

September 2009

CPA Students eCommunicator is a monthly electronic newsletter designed for our CPA students to give quick updates on recent developments at the Institute and the profession.

From the Desk of the Executive Director

Hari Raya Greetings



The President, Council, Management and Staff of the MICPA would like to wish all our Muslim students

Selamat Hari Raya Aidil Fitri, Maaf Zahir dan Batin.

Congratulatory Message

The President, Council, Management and Staff of the MICPA would like to congratulate YBhg Datuk Ali Abdul Kadir, a member of the Institute on his recent appointment as Chairman of the Financial Reporting Foundation (FRF) by the Minister of Finance with effect from July 1, 2009. Datuk Ali Kadir was a past president of the Institute between 1998 to 1999.

Revised MICPA Programme

In February 2009, The Institute of Chartered Accountants in Australia (ICAA) and The Malaysian Institute of Certified Public Accountants (MICPA) entered into a partnership that will encourage high-level standards for education and continuous training across national borders.

In this regard, we are pleased to inform members that the Institute has implemented its new examination structure for the revised MICPA programme.

New students who register under the revised MICPA programme will follow an almost identical course of study to their counterparts completing the Chartered Accountants Program in Australia, by completing four common modules. A unique feature of the revised MICPA programme is the taxation module, reflecting Malaysian taxation regulations and providing greater relevance for accountants working in Malaysia.

Upon satisfactory completion of the examinations and other admission requirements, students will be eligible to be admitted as members of MICPA and ICAA.

For further information on the revised MICPA programme, please click [here](#)

ICAEW Recognition

We are pleased to announce that the CPA Malaysia qualification was recognised by The Institute of Chartered Accountants in England and Wales (ICAEW) in 2004 where exemptions were granted. Recently, ICAEW have undertaken further assessment of the CPA Malaysia qualification in comparison with the ACA qualification introduced in 2007.

Members of MICPA are now able to gain credit from ICAEWs Professional Stage comprising of 12 Papers and the Advanced Stage Technical Integration Business Reporting paper. In order to gain the ACA qualification, members of MICPA will need to pass the Advanced Stage Technical Integration Business Change paper and Case Study, as well as complete the Structured Training in Ethics programme.

Members of MICPA will no longer be required to acquire three years' work experience in an ICAEW authorised training employer, which further simplifies the process for MICPA members to become ICAEW members.

The exemption awarded by ICAEW to the CPA qualification offered by the MICPA further endorses the close co-operation between the two bodies in the education and training of professional accountants.

Recognition Status

The Council of the Institute has recently recognised the following qualifications:

- Bachelor of Business and Commerce (Accounting) Degree from Monash University, Sunway Campus. In this regard, graduates of the degree from Monash University will be given full exemption from the Institute's Professional Stage Examination; and
- Bachelor of Arts (Hons) Accounting and Finance (University of The West of England) degree offered at Taylors University College. In this regard, graduates of the degree from Taylors University College will be given exemption from the Institute's Professional Stage Examination – Module A and Module B except Business and Company Law.
- Bachelor of Accounting (Hons) degree from Kuala Lumpur Infrastructure University College. In this regard, graduates of the degree from KLIUC will be given exemption from Module A of the Institute's Professional Stage Examination.

CPA Students Corner

Past Examination Questions and Suggested Answers for May 2009

Further to Circular No: STU/09/09/09 dated September 14, 2009, students are advised that the Institute is in the process of publishing the examination questions and suggested answers (Q & A) including examiners' reports for the May 2009 examination. The Q & A are expected to be ready by October 30, 2009 and will be posted on the MICPA website in the students area.

In this regard, you may download the Q & A relevant to your studies from the website. Students are also able to purchase back copies of the Q & A, which are not available on the MICPA website, from the MICPA Secretariat subject to availability.

For further information, please contact the Institute's Examination Officer on Tel: 03-2698 9622 or email: hl.exam@micpa.com.my.

MICPA Examination – Accounting and Auditing Standards

Further to Circular No: STU/08/08/09 dated August 26, 2009, students are advised that the Institute's Examination Regulations and Syllabus state that:

- (a) Questions involving knowledge of accounting and auditing should be answered in accordance with the requirements of approved accounting standards, approved auditing standards/guidelines and the relevant legislation;
- (b) Questions involving knowledge of new approved accounting standards, approved auditing standards/guidelines and exposure drafts will not be set until at least 6 months have elapsed since the last day of the month in which the statement became effective or was published.

In this regard, the list of accounting standards, auditing standards and other technical pronouncements, which are currently examinable in the Institute's examination has been set out. For further information, please click [here](#)

Existing CPA Programme - November 2009 Examination

Time-Table

The November 2009 Examination Time-Table has been posted in the students' website. For further information, please click [here](#)

Existing CPA Programme - Workshop Sessions and Examination for Advanced Stage Examination

Students are hereby informed that the workshop sessions for the Advanced Stage Examination (ASE) will be held from August 15 to October 18, 2009. The final module examinations will be held from November 23 to 26, 2009. To view the workshop schedule, please click [here](#)

Revised MICPA Programme Term 3 2009: Focus Sessions and Examination

Students are hereby informed that registration for Term 3, 2009 Examination for the Management Accounting & Analysis (MAA), Financial Accounting & Reporting (FIN) modules closed on Monday, August 10, 2009. To view the time-table, please click [here](#)

Announcements

Change of Correspondence and E-mail Address

Students are reminded that they should inform the Institute of any change in their correspondence and e-mail addresses. **This is to ensure that you receive all notices, circulars, publications, correspondences and e-mail broadcasts promptly.** Please click [here](#) to download the form and fax the completed form to the MICPA Secretariat at Fax No 03-2698 9403.

Job Opportunities on MICPA Website

As part of the Institute's service to members', Members' Firms who wish to advertise any job opportunities in their respective firms are welcome to send in the job vacancy to the Institute. The opening will be posted on the MICPA website for **1 month**. For further information, please contact the Public Affairs & Communications Manager on Tel: 03-2698 9622 or email: vic.pr@micpa.com.my

Young CPA Group

We are pleased to inform you that the *Young CPA Group* was established in 2004 with the aim of encouraging our younger members to take part in the Institute's work and activities. Young members play an important role in identifying the professional needs of its members and provide valuable feedback and suggestions and recommendations to the Institute. CPA Students are encouraged to join the Young CPA Group. Please register yourself online at www.micpa.com.my. **Membership is FREE! Be Different by Joining the Young CPA Group Today!**

Articles of Interest

For this issue, you will be able to learn more on ***Fair Value Measurement: Implementation Issues and Challenges.***

Fair value is said to be superior to other forms of measurement because it is easily understood by investors and stakeholders. It is also timely, neutral, representationally faithful, reliable, relevant, comparable and consistent. Fair value reporting is deemed to be more transparent and investor-confident. However equally important is that fair value measurement is subject to constraints such as human judgment, the location and condition of the asset/liability being measured, the determination of market, the most advantageous market value as against the entity's perspective, transaction price presumption (exit price verses entry price in different markets), the bid-ask spread of financial instruments, and transportation cost exclusion, to name a few. To read the full article, please click [here](#)

Activities of the Institute

Schedule of MICPA Events for 2009

We are pleased to inform members that the schedule of events for 2009 has been made available on the MICPA website under Events/CPD in the Homepage. For further information, please visit www.micpa.com.my

Young CPA Malaysia Symposium 2009

The Young CPA Malaysia Symposium 2009 will be held on Thursday, October 15, 2009 at Best Western Premier Seri Pacific Kuala Lumpur. Featuring the theme *Entrepreneurship: Taking the Leap*, the main objective of the Symposium is to provide an opportunity for participants to garner first-hand knowledge and design a roadmap on becoming a successful entrepreneur. The Symposium will deliberate on the following topics:

- *Transforming Business Professional to Entrepreneur*
- *Global Opportunities and Challenges*
- *Discovering and Developing the Leader in You*

For further information on the symposium programme and registration details, please click [here](#).

You may also contact the Institute's Education and Research Manager on Tel: 03-2698 9622 or e-mail: chtan.edu@micpa.com.my

Presentation of 2009 MICPA Excellence Awards, Examination Certificates, Prizes, Membership & Practising Certificates

The presentation of the Most Outstanding CPA Student Award, Examination Certificates, Prizes, Membership & Practising Certificates will be held on Saturday, October 24, 2009 at 10:00 a.m. at Best Western Premier Seri Pacific Hotel Kuala Lumpur. It is also the occasion for the presentation of Excellence Awards for Best Accounting Graduates. We are pleased to inform that YB Dato' Seri Mohamed Khaled Nordin, Minister of Higher Education will officiate the event.

The closing date for registration is Friday, October 16, 2009. For further information, please contact the Institute's Public Affairs & Communications Manager on Tel: 03-2698 9622 or e-mail: vic.pr@micpa.com.my

MICPA-Bursa Malaysia Business Forum 2009

The MICPA-Bursa Malaysia Business Forum 2009 with the theme *Competing in the New Global Landscape* is scheduled to be held on November 9-10, 2009 (Monday & Tuesday) at Shangri-La Hotel Kuala Lumpur. For further information, please contact the Institute's Education and Research Manager on Tel: 03-2698 9622 or e-mail: bizforum09@micpa.com.my

Collaboration with Universities and Colleges of Advanced Education

With the signing of the Memorandum of Understanding with The Institute of Chartered Accountants in Australia (ICAA), the Institute has embarked on an active programme to promote the revised MICPA programme to Universities and Institutions of higher learning by making scheduled visits and participating in road-shows.

During the career talks, our distinguished speakers communicate the value of our home-grown CPA Malaysia as the preferred choice for prospective accountants, share the ingredients for success with the students and highlighted that the Institute has a strong pool of successful luminaries and business professionals in our fold of CPAs and the diverse roles they undertake in their careers. The aim is to also attract the younger generation to join the CPA programme.

Visits to Members' Firms and Approved Training Organisations

The Institute continues in its efforts to make courtesy visits to members' firms and ATOs as a means of further enhancing the synergistic partnership which already exists between both parties and to identify ways to collaborate and strengthen professional relationship.

Career Talks at Secondary Schools

Accountancy has become one of the more popular courses being pursued by young Malaysians. The Institute is always seeking opportunities to foster closer relationship with the secondary schools, to promote accountancy as a career and in particular to create awareness of the CPA Malaysia qualification. In this respect, a series of scheduled career talks at secondary schools to Forms 4, 5 and 6 students undertaking the Principles of Accounting subject has been planned.

Continuing Professional Development (CPD) Training Calendar

Financial Instruments (FRS139)

A one-day Workshop on *Financial Instruments (FRS139)* will be held on September 30, 2009 at the Concorde Hotel Kuala Lumpur. The workshop will provide participants an appreciation of the complexity of FRS 139, and their implications on companies' financial results. The Workshop leaders will be illustrating the fair value concepts applied in financial assets and liabilities, the appropriate accounting treatment for embedded derivatives, the rules of de-recognition of financial assets, and impairment of financial assets, as well as the criteria for hedge accounting.

The Workshop will be conducted by Mr Manohar Johnson and Ms Soo Kwai Fong. For further information, please click [here](#)

Financial Reporting For Insurance Business: Insurance Contracts (FRS 4)

The MICPA is organising a one-day Seminar on *Financial Reporting for Insurance Business: Insurance Contracts (FRS 4)* on October 5, 2009 and December 2, 2009 at Best Western Premier Seri Pacific Kuala Lumpur.

The seminar will aims to explain the principles and application of FRS 4 as well as the disclosure requirements for insurance business as set out in Model Insurance Berhad. Model Insurance Berhad contains a set of specimen financial statements for insurance business which comply with the disclosure requirements prescribed in FRS 4 as well as Bank Negara Malaysia Guidelines.

A team of experts have been invited to lead discussions. The seminar is supported by MIA, Life Insurance Association of Malaysia (LIAM) and Persatuan Insurans Am Malaysia (PIAM). For further information, please click [here](#)

Financial Reporting Standards: Preparing For Convergence - A Programme for Directors and Senior Management

The MICPA in collaboration with the Securities Industry Development Corporation (SIDC) is organising a one-day Workshop on *Financial Reporting Standards: Preparing for Convergence* on October 8, 2009 at Best Western Premier Seri Pacific Kuala Lumpur.

The workshop will provide directors and senior management with an appreciation of how Financial Reporting Standards (FRS) requires the substance of business transactions to be reflected in financial statements. The workshop will also discuss the role that directors and senior management play in ensuring that financial statements show a true and fair view of the financial performance and financial position of the company, and how communications with stakeholders can be managed.

The workshop will be led by Ms Ng Mi Li, Technical Partner for PwC Malaysia and En Azizan Zakaria, Senior Executive Director of PwC Malaysia. For further information, please click [here](#)

News from Regulatory Bodies

SECURITIES COMMISSION OF MALAYSIA (SC)

SC Invites Comments on Issuer Eligibility Guidelines – Structured Warrants

In a press release dated September 16, 2009, the SC announced the publication of a consultation paper seeking public feedback on the proposed *Issuer Eligibility Guidelines – Structured Warrants* (eligibility guidelines).

Under the new framework for listings and equity fund-raisings which became effective on August 3, 2009, the SC no longer approves the issuance and offering of structured warrants under section 212 of the *Capital Markets and Services Act 2007*.

With the coming into effect of this new framework, the SC's *Structured Warrants Guidelines* has been disappplied and the issuance criteria for structured warrants have now been incorporated in Bursa Malaysia's new Main Market Listing Requirements. The SC would, however, continue to vet and register structured warrants prospectuses to ensure adequate and meaningful disclosures to investors, while Bursa Malaysia has now taken on a more active role as the frontline regulator for the issuance and listing of structured warrants.

As a measure to mitigate potential systemic risk, maintain market confidence and protect investors, the SC would also continue to regulate the suitability of structured warrants issuers through the introduction and application of the eligibility guidelines. These guidelines have been formulated to provide guidance as to the SC's overall expectations on, among others, issuer's risk management measures, sales and marketing practices and internal control procedures.

Additionally, given the extent of product innovation and increasing sophistication of structured warrants, issuers are expected to have in place initiatives to educate or create greater awareness on structured warrants among investors, and such initiatives may include seminars/workshops, media briefings and interviews.

The SC has already consulted existing and potential structured warrants issuers on the proposed eligibility guidelines. Members of the public are encouraged to refer to the consultation paper for details of the key proposals.

The consultation paper in relation to the eligibility guidelines is available on the SC website www.sc.com.my. Comments to the issues set out in the consultation paper should be submitted to the SC by October 7, 2009.

Bursa Malaysia Berhad

Bursa Suq Al-Sila' Sees First Cross Border Transaction Within One Month of Launch

Bursa Malaysia achieved a milestone with the first international transaction conducted on Bursa Suq Al-Sila' on September 15, 2009, the world's first, end-to-end Shari'ah-compliant commodity trading platform within one month of its launch. This money-market Murabahah transaction was conducted by Gatehouse Bank plc of UK with CIMB Islamic Bank. The trade was witnessed by Gatehouse Bank CEO's Richard Thomas, Bursa Malaysia's Global Head of Islamic Markets Raja Teh Maimunah and CIMB Islamic Bank's CEO Badlisyah Abdul Ghani,

This development follows the successful launch of Bursa Suq Al-Sila' in August 2009. The fully-electronic platform is an international commodity platform that is able to facilitate commodity-based Islamic financing and investment transactions under the Shari'ah principles of Murabahah, Tawarruq and Musawwamah.

For further information, please visit www.bursamalaysia.com.

Malaysia on FTSE's Watch List to be Considered Advanced Emerging Status on FTSE Global Equity Index

In a press release dated September 18, 2009, FTSE announced that it had added Malaysia on the country Watch List for its FTSE Global Equity Index Series: Advanced Emerging. According to FTSE, adding a market to the Watch List is the first signal to the international investment community that FTSE is considering a change of status for a market within its indices. Malaysia will be on this Watch List for the next one year to enable the index provider to review the market against FTSE's quality of markets criteria for Advanced Emerging status. Malaysia is currently a Secondary Emerging market. The Exchange, together with key capital market stakeholders had, for many years, taken concerted joint efforts to build towards an efficient, liberal and liquid capital market.

Please refer to FTSE's Global Equity Index Series - Country Classification update on FTSE's website from www.ftse.com/country.

MALAYSIAN ACCOUNTING STANDARDS BOARD (MASB)

MASB Issues 4 Amendments to FRSs, 1 Technical Release, 1 Statement of Principle and Withdraws 1 FRS

The MASB on September 15, 2009 announced the issuance of amendments to Financial Reporting Standards (FRSs). The amendments to FRSs include those issued by the International Accounting Standards Board (IASB) as follows:

- FRS 101 *Presentation of Financial Statements*
- Amendments to FRS 132 *Financial Instruments: Presentation*
- Amendments to FRS 139 *Financial Instruments: Recognition and Measurement*, FRS 7 *Financial Instruments: Disclosures* and IC Interpretation 9 *Reassessment of Embedded Derivatives*
- Amendments to FRSs contained in the document entitled *Improvements to FRSs (2009)*

The Standards, already effective internationally, are mainly improvements issued by the IASB after their consultative process with standard-setters worldwide and interested parties.

MASB also issued 2 Technical documents from the Islamic Perspective. The Technical Release (TR) and Statement of Principle (SOP) issued are TR *i-3* *Presentation of Financial Statements of Islamic Financial Institutions* and SOP *i-1* *Financial Reporting from an Islamic Perspective* respectively. TR and SOP are developed within the framework of the law and MASB approved accounting standards provide additional guidance on the application of MASBs pronouncements.

With the issuance of TR *i-3*, the Board gives notice for the withdrawal of FRS *i-1* 2004 *Presentation of Financial Statements of Islamic Financial Institutions*. The issuance of TR *i-3* is in line with the Board's policy that MASB's approved accounting standards will apply to Islamic transactions and any additional guidance will be in the

form of technical releases. For further information, please visit MASB website on www.masb.org.my

News from Professional Bodies

Malaysian Institute of Accountants (MIA)

National Accountants Conference (NAC) 2009

MIA will be holding the *National Accountants Conference 2009* on October 13 & 14, 2009 at the Kuala Lumpur Convention Centre. The conference is themed The New Economic Model: Value Chain Transformation, focusing on the Prime Minister's call for an economic model that will move Malaysia further up the value chain. In this regard, the conference will feature topics relevant to creating a culture of innovation and competitiveness. For further details on the conference, please visit the official conference website: www.mia.org.my/nac

The MICPA will be participating as an exhibitor at the NAC, so do drop by and visit us at booth No.12.

World Congress of Accountants 2010

Malaysia will host the *18th World Congress of Accountants 2010* which will be held in Kuala Lumpur on November 8-11, 2010 at the Kuala Lumpur Convention Centre. For further information, please click [here](#)

The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)

MAICSA Business Leaders Meet 2009

In conjunction with MAICSA's 50th Anniversary celebrations, the inaugural *Business Leaders Meet (BLM) 2009* will be held on October 7, 2009. BLM will be the forum where corporate leaders and professionals converge to discuss and share their business and corporate adventures, explore opportunities in the global financial crisis and learn about corporate misdemeanours, fraud detection and prevention.

The MICPA is a supporting partner of the BLM 2009 and Members of MICPA who register for the one-day Conference will be able to enjoy a preferential rate of registration fee of RM1,060.

For further information on the conference and registration, please contact Ms Thashi Shan or Ms Maggie Chong on Tel: 03-2282 9276 ext 614 and ext 608 respectively or email: thashikala@maicsa.org.my & chongsm@maicsa.org.my

The Institute of Internal Auditors Malaysia (IIA Malaysia)

2009 Asian Confederation of Institutes of Internal Auditors (ACIIA) Conference on Internal Auditing

The Institute of Internal Auditors Malaysia is hosting the regional 2009 Asian Confederation of Institutes of Internal Auditors (ACIIA) Conference which will be held from October 19 – 21, 2009 at the Kuala Lumpur Convention Centre. The theme of the regional conference is *Towering Experience: Towards Sustainable Success*. The

Keynote Address will be delivered by YBhg Tan Sri Zarinah Anwar, Chairman of the Securities Commission Malaysia.

The MICPA is one of the distinguished supporting bodies and members of MICPA who register for the Conference will enjoy a preferential registration fee of RM1,950 for the two-day Conference .

For further information on the conference, programme and registration details, please visit www.iiam.com.my

SMI Association of Malaysia

SME Recognition Award Series 2009

The SMI Association of Malaysia is organising the SME Recognition Award Series 2009. The main objective of the award is primarily to give due recognition to the SMEs who excel in respective fields and become role models for other SMEs. The launch of the SME Recognition Award Series 2009 was held on August 11, 2009.

The MICPA is a supporting organisation of the Awards.

News from Universities

Universiti Tenaga Nasional (UNITEN)

Accounting Theory and Practice Symposium 2009

The Final Year Bachelor of Accounting (Hons) Students at Universiti Tenaga Nasional is organising the *Accounting Theory and Practice Symposium 2009* with the theme *Bridging the Gap between Theory and Practice* on October 3, 2009. The MICPA is a sponsor for the event.

Universiti Kebangsaan Malaysia (UKM)

International Management Accounting Conference (IMAC V)

The Faculty of Economics and Business, Universiti Kebangsaan Malaysia is pleased to announce that they will be organising and hosting the fifth International Management Accounting Conference (IMAC V) on October 19 – 21, 2009 to be held in Kuala Lumpur. The theme of the conference is *Emergent Theories and Practices in Accounting*. For further details on the conference, please visit www.ukm.my/imac5.

Universiti Putra Malaysia (UPM)

FEP Seminar 2009

The Faculty of Economics and Management, UPM is organising the Seminar Fakulti Ekonomi dan Pengurusan is organising the *Seminar FEP 2009* with the theme *Culturising Research Excellence* on December 1 – 3, 2009 at Port Dickson, Negeri Sembilan. The MICPA is a sponsor for the seminar.

Taylor's Business School (TBS)

Accounting Day 2009

Taylor's Business School is organising *Accounting Day 2009* on October 14, 2009. The Institute will be participating in the event and will also present a 30-minute talk to create awareness on the revised MICPA programme.

Around Town

Tanjung Rhu Resort Langkawi

Tanjung Rhu sits on the northern tip of Langkawi, close to the Thai border. Tanjung Rhu Resort is the only resort on this part of the island, ensuring its exclusivity and the privacy of its guests.

Comfortable. Enticing. Enchanting - these are three words that you will carry with you after spending your time at the resort. With comfortable and luxurious rooms, island tour around Langkawi, an evening at our world renowned restaurants and more; Tanjung Rhu Resort, Langkawi will entice you to come and stay with us longer. Those looking for first-rate sporting and leisure facilities can enjoy boating, snooker/billiards, pool table, whirlpool, golf, and sauna.

The resort is located about 30 minutes by car from the Langkawi International Airport. Guests will find all of the finest amenities in each of the 136 rooms in this popular five-star hotel.

For further information, please contact Tanjung Rhu Resort, Mukim Ayer Hangat, 07000 Pulau Langkawi, Kedah Darulaman on Tel: 04-959 1033 or visit the website at www.tanjungrhu.com.my

CPA Students eCommunicator is prepared by MICPA's Public Affairs & Communications Department. Kindly contact Ms Vicky Rajaretnam at Tel: 03-2698 9622 or e-mail: vic.pr@micpa.com.my for further information.

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