studies. You don't need to do 14 hour days.
6. Learn to keep your brain attentive. The moment you feel bored , close the book and do something else or atleast change the subject.
7. Do not discuss or speak to your friends at the end of each exam. If you could do anything about the exam at all, it was before you wrote it. Speaking to others could undermine your confidence and you will not be able to look forward to the next exam.
8. Do not treat any information as unimportant. All of them have their use.
9. Learn all subjects . Remember you have to pass all the subjects. Getting 90% in one paper and failing in another does not help.
10. Do not keep anything pending until the last day before the exam. Anything could happen then to disrupt your studies for the day.
11. Enjoy learning. You are learning more for your own self than for the exam or any other purpose.

My best wishes to all students who are appearing for the exams.

*Enjoy learning.
You are
learning more
for your own
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the exam or
any other
purpose.*



CFO Speaks...



CA RAMESH
JAYARAMAN, CFO
of a leading health-
care company

Awareness of the
world and
technology is a
necessity for CAs

Dear Aspiring and Fellow CAs,

I sincerely thank PKF Sridhar & Santhanam for providing me this opportunity to connect with you through this newsletter.

There is sufficient history about the profession and all of you have made a conscious decision to be part of the ever growing, dynamic group of Chartered Accountants across India and the world. You go through the grind of studying multiple subjects related to our profession. I just wanted to share a few thoughts on the practical aspects of being a professional who chooses to work in industry.

Over the past couple of decades in particular, post liberalization, the demands on the finance professional has been evolving. We are seeing many CAs taking up assignments in developed and emerging markets, working for Indian or foreign multinational companies. Smartphones, Satellite television and computers in every part of the world at an affordable cost have ensured that people are connected to some form of information all the time.

In addition to the syllabus based learning that the students have to go through, awareness of the world around us and the choice of technological tools that are available to the CA professional is a necessity.

While our Institute and other professional bodies mandate/offer CPE programs, more importantly, some fundamental values and principles need to be nurtured at the core of any person's true development. I am sure each of you have seen/read these lines at some point or the other but assimilation of the true meaning is very critical to structure your approach to work and ensure a long and fruitful career:

- *Imagination is more important than knowledge and sharing your imagination, for the benefit of the organization, without feeling insecure, is even more important.*
- *Knowing something and not doing anything about it is, as good as not knowing anything.*
- *Simplicity is the ultimate sophistication*
- *You are as good as your team and you are as good as you are today*
- *Recognition is important but you are your best judge*
- *Always do the right thing even when no one is watching*
- *Always have a mentality of working in a start up, irrespective of your organization's size*
- *Chase excellence*
- *Have a balanced successful life*

Financial compliance is increasingly becoming the buzzword. With the advent of technological tools, the focus has shifted to get the processes and controls right. Reporting, with the tools that are available in the market, is just an output of your processes and controls.

So, I would urge each of you to understand the business of your company, the processes involved and ensure documentation of the same. Don't assume that things are right and in that process lose out on an opportunity to understand something afresh, end to end. You have a responsibility to create the documentation in case it is not available.



As you document your understanding across these matters, you will start seeing things that would, prima facie, not be visible. Then you start applying your mind to connect the dots, innovate and come up with the right solutions that would suit the organization's needs. You will interact with other departments outside of your core function and think "horizontally" instead of thinking "vertically". As you focus on the right things, take it upon yourself to be accountable for addressing and closing the matters within reasonable timelines that indicate ownership of the issues. These are small, but very important matters, in your journey as a leader. It will provide you the clarity to execute the tasks and approach your job with confidence. It is also the right approach in an economy that is in a state of transition and where governance matters are rightfully taking precedence.

Money is important in one's life but should not be allowed to cloud career decisions during the initial stages in particular, and, in general, at any stage of your life. It only offers temporary satisfaction to the ego and a sustained ego is definitely not going to help you in your life. Having said that, it does not mean you should not be ambitious; money should be an incidental benefit in your journey towards excellence.

World is moving towards engagements and partnerships. It means that soft skills take precedence over hard skills. It also means that top down style of management will not be effective any more.

With the information overload and the materialistic urges hitting you all the time, it is important to focus on having a balanced successful life. Learn to develop the habit in creating the environment to "talk" to your self, meaning that you understand and create the right space for the inner journey. Cherish the small things of joy that life offers. This will enable you to live in the present and remove the emotional clutter. You will approach your job with sincerity, instead of seriousness. You will enjoy your job and build relationships. Having a mentor at or outside work is always useful. Ultimately, effectiveness in everything you do is what matters.

*Soft skills take
precedence
over hard skills*

I wish you all the very best in all your personal and professional endeavors.

I can be reached at 91-95850-11811

<http://www.linkedin.com/pub/ramesh-jayaraman/3/99a/7b8>

Beyond CA...



CA TV
BALASUBRAMANIAN

With the potential for frauds on the rise and more and more companies clamoring for services in this area, there is a bright future for this profession in the years to come.

About ACFE

The ACFE is the world's largest anti-fraud organization and premier provider of anti-fraud training and education. Together with more than 65,000 members, the ACFE is reducing business fraud worldwide and inspiring public confidence in the integrity and objectivity within the profession. The Certified Fraud Examiner (CFE) credential denotes proven expertise in fraud prevention, detection and deterrence. CFEs around the world help protect the global economy by uncovering fraud and implementing processes to prevent fraud from occurring in the first place.

With the potential for frauds on the rise and more and more companies clamoring for services in this area, there is a bright future for this profession in the years to come.

How to Become a CFE

Taking the steps to become a Certified Fraud Examiner (CFE) will position you as a leader in the anti-fraud community and a specialist in the prevention and detection of fraud. Becoming a CFE requires specific qualifications and is achieved by passing the CFE Exam, but the process to apply is a simple one.

1. Be an Associate member of the ACFE in good standing.

Membership is a requirement to take the CFE Exam and earn your CFE credential. If you are not already an Associate member of the ACFE, you must first become a member to pursue the CFE credential.

2. Prepare for the CFE Exam.

It is important to take the time to prepare for the CFE Exam. There are many different ways you can prepare, but the following are the most common:

Study with the CFE Exam Prep Course. The CFE Exam Prep Course is a computer self-study course produced by the ACFE. Available in US, Canada, and International editions, the CFE Exam Prep Course mirrors the format of the actual exam and comes with a Money-Back Pass Guarantee. An electronic copy of the Fraud Examiners Manual is included.

Could also look around in India - CFE chapters do organise for classes in some places like Mumbai (not yet in Chennai)

Study on your own. Approximately 90 percent of the CFE Exam's questions are derived from material contained in the Fraud Examiners Manual while the remainder is compiled from the Corporate Fraud Handbook.



3. Submit the CFE Exam application with proof of education and professional recommendations.

Do this approximately one month before you are ready to take the CFE Exam. A complete CFE Exam application with documentation is required to take the CFE Exam.

4. Pass the CFE Exam.

The CFE Exam is a Windows-based program that tests your knowledge and expertise in the four primary areas of fraud examination: Financial Transactions & Fraud Schemes, Law, Investigation, and Fraud Prevention & Deterrence.

5. Gain final approval from the certification committee and become a CFE.

You will officially become a CFE once your exam and credentials are approved by the certification committee. Those who have attained the CFE credential will be invoiced at the CFE dues rate upon annual membership renewal.

CFE in India

There are quite a few CFEs in India also with local chapters being formed in some places like Mumbai. We are presently trying to get a chapter formed in Chennai. It requires a larger number of members to be able to form the chapter. But, do look forward to the same coming up soon.
All the very best to more and more fraud examiners...

All the very best to more and more fraud examiners...



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'BAT'ters Pitch In!

We were asked to write on our audit experience and what made us receive the BAT.

There are two things in being first timers in writing any column -

Good thing - You are the first to write! Its new! Its exciting!

Bad thing - You could expose your bad writing and others could be told - please do not write like this team!

Either way, Aren't we a good guide ?! (Readers can clap silently!!!)

So here we present our experience ...

The week that wasn't supposed to be (when BAT was declared...)

Going backwards in scheme of events...



*The week that
wasn't supposed
to be (when BAT
was declared...)*

26th Dec 12 - Mail from Partner in Charge nominating for BAT - decent documentation (improvements required) and report presentation (completely unbelievable if you read the previous day's events). This is for our Other department's reports

25th Dec 12 - Partner in charge had a hilarious session reading the reports , we were termed "The immortals of Einstein" (Was it very intelligent?! Ah.. It was written under the presumption that recipients of the report already knew the abbreviations and Jargons - so you can conclude yourself.. yeah it wasn't all that bad either - issues were pretty decent)

24th Dec 12 - Review begins...

20th Dec to 24th Dec 12 - You can imagine based on the preceding / succeeding events! In short.. Modern day Mahabharat!

20th Dec 12 - He wasn't expected anytime before the month end! But visit announced and we said "aap(u) aayiye" (Hindi words but pun intended in Tamil)

10th Dec 12 to 19th Dec 12 - One Beautiful painting of a place with sprawling tea estates, Prestigious audit, good place to learn about tea industry, manufacturing sector & trading sector

So this is nothing like you all expected I guess

Perfect Team - i.e all understanding, sweet, adjusting, helping etc

Perfect client

Insider Trading with Editors! (this line is supposed to be invisible)

Nothing derogatory but what we want to say is (Readers - we have finally got the idea how to end this - you can smile now)



- a. We did not have a perfect team - people are meant to be different and we need to appreciate each one for what they are
- b. We had a perfect client - but cannot get it always!
- c. We had a Partner in Charge - Who gave us the freedom to experiment with new audit checks, new tools to do those checks, took the humour route to make us understand at the same time ensured that we did not go over-board or tried using the excuse of being first timers to industry / statutory audit.

d. Finally we tried giving a good output by avoiding common mistakes but made few new ones I guess but ensured that partner sheds minimum effort in disaster management (of output!)

Time for the credits

This entire write up is with input of all the articles who worked in this team and here is poem listing the name of team members ..

*Avoid common mistakes...
Make new ones!!!*

Hope you liked the roller coaster ride of events we had!

Partner In Charge - The Man with an I (Ramki) Cos he has the “I”Phone!

Rather he is a man with a Y (Ramky) Cos he keeps asking Why Why Why!

Team Members - in Alphabetical order

- As strong as the wind, as silent as **Arvind**,
- As sweet as m&m, as smart as **Praba M**,
- As shady as a tree, as funny as **Preeti**,
- As sweet as fairy, as good as **Kothari**
- As pretty as a doll, as clumsy as **Sujatha falls**,
- As comfy as a car, as strict as **Sujithss saar**,
- As peaceful as dove, as fun as **Gow!!**



Knowledge Outburst...



RISHI KUMAR

Those silent
devils called
“Frauds”...

Fraud Detection (Feedback & Summary):

“Fraud” is the word that we don’t want to hear or find from our clients. But still it’s a huge challenge to find those. In some cases it may be obvious but in some cases door should be opened for *smart work*. Fraud cannot be seen through our naked eye, transparent glasses should be used to see one.

Points from this session:

- Do not believe whatever the client says without proper evidence.
- Previous year reports and points should be followed up at the start of the audit
- In case of any external confirmation, we should ensure whether it’s received from the person whom we expect to receive it from.
- In case of audit of branches, if the client says documents are with HO, confirmation should be received regarding the same.
- In case of any suspicious transactions or practise by the client it should be brought to the notice of the Partner immediately.
- Compliances with various Statutory Acts should be verified with due care and ensure that the client adheres to all deadlines.
- In case of manufacturing company, the process of manufacture of goods should be studied thoroughly and areas such as Work in Process and scraps should be handled with due care
- Direct Confirmation should be obtained from Bank for all the balances shown on the Balance Sheet
- In a Finance Company, the risk of Fraud is very high, Areas such as collections and loan disbursement should be seen as highly prospective “Fraud Prone” areas
- In a warehouse, Physical Verification of stocks should be done and there may be differences. Reconciliation process should be carried out carefully as there is chance for dummy stock.

The session helped me a lot to look a particular area in different prospective. The interesting and best session ever I have attended. We look forward to practical and recent case studies being discussed in the forthcoming sessions!

Knowledge Outburst...



GOURAV &
RUCHIKA



Those silent devils
called "Frauds"...

Introduction

As all available articles assembled together at 195 office to attend what was assumed to be another run of the mill session, they were in for a surprise. The session was to be handled by the one & only "Ramki Sir" and the topic was "Fraud Detection" which was the icing on the cake. At the mention of "Fraud Detection", everyone's eyes lit up, as one thought of ways in which fraud can be done & the various ways in which it could be detected.

Existence of fraud

As we all know, it is the primary responsibility of all auditors to portray to the users of financial statements, its true and fair view. Fraud being one of the major factors that might lead to material misstatement of the financial statements, it needs to be prevented as well as detected, if it exists. The auditor's ability to detect a fraud depends on factors such as the skillfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority/position of those involved.

Frauds might take place where the employee is aware of loopholes in the system, where he is aware of the weaknesses in the internal control of the management. They can be committed in various scenarios, where an individual is under pressure from the management or for some incentive or due to his set of ethical values.

Later, Ramki Sir turned our attention to the various frauds which have been unearthed in the history of PKF S & S emphasizing the need for being alert and employing professional skepticism throughout our audit giving the example of advertisement hoardings which were never really installed but shown as expense. Photographs were attached as supportings, but unfortunately for the perpetrator an old movie poster of 1980s was next to the advertisement hoarding, through which it was understood that the photograph was of an old hoarding & no new hoarding was put up.

Cockroach theory

Once suspicion is aroused, however small it may be, go to the root of the problem, investigate it thoroughly. All Frauds start small. These small things keep on adding till it assumes monstrous proportions which can no longer be suppressed as was in the case of Satyam. We should remember that frauds are like cockroaches, if you find one, there are definitely many others out there. It is our duty to throw light on all of them possible. Fraud is not what can be detected from the audit of mere books, but communication forms a very important input for detecting frauds. In order to know the materiality and expansion of the fraud detected, it is necessary that we find out if the same is affecting other areas of audit, for which it is necessary that we interact with our team-mates and spread awareness of the same. Make sure that the details & the explanations given to the team is the same as what you have received from the client. Never assume things prima facie. Ensure that things



sound sensible unlike ‘CASH ledger showing receipts from Russian Embassy’.

Closing the loop

One another technique is “closing the loop” (consensus ad idem). In other words, making sure that what we want to convey is the same as what is understood by the other person. As sir gave his real life experience when the client accountant told the audit assistant that ramki sir knew about the Rs.25000 expense. When the audit assistant contacted ramki sir whether he knew of Rs.25000, he got a positive answer. But the real issue here was Ramki sir knew about Rs.25000 per

month. The audit assistant was asking for Rs.25000 per week! Hence, it becomes important to close the loop.

Documentation

Further, all activities carried out by the auditor must be supported by the necessary proof, hence documentation of data becomes an important criterion to support the fraud detected and bring the perpetrators to book.

Vigilance...

Skepticism...

Be vigilant and alert. Professional skepticism is the key to unearth frauds. Happy Audit!!!

Knowledge Outburst...



VIGNESH
SUBRAMANIAN

*Those silent
devils called
"Frauds"...*

No Text book would have taught us what we learnt in those three hours , the session was very interactive and interesting , i found myself answering to the questions posted by Ramki sir.

Ramki Sir highlighted real frauds that the Firm has encountered to explain how to detect frauds by using the following techniques.

"THINK LIKE A CROOK"

A Session on How to think like a crook would be a very inappropriate for people from most professions , We are into a profession where the ability to think like a crook is highly helpful.

Perpetrators of Fraud are very skilful , we must be able to put ourselves in the shoes of the perpetrator and think what we would have done if we were in his position.

This Technique will help us to think out of the box and identify potential frauds

"COCKROACH THEORY"

Cockroach Theory states that there is never just "one" Cockroach , when one is spotted , there are typically more hidden elsewhere . This theory applies to Frauds as well , when we come across one there is a possibility that many more frauds have taken place , therefore we should investigate in depth and catch as many cockroaches as possible.

"CLOSING THE LOOP"

This technique suggests that we get to the root of any problem by asking the right questions.

Example: Stores In charge says Goods were damaged due to rain.
we can close the loop by checking

- whether it actually rained
- why the goods were kept in the open
- whether there was a similar situation during previous rains
- what steps have been taken to avoid such situation in the future
- what happened to the good that were damaged.
- whether the goods are actually damaged
- the control over the damaged goods



SHREYES
VENKATESH

MY GOALS...

MY DESIRES...

MY DREAMS...

MY LIFE! MY GOAL! FCAs From Tax Department Write!...

Hello All,

My name is Shreyes Venkatesh and I am currently working in the Tax Department of PKF S&S.

“Voice of Change” is getting revamped and as a part of the new way of things a column titled **“My Goal”** is being launched.

In this **“My Goal”** section, all the article assistants in PKF S&S would be sharing with the readers their goals, Immediate or Long Term.

This would open up the Pandora’s Box and new avenues would pop up and the readers would have a platter of career choices in front them.

To kick things off, the Tax Department of PKF S&S share our goals with the readers.

When the editor asked me to share my goals with the readers I was perplexed cause I myself am going through the experimental phase where I am exploring my options and looking at all the possible doors.

My goals are anything but static but in any case I would like to share them with you.

I am not including the run of the mill things like clearing CA final and other professional courses cause that is hardly a goal. More of a given. So what after CA or what beyond CA?

- I would like to give my CAT immediately after I finish CA.
- Yes, a couple of years of work experience would help my admission cause (sadly, articleship experience is not considered as work experience by most of the biggies) but yea! I am going to give it a try anyways.
- After my MBA in one of the big leagues (fingers crossed), I would like to apply my CA experience and the management skills I ought to have acquired (hopefully!) and work in a consultancy firm.
- Probably after a few years with the firm I would like to branch out and start my own consultancy firm.

That’s my plan / goal as of now, but then with the way things change in this ever amusing world I might just end up becoming a doctor. So lets hope for the best, MAZEL TOV ALL!

By S. Arun Kumar

Setting a goal to be achieved is an important phase in human life.

My goal in life is to become a “**Chartered Accountant**”, because it is one of the most important professions, which is regarded as a respectable one in this professional world.

The period of Articleship in Chartered Accountants course provide us an opportunity to learn about practical financial deals.

Working with PKF Sridhar & Santhanam provides us a huge opportunity to learn and experience practically about financial matters.



In this period of Articleship with PKF Sridhar & Santhanam , I would contribute my level best for the improvement of the firm I work with as well as to improve my carrier.

By Sameera T

I want to qualify as a successful chartered accountant having a decent knowledge about my profession. I would like to go for employment in a translational company. After 10-15 years I would like to see myself as a part of top management in a company.

*I WILL BE
WHAT I
WANNA BE...*

By Narendar

CA was never my career till the day when Mr.Ramlinga Raju announced that he has fudged accounts of Satyam. I always wanted to be a professional trader i.e., technical analyst in stock market. It's been a month I've started learning about technical analysis & in 4 to 5 years, I'll achieve that.

By Ramyaa T

Hi all... I am a proud member of our PKF Tax Department team. Having the festival of colours just gone by, I am here, talking about my plan on future colours of my life.

Everybody has some goal in life. And too obviously my goal currently is to complete my CA at the earliest. However, I don't really have any ideas of practicing the profession.

I look forward to pursuing an MBA in Business/finance administration. Wherever I do my master's, I am determined in being posted in MY very own Country.

15 years down the lane, I look myself as a corporate board member in a reputed company, a person coloured with proud professionalism and pride!



I picture myself as a successful business woman who can invest time on my personal life as lavishly as I spend my Dad's money now! I would not want to compromise my other interests just for the sake of earning money.

But as we all know, life cannot be predicted. Like, choosing CA was not really my option 5 to 6 years back. I always wanted to become a surgeon as a child. However things changed and ideas changed as time passed by. We don't really know what awaits in future,.

The colours I chose can either mix up, providing me new options to explore or can just fade away leaving just a mark behind.



Ultimately, whatever makes me happy is what shall be in the list of Goals!
Anyways hoping for the best, I am always ready to accelerate and move ahead!

By A.S. Baranidharan

"The only source of knowledge is experience"- Albert Einstein

As the debate of "Industry vs. Practice" stands high on the tip every aspiring student's heart i choose to travel on the side of the Industry and to be a responsible professional in the field of finance.

I dream to reach the highest echelons in an organization with hard work, dedication constant endeavor to perform better and give results.

I want to utilize my knowledge coupled with experience to convert organizational goals in to reality to also ensure a steady growth for self.

Along with CA being the main dish to my brain's appetite, I also took Company secretaries course to the plate and i wish to have a sumptuous diet for my intellectual hunger in the future.

By Gayathri V

Few years down the line, I imagine myself offering alarming legal advice and distressing audit opinions to some rather unfortunate clients!

On the more serious side, I would like to grow up to be a strong confident independent woman whom my family, friends and colleagues can trust and rely upon. I would like to specialize in the field of corporate and tax laws and hopefully, one day-start a partnership firm with my friends.

Apart from fixing CA and CS as my professional goals, I have many other little dreams! Atleast once in my lifetime, I would like to travel all over the world with my dear ones. Besides that, I dream of owning a huge library full of English classics, to go scuba diving one day in the middle of Atlantic Ocean, to own a small cozy holiday home with a vast garden-located in the middle of nowhere and to become a grandmaster in the beautiful game of chess!

I would like to conclude by saying that even when I turn 90 years(if I live that long!),I hope to always take happiness in small things, to always see the beautiful side of life and to be forever optimistic.



*I WILL BE
WHAT I
WANNA BE...*

The Busy Beeeeeezzz



ITS PARTY TIME!!!



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The Column We All Love... List of Holidays!!

Holidays—April 2013

Date	Name	Che	Cbe	Blore	Hyd	Mum	Delhi
Thursday, April 11 2013	Telugu New Year's Day/ Ugadi/Gudi Padwa			✓	✓	RH	RH
Sunday, April 14 2013	Tamil New Year's Day/ Dr.Ambedkar's B'day	✓	✓				

*The best days of
our life...*

*What Travel means to us...
At Zambia.....*



Puzzle corner...

Solve the puzzle and win a comp-off!

Assassin is a popular game on college campuses. The game consists of several players trying to eliminate the others by means of squirting them with water pistols in order to be the last survivor. Once hit, the player is out of the game. Game play is fair play at all times and all locations, and tends to last several days depending on the number of participants and their stealth. At Troyhill University, 5 students participated in a game that only lasted four days. Can you determine each player's first name, their color, their assassin alias, how they were eliminated, and their major?

Names: Liam, Anabel, Bella, Oliver, Ethan

Colors: Red, Green, Blue, Purple, Black

Alias: Captain Dawn, Night Stalker, Dark Elf, McStealth, Billy

Capture: Caught at weekly study group, Caught helping friend with car trouble, Ambushed during sleep, Caught on the way to class, Winner

Major: Economics, Biology, Art History, Sociology, Psychology

MONDAY: Liam, the girl named Captain Dawn, and the person in purple avoided any action that day. The psychology major was able to easily catch Ethan because she already had a study group meeting with him that day. Since it was a weekly engagement, he didn't suspect a thing. Goodbye red player.

TUESDAY: Everyone tried to get in on the action today. The girl masquerading as the Dark Elf (who was wearing either black or red) and the sociology major lived to see another day. The purple player was able to catch the obliging yet naive green player by calling her and pretending he had car trouble.

WEDNESDAY: The biology major (who was still "alive") was surprised to hear that the Psychology major, who wasn't Anabel the art history major, ambushed Night Stalker as he slept in his dorm.

THURSDAY: The black player was declared the victor after luckily spotting "Billy" on his way to Mammalian Physiology, a class required by his major.

Send in your replies to editorialcommittee.sands@gmail.com with "Assassin Puzzle - Name" in the subject on or before 14th April 2013. The first twenty correct entries will receive a comp off each!

So Hurry.....

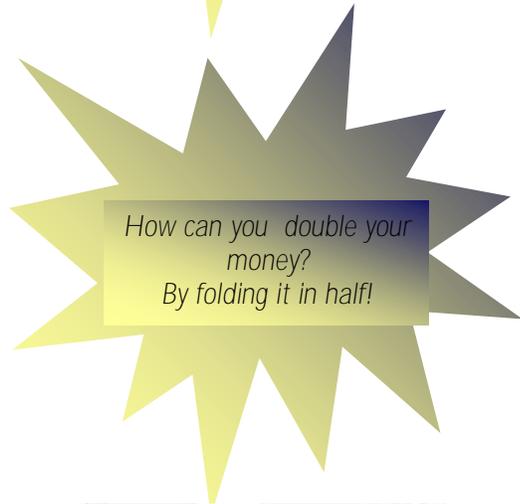
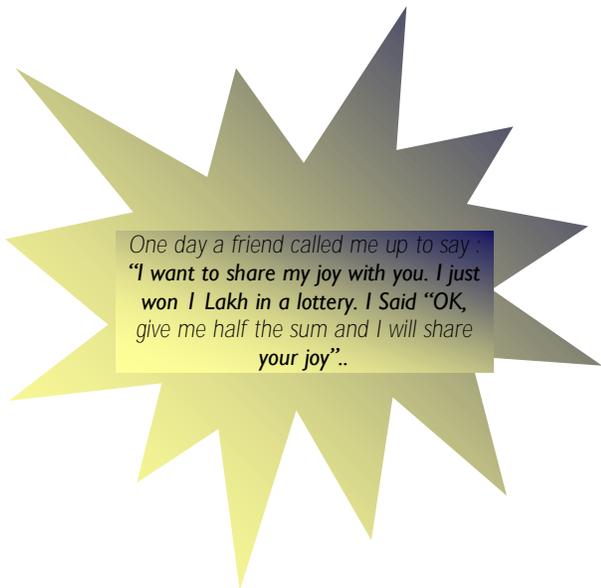
Disclaimer :

Decision of Editorial Committee is final. The Timing for receipt of Entry will determined based on the time of receipt of mail. Answers will be published through staff of sands and winners will be announced in the next issue.



Just for Laughs!!

Credits to our client's newsletter for the jokes !



**The new trend among bank robbers:
Pitbull hold-ups**

**Cheaper than a gun and much
louder!**



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