



Annual Report 2011

PROGRESS THROUGH PARTNERSHIPS



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+ notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Fifty Fourth Annual General Meeting of the Institute will be held at FR Dillenia, Ground Floor, Sime Darby Convention Centre, Jalan Bukit Kiara, Kuala Lumpur, on Saturday, June 23, 2012 at 10:00 a.m. for the following purposes:

1. To receive and adopt the Report of the Council and the Financial Statements of the Institute for the year ended December 31, 2011.
2. To confirm the appointment of the following members to fill casual vacancies in the Council:
 - + Abdul Rauf Rashid
 - + Ng Gan Hooi
 - + Ong Chee Wai
 - + Thong Foo Yung
3. To elect the following nominees as Council Members:
 - + Abdul Rauf Rashid
 - + Goh Lee Hwa
 - + Mohamed Raslan Abdul Rahman
 - + Ong Chee Wai
 - + Pushpanathan a/l S A Kanagarayar
 - + Tan Chin Hock
 - + Veerinderjeet Singh, Dr
 - + Yeo How, Dato'
 - + Robert Yong Kuen Loke, Datuk
 - + Yong Yoon Shing
4. To appoint two auditors.
5. Any other business.

By order of the Council
FOO YOKE PIN (Mr)

KUALA LUMPUR
 May 28, 2012

Note:

A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy must be a member of the Institute. The instrument appointing a proxy must be deposited at the office of the Institute at No 15, Jalan Medan Tuanku, 50300 Kuala Lumpur, not less than 48 hours before the time set for holding the meeting.



1. Pursuant to bye-law 89, the following are lists of members nominated for membership of the Council and for appointment as auditors:

i. In accordance with bye-law 5, the following Council members shall retire at the Annual General Meeting:

- + Goh Lee Hwa
- + Mohamed Raslan Abdul Rahman
- + Pushpanathan a/l S A Kanagarayar
- + Tan Chin Hock
- + Veerinderjeet Singh, Dr
- + Yeo How, Dato'
- + Robert Yong Kuen Loke, Datuk
- + Yong Yoon Shing

Pursuant to bye-law 6, these Council members are deemed to be nominated for re-election.

ii. The following members who were appointed to fill casual vacancies in the Council shall retire at the Annual General Meeting in accordance with bye-law 13:

- + Abdul Rauf Rashid (Appointed on August 20, 2011)
- + Ong Chee Wai (Appointed on May 12, 2012)

Pursuant to bye-law 6, these Council members are deemed to be nominated for re-election.

iii. In accordance with bye-law 120, the following members shall retire as auditors of the Institute at the Annual General Meeting. Pursuant to bye-law 121, they are deemed to be nominated for re-appointment as auditors for the ensuing year:

- + Ng Eng Kiat
- + Ooi Chee Kun

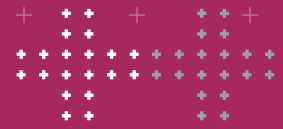
2. The following members had been appointed during the year to fill casual vacancies in the Council in accordance with bye-law 13:

- + Abdul Rauf Rashid
- + Ng Gan Hooi
- + Ong Chee Wai
- + Thong Foo Vung

These members appointment are to be confirmed at the Annual General Meeting.

3. During the year, the following members have resigned as a member of the Council:

- + Lim Tian Huat
- + Loo Mi Li
- + See Huey Beng
- + Seow Yoo Lin



objects of the institute

The principal objects of the Institute as set out in the Memorandum and Articles of Association are as follows:

- + To advance the theory and practice of accountancy in all its aspects.
- + To recruit, educate, train and assess by means of examination or otherwise a body of members skilled in these areas.
- + To preserve at all times the professional independence of accountants in whatever capacities they may be serving.
- + To maintain high standards of practice and professional conduct by all its members.
- + To do all such things as may advance the profession of accountancy in relation to public practice, industry, commerce, education and the public service.

our vision

To be the premier business qualification in Malaysia, comparable to the best in the world.

our mission

- + To enhance the value and distinctiveness of the Certified Public Accountant (CPA) qualification.
- + To promote high standards of professional conduct and technical competence of members to safeguard public interest.
- + To provide quality professional education and training thereby creating a competitive advantage for members.



council members 2011 / 2012

1. Dato' Seri Ahmad Johan bin Mohammad Raslan
PRESIDENT
2. Pushpanathan a/l SA Kanagarayar
VICE PRESIDENT
3. SEATED (L-R): Dato' Ab Halim bin Mohyiddin,
Tan Theng Hooi, Datin Hj Fadzilah bte Saad
STANDING: Tan Chin Hock
4. SEATED (L-R): Tan Bun Poo, Mohamed Raslan Abdul Rahman,
Loh Lay Choon, Yong Yoon Shing
STANDING (L-R): Lim Thiam Kee, Lee Tuck Heng,
Dato' Hj Maidin Syed Ali
5. SEATED (L-R): Abdul Halim Md Lassim, Dato' Yeo How,
Dato' Gan Ah Tee, Sukanta K Dutt
STANDING (L-R): Teo Swee Chua,
Dato' Syed Faisal Albar bin Syed A R Albar
6. Venkatramanan Viswanathan
7. Ng Gan Hooi
8. Goh Lee Hwa
9. Thong Foo Yung
10. Dr Veerinderjeet Singh
11. Ng Kim Tuck
12. Beh Tok Koay
13. Abdul Rauf Rashid
14. Ong Chee Wai
15. Datuk Robert Yong Kuen Loke
16. Poon Yew Hoe



MICPA Council - 2011/2012

| President | | | Attendance at Council Meetings |
|--|--------|--------------|-----------------------------------|
| Dato' Seri Ahmad Johan bin Mohammad Raslan | (2003) | Kuala Lumpur | 6 |
| Vice-President | | | |
| ■ Pushpanathan a/l S A Kanagarayar | (2001) | Kuala Lumpur | 6 |
| Members | | | |
| ● ■ Dato' Ab Halim bin Mohyiddin | (1987) | Kuala Lumpur | 4 (LOA-1) |
| ■ Abdul Halim Md Lassim | (2006) | Selangor | 4 |
| Abdul Rauf Rashid (<i>Appointed on 20.08.2011</i>) | (2011) | Kuala Lumpur | 3 |
| ● Beh Tok Koay | (1989) | Kuala Lumpur | 6 |
| ■ Datin Hj Fadzilah bte Saad | (1987) | Kuala Lumpur | 6 |
| Dato' Gan Ah Tee | (2008) | Kuala Lumpur | 5 |
| Goh Lee Hwa | (2006) | Selangor | 6 |
| Lee Tuck Heng | (2007) | Kuala Lumpur | 6 |
| Lim Thiam Kee | (2002) | Kuala Lumpur | 6 |
| Lim Tian Huat (<i>Resigned on 12.05.2012</i>) | (1999) | Kuala Lumpur | 0 (LOA-2) |
| Loh Lay Choon | (2004) | Kuala Lumpur | 4 (LOA-2) |
| Loo Mi Li (<i>Resigned on 12.11.2011</i>) | (2007) | Kuala Lumpur | 1 (LOA-1) |
| ■ Dato' Hj Maidin Syed Ali | (2002) | Kedah | 2 |
| Mohamed Raslan Abdul Rahman | (2002) | Selangor | 3 (LOA-1) |
| Ng Gan Hooi (<i>Appointed on 14.01.2012</i>) | (2012) | Kuala Lumpur | 2 (LOA-1) |
| Ng Kim Tuck | (2005) | Selangor | 5 (LOA-1) |
| Ong Chee Wai (<i>Appointed on 12.05.2012</i>) | (2012) | Kuala Lumpur | 1 |
| Poon Yew Hoe | (1998) | Kuala Lumpur | 5 (LOA-1) |
| See Huey Beng (<i>Resigned on 20.08.2011</i>) | (2006) | Kuala Lumpur | 0 (LOA-1) |
| Seow Yoo Lin (<i>Resigned on 14.01.2012</i>) | (2007) | Selangor | 3 |
| Sukanta K Dutt | (1999) | Kuala Lumpur | 5 |
| ■ Dato' Syed Faisal Albar bin Syed A R Albar | (2010) | Kuala Lumpur | 2 |
| Tan Bun Poo | (2007) | Selangor | 5 |
| Tan Chin Hock | (2002) | Kuala Lumpur | 6 |
| Tan Theng Hooi | (2009) | Selangor | 4 (LOA-1) |
| Teo Swee Chua | (2010) | Selangor | 5 |
| Thong Foo Vung (<i>Appointed on 14.01.2012</i>) | (2012) | Selangor | 2 (LOA-1) |
| Dr Veerinderjeet Singh | (2004) | Kuala Lumpur | 6 |
| Venkatramanan Viswanathan | (1986) | Melaka | 5 |
| ■ Dato' Yeo How | (2003) | Singapore | 3 (LOA-1) |
| ■ Datuk Robert Yong Kuen Loke | (1998) | Kuala Lumpur | 1 (LOA-1) |
| Yong Yoon Shing | (2010) | Kuala Lumpur | 3 |

Secretary

Foo Yoke Pin

Registered Office

No.15, Jalan Medan Tuanku
50300 Kuala Lumpur

Auditors

Ng Eng Kiat
Ooi Chee Kun

- Denotes Past President
- Denotes member not in practice
- () Denotes year in which member first joined Council
- LOA Leave of Absence



+ committees - 2011/2012

Executive Committee

No. of meetings: 5

| | Attendance |
|---|------------|
| Dato' Seri Ahmad Johan bin Mohammad Raslan (Chairman) | 2 |
| Pushpanathan a/l S A Kanagarayar | 4 (LOA-1) |
| Dato' Ab Halim bin Mohyiddin | 2 |
| Abdul Rauf Rashid (<i>Appointed on 20.08.2011</i>) | 3 |
| Beh Tok Koay | 4 (LOA-1) |
| Dato' Gan Ah Tee | 4 (LOA-1) |
| Mohamed Raslan Abdul Rahman | 5 |
| See Huey Beng (<i>Resigned on 20.08.2011</i>) | 0 |
| Tan Theng Hooi | 5 |
| Dr Veerinderjeet Singh | 5 |
| Datuk Robert Yong Kuen Loke | 4 |

Terms of Reference:-

1. To identify and implement plans of action on specific issues of current concern affecting members, the Institute and the accountancy profession.
2. To coordinate liaison with the Government on policies or any other matters pertaining to accounting and the profession.
3. To establish and supervise liaison committees with the Government, its Ministries or agencies in relation to Corporate Law.
4. To coordinate reviews of legislation or draft legislation as and where appropriate.
5. To be responsible for the smooth running of the Secretariat.
6. To be responsible for the preparation of budgets and financial statements of the Institute.
7. To liaise with the Trustees of the MACPA Educational Trust Fund with regard to the maintenance of the Building and the administration of the Fund.

Accounting & Auditing Technical Committee

No. of meetings: 6

| | Attendance |
|---|------------|
| Sukanta K Dutt (Chairman) | 4 (LOA-1) |
| Ng Kim Tuck (Alternate Chairman) | 4 (LOA-1) |
| Loh Lay Choon | 0 |
| Loo Mi Li (<i>Resigned on 12.11.2011</i>) | 1 |
| Tan Bun Poo | 3 |
| Teo Swee Chua | 4 |
| Thong Foo Vung | 4 |
| Venkatramanan Viswanathan | 2 |
| Dato' Yeo How | 1 |



Co-opted Members

| | |
|--|-----------|
| Audrey Chan | 4 |
| Chia Kum Cheng | 4 (LOA-1) |
| Stephen Khoo | 1 |
| Lee Hin Kan | 5 |
| Dr Nurmazilah bt Mahzan | 2 |
| Ooi Chee Kun | 6 |
| Stephen Oong Kee Leong | 2 |
| YM Raja Azmi Raja Nazuddin (<i>Resigned on 10.11.2011</i>) | 0 |
| David Siew Kah Toong | 2 |
| Siew Kar Wai (<i>Appointed on 17.11.2011</i>) | 0 |

Working Group on Corporate Governance Blueprint 2011

No. of meetings: 1

Attendance

| | |
|------------------------|---|
| Tan Bun Poo (Convener) | 1 |
|------------------------|---|

Co-opted Members

| | |
|-------------------------|---|
| Lee Hin Kan | 1 |
| Dr Nurmazilah bt Mahzan | 1 |
| Mr Lee Min On | 1 |

Working Group on International Accounting Standards Board (IASB) Exposure Draft ED/2011/6, Revenue from Contracts with Customers

No. of meetings: 1

Attendance

| | |
|---------------------------|---|
| Thong Foo Vung (Convener) | 1 |
|---------------------------|---|

Co-opted Members

| | |
|--|---|
| Lee Hin Kan | 1 |
| Siew Kar Wai (<i>Appointed 17.11.2011</i>) | 1 |

Working Group on Proposed International Good Practice Guidance (IGPG), Evaluating and Improving Internal Control in Organisations

No. of meetings: 1

Attendance

| | |
|--|---|
| Dato' Yeo How (Convener) | 1 |
| Ng Kim Tuck | 1 |
| Abdul Halim Md Lassim | 1 |
| Dato' Syed Faisal Albar bin Syed A R Albar | 1 |
| Datuk Robert Yong Kuen Loke | 1 |

Working Group on Securities Borrowing and Lending

No. of meetings: 3

Attendance

| | |
|---------------------------|---|
| Thong Foo Vung (Convener) | 3 |
|---------------------------|---|

Co-opted Members

| | |
|--|---|
| Stephen Oong Kee Leong | 1 |
| Siew Kar Wai (<i>Appointed 17.11.2011</i>) | 3 |
| Cheong Thoong Farn | 3 |
| Ramachandran Thangaveloo | 1 |
| Lee Siew Pin | 1 |



MASB Working Groups

No. of meetings: 5

| | Attendance |
|-------------------------|------------|
| Co-opted Members | |
| Chia Kum Cheng | 5 |

MIA Financial Reporting Standards Implementation Committee (FRSIC)

No. of meetings: 2

| | Attendance |
|-------------|------------|
| Ng Kim Tuck | 2 |

Terms of Reference:-

1. To recommend the adoption of new or revised International Auditing and Assurance Standards and guidance for approval by Council.
2. To review and if deemed necessary to recommend to Council to respond to the exposure drafts and other consultative documents issued by the Malaysian Accounting Standards Board, Malaysian Institute of Accountants and the International Auditing and Assurance Standards Board.
3. To review and provide guidance on financial reporting requirements, auditing and assurance standards and listing regulations.
4. To recommend topics in contemporary accounting and auditing issues for research.
5. To establish and supervise working committees formed to produce recommendations on financial reporting and auditing standards and guidelines.

Commerce & Industry Committee

No. of meetings: 2

| | Attendance |
|---|------------|
| Dato' Yeo How (Chairman) | 1 |
| Poon Yew Hoe (Alternate Chairman) | 2 |
| Abdul Halim Md Lassim | 1 |
| Datin Hj Fadzilah bte Saad | 2 |
| Mohamed Raslan Abdul Rahman (<i>Appointed on 20.08.2011</i>) | 0 |
| Dato' Syed Faisal Syed Albar (<i>Appointed on 20.08.2011</i>) | 1 |
| Dato' Robert Yong Kuen Loke (<i>Appointed on 20.08.2011</i>) | 0 |
| Co-opted Members | |
| Christine Cho Oi Kwan | 2 |
| Ben Lee Keen Pong | 2 |
| Vincent Seow | 0 |

Terms of Reference:-

1. To ensure that the interests and views of members in commerce and industry are properly reflected in the Institute's policies and activities.
2. To develop, in conjunction with other committees of the Institute, such activities that are of interest to members in commerce and industry, particularly in relation to continuing professional development programmes in management accounting and other topics.
3. To develop management accounting and reporting guidelines for recommendation to Council.
4. To provide a consultative media for members in commerce and industry.
5. To co-ordinate liaison with local, regional and international bodies on all matters concerning management accounting and reporting.



Disciplinary Committee

No. of meetings: 0

Attendance

| | |
|--|---|
| Sukanta K Dutt (Chairman) | 0 |
| Tan Theng Hooi (Alternate Chairman) | 0 |
| Loo Mi Li (<i>Resigned on 12.11.2011</i>) | 0 |
| Seow Yoo Lin (<i>Resigned on 14.01.2012</i>) | 0 |
| Dr Veerinderjeet Singh | 0 |
| Dato' Yeo How | 0 |

Lay Persons

| | |
|--------------------------|---|
| Prof Hj Abdul Manap Said | 0 |
| Chua See Hua | 0 |

Terms of Reference:-

1. On receipt of a formal complaint, to inform the defendant of the Committee's intention to consider the complaint and to hear the complaint.
2. Where the committee finds that a complaint has been proved, to take appropriate disciplinary action against the defendant which includes exclusion or suspension from membership in the case of a member and exclusion from the relevant register in the case of a registered student, censure, reprimand, admonishment or payment of a fine/costs.
3. To give notice of its finding and decision to the defendant.
4. To refer the complaint to the Council for a final decision if no unanimity is reached by the Committee.
5. To report all findings and decisions of the Committee to the Council for recording.

Education & Training Committee

No. of meetings: 2

Attendance

| | |
|---|---|
| Dato' Ab Halim bin Mohyiddin (Chairman) | 1 |
| Pushpanathan a/l S A Kanagarayar (Alternate Chairman) | 2 |
| Abdul Halim Md Lassim | 0 |
| Datin Hj Fadzilah bte Saad | 1 |
| Dato' Gan Ah Tee | 2 |
| Tan Theng Hooi | 2 |
| Dato' Hj Maidin Syed Ali (<i>Appointed on 20.08.2011</i>) | 0 |

Co-opted Members

| | |
|--|---|
| Prof Hj Abdul Manap Said | 0 |
| Dr Amirul Shah Md Shahbudin (<i>Appointed on 21.11.2011</i>) | 2 |
| Prof Dr Arfah Salleh | 0 |
| Anbalagan Krishnan | 1 |
| Dr Chee Hong Kok (<i>Appointed on 21.11.2011</i>) | 2 |
| Dr Hafiz Majdi Ab. Rashid | 0 |
| Prof Dr Ibrahim Kamal Abdul Rahman | 1 |
| Prof Dr Juhari Samidi | 0 |
| Prof Dr Mahamad bin Tayib | 0 |
| Dr Mazlina Mat Zain | 0 |
| Asst Prof Ng Kean Kok | 1 |
| Prof Madya Dr Norman Mohd Salleh | 0 |
| Prof Madya Dr Nor Aziah Abdul Manap | 0 |
| Dr Takiah Mohd Iskandar | 0 |
| Joyce Yap | 0 |
| Dr Zarina Zakaria (<i>Appointed on 14.10.2011</i>) | 0 |

Terms of Reference:-

1. To organise education and training programmes for students.
2. To plan and administer continuing professional development programmes for members.
3. To liaise with institutions of higher learning and other local and overseas professional organisations in matters pertaining to education and training.
4. To evaluate courses/qualifications referred to the Committee by the Membership Affairs Committee for the purpose of student registration and/or exemption from the Institute's examinations.
5. To regularly review the Institute's examination syllabus.
6. To develop and maintain a library to provide reference and research facilities for members and students.

Examination Committee

No. of meetings: 4

Attendance

| | |
|---|---|
| Dr Veerinderjeet Singh (Chairman) | 4 |
| Beh Tok Koay (Alternate Chairman) | 2 |
| Abdul Rauf Rashid (<i>Appointed on 20.08.2011</i>) | 1 |
| Goh Lee Hwa | 1 |
| Lee Tuck Heng | 3 |
| Mohamed Raslan Abdul Rahman (<i>Resigned on 20.08.2011</i>) | 2 |
| See Huey Beng (<i>Resigned on 20.08.2011</i>) | 1 |
| Sukanta K Dutt | 4 |
| Teo Swee Chua (<i>Appointed on 20.08.2011</i>) | 2 |
| Dato' Yeo How | 0 |

Terms of Reference:-

1. With Council's approval, to issue from time to time, regulations for the:
 - a) conduct of the examinations, and
 - b) eligibility of students to sit for the examinations.
2. To give notice in writing to all students when entry for examinations is open.
3. With Council's approval, to appoint and remunerate examiners and moderators.
4. To recommend to Council the fees to be charged for the examinations.
5. To appoint and remunerate invigilators at each examination centre.
6. To consider reports of examiners and moderators and determine the examination results.
7. To notify students of their performance at the examinations.
8. To issue certificates to successful students at each examination.



Financial Statements Review Committee

No. of meetings: 11

| | Attendance |
|---|------------|
| Pushpanathan a/l S A Kanagarayar (Chairman) | 7 |
| Loh Lay Choon (Alternate Chairman) | 5 |
| Abdul Halim Md Lassim (<i>Resigned on 20.08.2011</i>) | 0 |
| Ng Kim Tuck | 10 (LOA-1) |
| Ong Chee Wai (<i>Appointed on 12.05.2011</i>) | 0 |
| Tan Bun Poo | 6 (LOA-1) |
| Tan Chin Hock | 5 (LOA-1) |
| Teo Swee Chua | 8 (LOA-1) |
| Venkatramanan Viswanathan | 5 (LOA-1) |

Co-opted Members

| | |
|--|-----------|
| Chan Kuan Chee, James (<i>Appointed on 25.07.2011</i>) | 5 |
| Chong Chen Kian | 6 (LOA-3) |
| Choong Mei Ling (<i>Resigned on 31.05.2011</i>) | 1 |
| Herbert Chua | 8 (LOA-3) |
| Ben Lee Keen Pong (<i>Resigned on 21.10.2011</i>) | 0 |
| Alex Ooi Thiam Poh | 5 |
| David Siew Kah Toong | 5 |
| Brandon Bruce Sta Maria | 0 |
| Yeo Beng Yean (<i>Appointed on 13.06.2011</i>) | 4 |

Terms of Reference:-

1. To uphold the standards of the accountancy profession in Malaysia by supporting members in enhancing the quality of financial statements reporting. This is to be done by the review of financial statements selected at random by the Committee or referred by a person to the Committee and by drawing the attention of the members responsible for reporting on them to any areas in which the presentation or content appears to fall short of such compliance with regulatory requirements and applicable approved accounting standards in Malaysia.
2. To respond appropriately to questions and problems submitted to the Institute by members who may have difficulty in complying with the recommendations of this Committee.
3. As and when appropriate, to refer special items of difficulty or interest to the relevant committees or the Council of the Institute.
4. Where the matter is justified, to authorise a member of the Committee to make a complaint to the Investigation Committee where in the opinion of the Financial Statements Review Committee, disciplinary action should be considered against a member or members of the Institute arising out of the work undertaken by the Financial Statements Review Committee within its terms of reference.

Insolvency Practice Committee

No. of meetings: 1

| | Attendance | | | |
|--|------------|---|---|-------|
| Lim Tian Huat (Chairman) (<i>Resigned on 12.05.2012</i>) | 1 | | | |
| Dato' Gan Ah Tee (Chairman) (<i>Appointed on 12.05.2012</i>) | 1 | | | + |
| Lim Thiam Kee | 1 | | | + |
| Yong Yoon Shing | 0 | | | + + + |
| Co-opted Members | | | | + + + |
| Adam Primus Varghese b Abdullah | 0 | | | + + + |
| Ahmad Shazli Kamarulzaman | 0 | | | + + + |
| Chua See Hua | 1 | + | + | + + + |
| Kumar Kanagasingam | 1 | + | + | + + + |
| | | | | + + |
| | | | | + + |

| | |
|---------------------------|---|
| Lim San Peen | 1 |
| Lim Swee Geok | 1 |
| Mak Kum Choon | 1 |
| Monaliza binti Ahmad | 1 |
| Ng Chih Kaye | 1 |
| Ng Pyak Yeow | 1 |
| Ong Hock An | 1 |
| Shamsol Zakri bin Zakaria | 1 |
| S Suhendran | 0 |
| Wong Chee Lin | 1 |
| Yap Wai Fun | 0 |

Terms of Reference:-

- To provide a forum for the exchange of ideas and discussion of issues faced by practitioners in relation to:
 - the law and practice of insolvency and corporate restructuring;
 - their dealings with the Malaysia Department of Insolvency, Companies Commission of Malaysia and other relevant authorities; and
 - making the necessary representations and/or recommendations to such authorities.
- To prepare guidance notes on insolvency & corporate restructuring practices as and when required.
- To create awareness among members in insolvency and corporate restructuring practice in this country on the highest degree of integrity, objectivity and competency and to consistently evaluate the current frame-work of insolvency and corporate restructuring law and its practice in Malaysia.
- To encourage and facilitate greater cooperation and communication amongst insolvency and corporate restructuring practitioners in Malaysia.
- To deal with any other matters relating to insolvency and corporate restructuring.

Investigation Committee

No. of meetings: 1

Attendance

| | |
|---|---|
| See Huey Beng (Chairman) (<i>Resigned on 20.08.2011</i>) | 0 |
| Mohamed Raslan Abdul Rahman (Chairman) (<i>Appointed on 20.08.2011</i>) | 1 |
| Datin Hjh Fadzilah bte Saad (Alternate Chairman) | 1 |
| Abdul Rauf Rashid (<i>Appointed on 20.08.2011</i>) | 1 |
| Lee Tuck Heng | 1 |
| Tan Bun Poo | 1 |

Terms of Reference:-

- To consider any facts or complaints laid before it indicating that a member, provisional member or registered student of the Institute has become liable to disciplinary action.
- Where the Committee is of the opinion that a prima facie case has been made out, it shall make a formal complaint to the Disciplinary Committee.
- To request a member to support the formal complaint during a hearing before the Disciplinary Committee.
- To request a member to support the decision of the Disciplinary Committee during a hearing before the Appeal Committee.



Membership Affairs Committee

No. of meetings: 6

| | Attendance |
|---|------------|
| Seow Yoo Lin (Chairman) (<i>Resigned on 14.01.2012</i>) | 3 |
| Goh Lee Hwa (Chairman) (<i>Appointed on 14.01.2012</i>) | 3 |
| Lee Tuck Heng (Alternate Chairman) (<i>Appointed on 14.01.2012</i>) | 2 |
| Datin Hj Fadzilah bte Saad | 6 |
| Lim Tian Huat (<i>Resigned on 12.05.2012</i>) | 0 |
| Dato' Hj Maidin Syed Ali | 0 |
| Ong Chee Wai (<i>Appointed on 12.05.2012</i>) | – |

Terms of Reference:-

1. To consider applications for membership.
2. To consider applications for practising certificates.
3. To consider enquiries of members pertaining to membership.
4. To consider applications from students for registration and exemption from examinations.
5. To recommend to Council fees to be charged for membership and issue of practising certificates.
6. To prepare guidance notes on various aspects of the MICPA Code of Ethics.
7. To provide counseling services to members on professional conduct and ethics (in accordance with the above Code) and other professional matters where possible, but so as not to infringe on matters within the purview of other Committees.
8. To promote the profession to the public in liaison with other relevant Committees.
9. To deal with correspondence from members and public where the subject matter does not fall within the ambit of other Committees.

Public Affairs Committee

No. of meetings: 2

| | Attendance |
|---|------------|
| Datuk Robert Yong Kuen Loke (Chairman) | 2 |
| Tan Theng Hooi ((Alternate Chairman) | 2 |
| Abdul Halim Md Lassim | 2 |
| Loh Lay Choon | 1 |
| Dato' Hj Maidin Syed Ali | 0 |
| Ng Kim Tuck | 1 |
| Dato' Syed Faisal Albar | 0 |
| See Huey Beng (<i>Resigned on 20.08.2011</i>) | 0 |
| Tan Chin Hock | 2 |
| Yong Yoon Shing | 1 |
| Co-opted Members | |
| Ahmad Faris Yahaya | 1 |
| Chia Kum Cheng | 2 |



Terms of Reference:-

1. To organise programmes to enhance and project the image of the Institute and the profession.
2. To coordinate and organise all public relations activities of the Institute.
3. To develop and maintain contacts with the media.
4. To foster better understanding, relationship and co-operation between the Institute, the Government and the financial and business communities.
5. To be responsible for publication of promotional materials, including the Institute's Journal and press releases.
6. To plan and organise the Institute's annual and regional conferences hosted by the Institute, and joint conferences with other professional bodies.

Public Practice Committee**No. of meetings: 8**

Attendance

| | |
|---|-----------|
| Lim Thiam Kee (Chairman) | 8 |
| Poon Yew Hoe (Alternate Chairman) | 6 |
| Ng Kim Tuck | 3 (LOA-1) |
| Tan Chin Hock | 0 |
| Teo Swee Chua (<i>Resigned on 20.08.2011</i>) | 0 |
| Venkatramanan Viswanathan | 2 (LOA-1) |
| Yong Yoon Shing | 1 |

Co-opted Members

| | |
|--|-----------|
| Abu Bakar Rajudin | 1 |
| Ahmad Shahrul Hj Mohamad | 3 |
| Heng Ji Keng | 4 |
| Dato' Raymond Liew | 0 (LOA-2) |
| Lim Kien Chai | 2 (LOA-1) |
| Mohd Afrizan Husain | 4 (LOA-2) |
| Mohd Noor Abu Bakar | 4 (LOA-1) |
| Ng Pyak Yeow (<i>Resigned on 12.10.2011</i>) | 0 |
| David Siew Kah Toong | 5 |
| Tong Siew Choo | 5 |

Terms of Reference:-

1. To identify the professional development needs of smaller practices.
2. To promote the professional standing of members in practice.
3. To assist members in practice management.
4. To provide a forum for interaction and consultation for members in practice.
5. To formulate and provide training courses for staff of smaller practices.
6. To assist the professional development needs of practitioners.



Tax Practice Committee

No. of meetings: 5

| | Attendance |
|--|------------|
| Beh Tok Koay (Chairman) | 5 |
| Dr Veerinderjeet Singh (Alternate Chairman) | 5 |
| Goh Lee Hwa | 4 |
| Lim Thiam Kee | 5 |
| Poon Yew Hoe | 3 |
| Tan Chin Hock | 3 |
| Co-opted Members | |
| Heather Khoo Guat Ean (<i>Appointed in October 2011</i>) | 0 |
| Lee Voon Siong | 0 |
| M J Monteiro | 3 |
| Ng Kim Lian | 1 |
| Ong Lay Seong (<i>Resigned in October 2011</i>) | 0 |
| Phoon Sow Cheng | 4 |
| Tai Lai Kok | 0 |
| Tang Chin Fook | 1 |
| Tong Siew Choo | 2 |
| Wan Chee Khei (<i>Appointed in October 2011</i>) | 1 |
| Woon Yoke Lee | 4 |
| Yeo Eng Ping | 2 |

Terms of Reference:-

1. To serve as key liaison between the Institute and Government on taxation matters.
2. To participate in Government's consultation process on the development, revision and implementation of tax legislation and regulations.
3. To consider practical problems faced by members relating to the application of tax legislation and compliance with the regulations of the Inland Revenue Board.
4. To be responsible for the Institute's publications on taxation and related matters.





President's Statement



*"Once again I am pleased to report on a satisfying year of activities across the complete spectrum of the Institute's operations and to highlight some of the new initiatives that the Institute has progressed on your behalf. We have taken proactive steps and placed even greater focus on building long-standing relationships with our key stakeholders— and this is embodied in the theme for this year's Annual Report, **Progress through Partnerships**.*

Our strategy and aspiration remains the same – to project the Institute as an eminent professional body and to maintain high standards of practice and professional conduct. Moving into 2012, the momentum we have established over the course of the past year will be strengthened. We need to maximise our opportunities, be more innovative and reinvent to take the Institute to the next level of market leadership. The economic environment will be challenging and we will respond as we always have, by making the right choices.

We are proud of all we have achieved in 2011, none of which would be possible without the expertise and commitment of our members. In June 2012, I will officially relinquish my role and position as President, which I have held since 2010 and I wish the Institute every success in its journey".



Talent is the key ingredient. We cannot be on the road to a knowledge intensive and innovation-led economy without talent to drive the industries forward. With our solid experience in education and training, the Institute is well placed to play a significant role in contributing to human capital development. This is in tandem with the Government's continued emphasis on the development of human capital through improved quality of education and training infrastructure for future growth. High on our agenda this year has been a major focus on student development and to promote and raise the visibility of the revised MICPA programme.

We continued to remain at the forefront to produce and nurture high caliber home grown talents - the Institute's smart partnership with The Institute of Chartered Accountants in Australia (ICAA) is an important stepping stone – enabling both Institutes to grow and support the profession across the Asian region – now and well into the future. It also represents a valuable opportunity to take the highly regarded Chartered Accountants Programme offered in Australia locally. We also ensured that the programme was adapted to meet the local needs in Malaysia as the Taxation module reflects Malaysian taxation regulations in order that the learning and development provided greater relevance for careers in Malaysia. I am pleased to report that the programme is proving to be very attractive to top candidates in Malaysia with enrolments increasing significantly and local candidates performing above the national pass rate across the majority of modules.

One of the major concerns is to produce, attract and retain a skillful workforce and towards this end, MICPA's education and training commitment is also to help young talents go further by extending and improving the education support so as to increase the accessibility to the professional qualification. As reported last year, MICPA has launched the Students Sponsorship Programme (MICPA-SSP) jointly with approved training employers – both approved accounting firms and approved training organisations.

Under the MICPA-SSP, the approved accounting firms or approved training organisations sponsor students who are interested to pursue 2 modules of the ASE – Taxation and Financial Accounting & Reporting modules of the MICPA programme. The students will be required to work for the approved accounting firms or approved training organisations during their 6-months internship as well as upon completion of their Bachelor of Accountancy degree programme for a

period of not less than 3-years. The MICPA-SSP is an educational experience that will help graduates build a solid foundation of technical knowledge, skills, ethical and professional values to complement today's business world. This will imbue graduates with the relevant value-add qualities to stay relevant and adapt to changes which may occur in their professional careers. Furthermore, it adds to their competitive advantage in the employment market. The MICPA has also established partnerships with various accredited public and private universities in Malaysia to identify suitable candidates to enroll into the MICPA-SSP.

We are pleased to inform that we have a strategic partnership with Talent Corporation Malaysia Bhd (TalentCorp) who has recently endorsed the MICPA-SSP as an approved Structured Internship Programme (SIP). The official endorsement was held on April 24, 2012 in conjunction with the Talent Roadmap 2020, which was launched by the Prime Minister YAB Dato' Sri Najib bin Tun Abdul Razak. The Talent Roadmap 2020 is designed to address underlying issues affecting talent availability in Malaysia as well as address the talent needs arising from key industries driving the national economic transformation agenda, of which accounting is one of the key critical identified areas of the ETP.

As part of the tax incentive for Budget 2012, companies that hire interns to undergo SIP endorsed by TalentCorp, is eligible for double tax deduction for all related expenses incurred on the interns. The tax incentive, which took effect on January 1, 2012, is aimed at generating industry awareness and increased participation in the SIP, a collaborative effort between TalentCorp and the Ministry of Higher Education (MoHE) which hopes to generate more employable graduates to fill the current talent shortage in corporate Malaysia by providing industry-relevant internships to Malaysian students in local institutions of higher learning.



In keeping with our stature as a vanguard of the profession, MICPA continued to act as a “recognised voice” and a “respected thought leader” on various business issues and our involvement is focused on areas that are most relevant to the Malaysian environment. It is important to note the Institute’s role in contributing and providing a significant source of intellectual capital across a diverse range of finance, accounting and business issues on draft legislation, law reforms and regulation during its early stages of development. Through submissions and dialogues, we are able to highlight to the Government and regulators any unintended or adverse consequences for the profession and the community at large.

The past year has also seen unprecedented changes in the regulatory framework governing the Malaysian capital market, aimed at enhancing transparency and the standards of corporate governance. An increasingly demanding regulatory and governance environment is elevating expectations of performance by Boards of Directors and Board Committees. They have to be knowledgeable on financial reporting issues and developments especially with the convergence of International Financial Reporting Standards (IFRSs) in Malaysia. An ongoing challenge will be to understand the implications of important financial reporting issues and developments affecting an organisation.



We continued to form an important part of the national agenda by monitoring members’ compliance with the standards and delivering CPD programmes throughout the year to help members keep abreast of current developments and to build on their knowledge, skills and experiences to remain at the forefront of their profession. The Council firmly believes that upholding high standards of professional conduct is critical for the profession to command the confidence of the general public in the integrity and objectivity of our members.

Recognising the increasingly globalised nature of the accountancy profession and close to 15% of our members are employed overseas, the Institute continues to strengthen relationships with “strategic alliances” to scope possible initiatives where there may be mutual benefits for members in whatever jurisdictions they may be employed.

The following pages of the report will give you deeper insight of the activities undertaken during the year to meet members’ and students service expectations and to lead the profession.



+ finance

The Institute achieved a net operating surplus of RM473,000 for the year, an increase of RM246,500 (108.8%) from RM226,500 in 2010. Total income rose by RM647,500 or 19.0% due mainly to the increase in income generated from conducting examinations under the revised MICPA programme and continuing professional development, NACRA competition and waiver of advances for study manual. Total expenses increased by RM401,100 or 12.6% due mainly to expenses incurred to promote and to conduct examinations under the revised MICPA programme and higher staff costs. Total assets increased by RM1,072,800 or 59.7%, due mainly to the substantial increase in fixed deposits and bank balances and computer software acquired. Total liability increased by RM599,800 or 49.4% resulting mainly from the increase in expenses accrued for conducting examinations under the revised MICPA programme and members' fees received in advance. The Institute has an accumulated fund of RM1,054,900 as at December 31, 2011 compared to an accumulated fund of RM581,900 in the previous year.

The financial position of the Institute has strengthened over the years through prudent and careful stewardship of resources. As the financial position of the Institute continues to improve, the Institute is able to embark on projects to improve the information technology system to better support members and intensify the publicity and communications programme in promoting the revised MICPA programme.

FIVE-YEAR SUMMARY

| | 2011 RM'000 | 2010 RM'000 | 2009 RM'000 | 2008 RM'000 | 2007 RM'000 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| Total income | 4,060 | 3,412 | 3,098 | 3,053 | 3,191 |
| Total expenses | (3,587) | (3,186) | (2,923) | (3,013) | (3,126) |
| Net operating surplus | 473 | 226 | 175 | 40 | 65 |
| Non-current assets | 227 | 70 | 168 | 128 | 180 |
| Current assets | 2,643 | 1,727 | 1,288 | 835 | 926 |
| Non-current liabilities | (225) | (225) | (225) | - | (38) |
| Current liabilities | (1,590) | (990) | (875) | (782) | (927) |
| Total net assets | 1,055 | 582 | 356 | 181 | 141 |
| Accumulated Fund | 1,055 | 582 | 356 | 181 | 141 |

+ membership

Membership of the Institute consists of four classes of members who are admitted in accordance with the Institute's Articles of Association and Bye-laws. The classes are Certified Public Accountants (CPA), Provisional Member, Certified Financial Accountants (CFiA) and Associate Members. As at December 31, 2011, the membership of the Institute stands at 3,138.

MEMBERSHIP STATISTICS

| | As at December 31 | | Net Increase / Decrease |
|---------------------------------|-------------------|--------------|----------------------------|
| | 2011 | 2010 | |
| Certified Public Accountants | 3,064 | 3,090 | (26) |
| Provisional Members | 40 | 42 | (2) |
| Certified Financial Accountants | 34 | 26 | 8 |
| Total | 3,138 | 3,158 | (20) |

+ certified public accountants (CPA)

As at December 31, 2011, the total number of CPA of the Institute is 3,064. After taking into account members who resigned or were excluded from membership for failure to pay the annual subscriptions/practising certificate fees, a net decrease of 26 members was recorded.

During the year, there is a total of 28 new admissions. Of the new admissions, 25 were admitted under Bye-law 34(1)(a) to (d) having completed the Institute's examinations and fulfilled the prescribed practical experience requirements. Another 3 members were admitted under Bye-law 34(1)(f) who were full members of approved overseas accountancy bodies and have been granted exemption from the examination on the basis that they have had adequate working experience in the

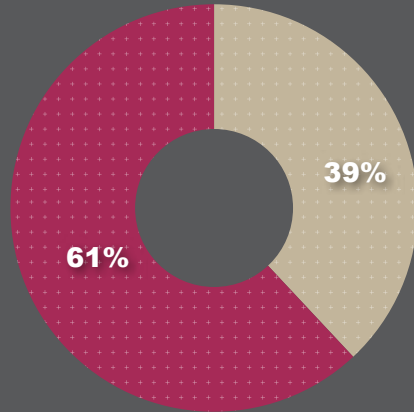
relevant fields in Malaysia after qualifying as an accountant.

There is no significant change in the membership profile as compared to year 2010. As at December 31, 2011, 43% of members worked in public practice firms, of whom 3% were members holding practising certificates. A total of 49% of the members were employed in the business community and 1% in the public sector. Retired members accounted for 7% of the total CPA membership.

During the year, a total of 23 female members were admitted, constituting 82% of the total new admissions. At the end of 2011, the proportion of female members continued to increase marginally by 1% to 39%.

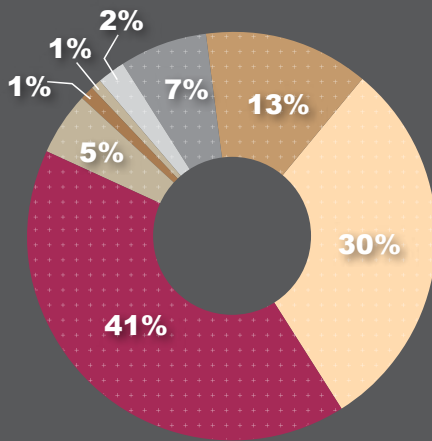
CPA MEMBERSHIP STATISTICS

| | As at December 31 | | Net Increase / Decrease |
|-----------------|-------------------|--------------|----------------------------|
| | 2011 | 2010 | |
| In Practice | 410 | 414 | (4) |
| Not in Practice | 2,654 | 2,676 | (22) |
| Total | 3,064 | 3,090 | (26) |



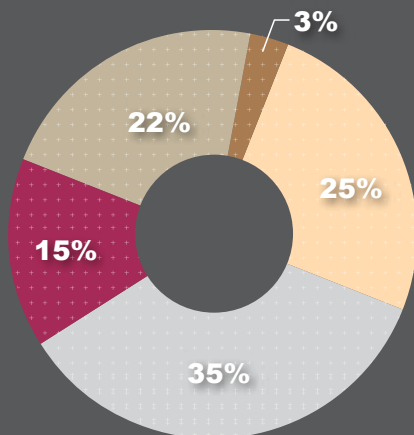
CPA Membership Status

| | |
|--------|------|
| Female | 1184 |
| Male | 1880 |



CPA Membership by Field of Employment

| | |
|-------------------------------|------|
| Financial Institutions | 147 |
| Public Sector | 20 |
| Education | 23 |
| Consultancy and Others | 78 |
| Retired | 227 |
| Public Practice | 410 |
| Employees of Accounting Firms | 914 |
| Commerce and Industry | 1245 |

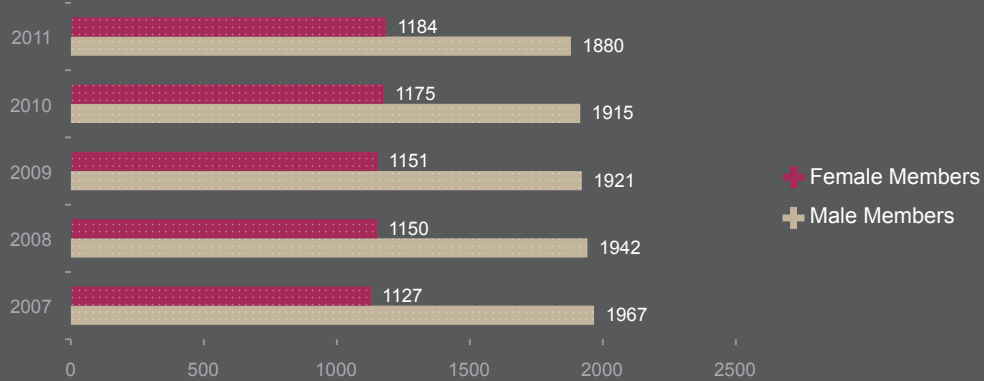
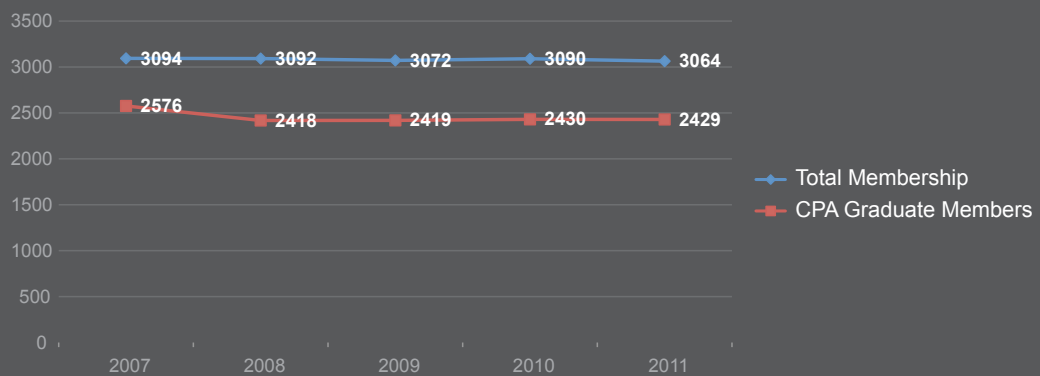
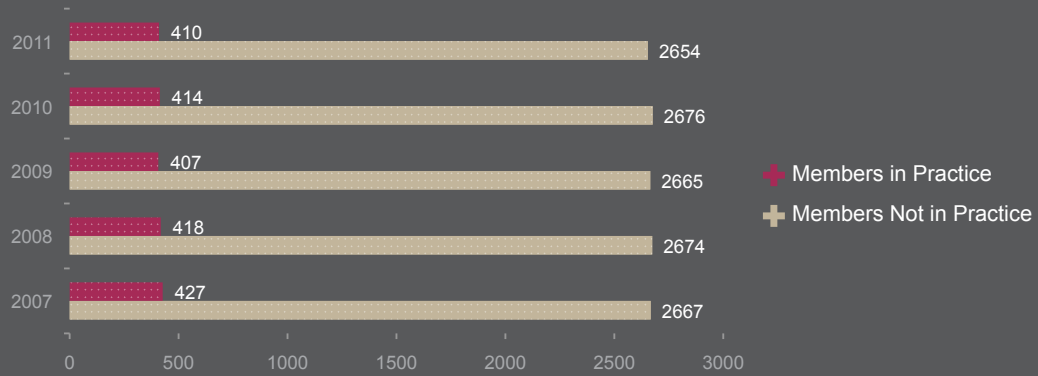


CPA Membership by Age

| | |
|------------|------|
| 21-30 | 98 |
| 31-40 | 775 |
| 41-50 | 1072 |
| 51-55 | 441 |
| 56 & above | 678 |



CPA Membership Statistics as at December 31, 2011





+ provisional member

There were no new provisional members admitted during the year. Provisional members are graduate members who have completed the Institute's examinations but have not fulfilled the practical experience requirement for admission as full members.

Provisional members enjoy the full range of membership services and all other privileges of a qualified member with the exception of the right to vote in any general meeting of members, the right to carry out any duty reserved to members of the Institute, and the right to hold himself out as a principal or partner of an accounting firm.

+ certified financial accountants (CFIA)

During the year, a total of 8 new members were admitted as Certified Financial Accountants (CFiA) members which brings the total CFiA members to 34 members as at December 31, 2011.

The CFiA members are mainly senior lecturers from accounting department of local public universities. They were admitted under the Institute's special provisions for admission as CFiA.

CFiA members have the same rights of membership as a Certified Public Accountant (CPA) with the exception of the right to seek election to the MICPA Council, to attend general meetings of the Institute and to carry out any duty reserve to CPA members. CFiA members are entitled to access the full range of services provided by the Institute to members.

+ services to members

The Council is keenly conscious that members work in a fast-changing environment. An important task of the Council is to constantly undertake initiatives to improve the services provided to members of different segments of the membership to ensure that CPAs in any sector preserve their technical excellence.

This function is carried out with the help of committees and working groups formed by the Council to identify and serve the various professional needs of different segments of members in the performance of their work and services. Ad hoc task forces are also appointed to address emerging issues of concern. The Institute provides members with technical updates and guidance on all aspects of CPAs' work covering accounting, auditing and assurance, taxation, and insolvency

practice. Continuing professional development (CPD) courses on a broad scope of topics are organised to assist members keep abreast of current changes in the work environment.

In the last year report, it was reported that the Institute has obtained a grant under the Services Sector Capacity Development Fund from the Malaysian Industrial Development Authority for the purposes of upgrading the Institute's IT. Upon completion of upgrading the IT, new functionalities and interactive features will be added to improve the method of information delivery and communication between the Institute and members. The IT upgrading project was completed in April 2012 and will be officially launched at the Institute's Annual Dinner.



continuing professional development

The accountancy profession operates in an environment of rapid change, making it essential for professional accountants to continuously seek to update their technical and professional skills and knowledge based on the latest developments, in order to serve the best interests of the public, including clients and employers. Investment in a planned programme of continuing professional development is one of the major ways in which MICPA members update themselves.

To assist members in meeting their CPD requirements, the Institute has organised a wide range of CPD programmes during the year. The areas covered are pre-dominantly on accounting related topics such as understanding and application of newly issued or updated financial reporting standards as well as various tax planning topics.

In August 2011, the Institute organised a half-day forum on "Improving Corporate Governance in Malaysian Capital Markets – The Role of the Audit Committee". The views of senior industry leaders, regulators, auditors and investors were sought and considered. There is a clear emphasis throughout the forum that the very existence of an audit committee is indicative of an inherent safeguard of external stakeholders' interests in an organisation. The composition and diligence of the audit committee is decidedly critical in the shaping of market opinion on the effectiveness of corporate governance in an organisation. This is the second thought leadership forum co-organised by the Institute and ICAA since the MoU signing in 2009. The success of the forum represents a significant step forward in the realisation of both Institutes' partnership in advocating the advancement of the accountancy profession in Malaysia.

The Institute continues to organise a distinctive seminar on Financial Reporting for Insurance Business: Insurance Contracts (FRS 4) which briefs participants on insurance accounting using the Model Insurance Financial Statements, which is a set of specimen financial statements of a listed insurance company developed by the Institute's Insurance Working Group. A unique feature of this seminar is a session delivered by a representative from Bank Negara Malaysia covering the statutory reporting framework by insurers and ongoing regulatory developments.

In conjunction with the updating of the Institute's Audit Guide for Practitioners to include the guidelines introduced under the IAASB's Clarity Project, the Institute organised workshops on 'Practical Guide to Audit' throughout the year which generated keen interest from members and non-members alike.

The Institute believes that the commitments by members in fulfilling CPD requirements ensure that their contribution to the workplace and the industry at large continues to be robust and adds value towards the achievement of their organisation's goals in a global market.

During the year, the Institute conducted several in-house training programmes on specialised topics. These ad-hoc programmes were mainly organised upon requests by satisfied participants from the Institute's public training programmes.

The Institute demonstrated our commitment towards the development of the accountancy profession by conducting seminars on updates to Financial Reporting Standards and clarified International Standards on Auditing for the benefit of academicians.

outreach to potential candidates

The main thrusts of the outreach activities during the year were to increase awareness of the revised MICPA programme and MICPA-SSP at accredited universities.

The university students were responsive to the unique programme offerings of dual qualifications of CPA(M) and CA(A) as well as accessibility to the GAA Passport. The MICPA-SSP was well-received especially by the top achievers in the universities.

Some examples of the outreach activities conducted were programme talks, networking dinners, participation at exhibitions and career fairs in universities and orientation sessions in accounting firms.

In addition to promoting the revised MICPA programme, the Institute made a concerted effort to educate university students about accountancy career options after university and the accountancy industry in general. The Institute also conducted guest lectures and case study workshops at various universities.



+ advocating accountancy as a profession

The Institute continues to advocate the accountancy profession by conducting career talks in various high schools in the Klang Valley.

During these talks, the Institute dispels the perception of accountancy as a mundane career choice and reveals the true nature of accountancy as a dynamic profession that spurs resourcefulness and innovation in business.

The high school students are briefed that the nature of an accountant's work is highly specialised and thus accords job security whilst playing a critical role in shaping business decisions. The Institute also emphasises on the global demand for professional accountants and invite the students to conscientiously choose accountancy as a career and be rewarded with a world of lifelong learning and continuous professional and self-development

+ public practice

The Public Practice Committee is responsible for identifying the professional development needs of members in public practice, in particular with regard to small and medium-sized practices. The Committee also functions as a forum for consultation and discussion of issues relevant to members in practice.

A major project of the Committee was the development of the Audit Guide for Practitioners which was first published at the end of 2006, and has since been revised in 2008 and in 2011. The audit guide is intended to provide comprehensive guidance on the performance of audits of financial statements in accordance with approved auditing standards in Malaysia and to maintain quality control for audit work. The audit guide covers the development of an audit plan, audit programme and audit management. It also contains sample audit working papers, internal control questionnaires and checklists on disclosure requirements.

The second revision of the Audit Guide for Practitioners incorporates the requirements of the 36 newly updated and clarified International Standards on Auditing and a clarified International Standard on Quality Control issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants, and was made available for sale in July 2011.

Four (4) two-day workshops on the usage of the Audit Guide for Practitioners have been conducted since July 2011. The

+ sponsorship of student activities

The Institute takes the view of a holistic approach to the development of future accountants. The Institute constantly emphasises to university students to take advantage of opportunities to develop and cultivate their professional skills such as personal, interpersonal, communication and organisational skills.

The Institute believes that these professional skills, coupled with strong technical ability, are essential to produce work-ready graduates. This philosophy is appropriately reflected and embedded in the revised MICPA programme structure.

The Institute supports the development of professional skills at the tertiary education level by providing support for relevant student activities, whether in the form of providing monetary sponsorship, guidance in development of the activities flow or linkages to industry leaders where applicable.

objective of the workshop is to equip participants with the technical knowledge and skills in conducting audits of financial statements in accordance with the clarified International Standards on Auditing, which have been adopted for application in Malaysia.

In December 2011, the Committee has also organised an evening talk on "Challenges Faced by Accountants as Independent Directors". The evening talk highlighted the challenges faced by accountants as independent directors in the discharge of their fiduciary and legal duties so as to provide an effective check and balance to the board of directors of public listed entities, particularly in situation of conflict of interest.

The Technical Reference Panel, which provides free advisory services to members, received an increased number of enquiries during the year. The subject matters related largely to the application of the new and updated Malaysian Financial Reporting Standards and Financial Reporting Standards, clarified International Standards on Auditing, tax legislations and company law.

+ commerce and industry

Members in commerce and industry constitute almost half of the total membership of the Institute.

The Commerce and Industry Committee is responsible for undertaking activities that are relevant to this segment of members, including the organisation of CPD programmes in areas of interest to these members. In October 2011, the Committee has also co-organised with ICAA an Intensive CFO of the Future workshop series which covered in-depth leading strategies to establish new competencies in the CFO function that can be effectively utilised to create comparative advantages for the organisation.

The Committee continues to undertake the review of winning articles published by the IFAC, resulting from an annual competition held by IFAC under the Articles of Merit programme. The Committee will recommend the articles for publication in The Malaysian Accountant where it is deemed appropriate.



+ government relations

One of the crucial activities of the Institute is to maintain an effective consultative relationship with Government and the regulatory bodies that will reinforce the Institute's leadership role on both professional and business issues. This is particularly important at this point in time when significant policy measures and changes to the securities law, taxation laws and other business legislations are undergoing reforms and being implemented by the Government to improve the efficiency of the public service delivery system so as to strengthen the nation's economy and capital market.

The Institute continues to make submissions and representations to the Ministry of Finance, Securities Commission, Companies Commission of Malaysia, the Inland Revenue Board and other Government departments. The views and proposals provided by the Institute in response to the proposed legislative reforms represent important perspectives from the profession and the business community it serves. The Institute also channels members' concerns on regulatory guidelines relating to the operation of capital market, governance of companies, income tax system and the listing requirements.

The Institute continues to participate in dialogue sessions held by Government with the private sector. These include the annual dialogue with the Ministry of Domestic Trade and Consumer Affairs, the annual dialogue with the Companies Commission of Malaysia, half yearly meetings with the Customs-Private Sector Consultative Panel and regular dialogues with the Inland Revenue Board. The Institute also participates in numerous technical meetings with the Securities Commission and Bursa Malaysia to discuss implementation issues arising from the new or proposed changes to the rules and regulations affecting the capital market.

During the year, the Institute has actively engaged with the Audit Oversight Board (AOB) into discussion in key aspects observations and other matters related to their oversight activities. The discussion would assist the Institute in setting the right tone and establish baseline quality in auditing across the board through the enforcement of professional standards which have been adopted by the Institute. The Institute also held regular dialogues and discussions with the AOB on issues and challenges faced by the auditing industry, such as pressure on audit fees and availability of competent talent.

The Institute jointly with Institut Perakaunan Negara of Jabatan Akauntan Negara Malaysia and The Chartered Institute of Public Finance and Accountancy have organised a seminar in July 2011, featuring the theme "Accrual Accounting: Our Journey of Transformation". The seminar focuses on the challenges faced in implementing the International Public Sector Accounting Standards (IPSAS) and the Accrual Accounting Masterplan of Jabatan Akauntan Negara Malaysia.

In October 2011, the Executive Director of the Institute was appointed as a member of the Government Accounting Standards Advisory Committee (GASAC) under the Jabatan Akauntan Negara Malaysia. The Committee was formed to review and recommend amendments to the Federal Constitution, Financial Procedures Act 1957, Development Fund Act 1966, Housing Loan Fund Act 1971 and other relevant Acts. The Committee also reviewed and recommend for adoption of the International Public Sector Accounting Standards issued by the IFAC.

During the year, the Institute works closely with the Talent Corporation Malaysia Berhad (TalentCorp) to reach out and to connect with promising young Malaysians studying locally and abroad. The Students Sponsorship Programme which was launched by the Institute in February 2011 to encourage high quality young graduates to pursue the revised MICPA programme was recognised by the TalentCorp as a Structured Internship Programme for the Accountancy Sector where eligible approved training employers enjoy double tax deductions on cash allowances for interns and internship training-related expenses.





+ technical activities

The Institute's work programme includes technical activities as a core component. In this regard, it is imperative that we consistently maintain high professional and technical standards in order to continuously uphold public confidence in the work performed by our members. To this end, the Institute supports its members by providing guidance on the discharge of their reporting responsibilities under the various laws and regulations.

In auditing, pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), which include the International Standard on Quality Control (ISQC), International Standards on Auditing (ISAs), International Standards on Assurance Engagements (ISAEs), International Standards on Review Engagements (ISREs) and International Standards on Related Services (ISRSs), are regularly reviewed by the Institute. The Institute has, through due process, adopted substantially all the standards and other guidance issued by the IAASB to date. These standards and guidance are subsequently issued to members for compliance.

In financial reporting and accounting, the Institute participates in the Malaysian Accounting Standards Board's (MASB) standard-setting process. During the consultation process, the Institute presents its views on proposed new standards and discussion documents. Where interpretation issues are encountered, the Institute makes representations to MASB. Members of the Institute are expected to comply with the standards issued by MASB.

The Institute works closely with the Malaysian Institute of Accountants (MIA) in the course of carrying out its technical activities. The Institute also participates and contributes in MIA's Financial Reporting Standards Implementation Committee (FRSIC). This Committee provides assistance on potential implementation issues, gray areas and matters of common interest relating to the Malaysian Financial Reporting Standards (MFRS) or Financial Reporting Standards (FRS) or provisions of companies' legislation in Malaysia, particularly where unsatisfactory or conflicting interpretations have developed or seem likely to develop. A FRSIC consensus which serves as an implementation guidance is issued after due process, and should be regarded as best practice and read in conjunction with the MFRS or FRS.

A sizable number of members of the Institute are engaged in specialist areas of practice, which include taxation, insolvency and corporate advisory services. The Institute closely monitors legislation and regulations for any changes that could potentially have an impact on members' work in these areas. Technical updates and guidance are then promptly issued to assist these members in the effective fulfilment of their responsibilities.



+ accounting and auditing standards

The Accounting and Auditing Technical Committee (AATC) has overall responsibility for the development and review of accounting, auditing and reporting standards and guidelines. The Committee is supported by specialist working groups and ad hoc taskforce appointed to undertake specific projects.

The Joint Working Group on Securities Guidelines (JWGSG), Due Diligence Working Group (DDWG) and Securities Borrowing and Lending (SBL) Working Group were established to allow collaborations between the Institute and MIA in order to adopt a united and consistent approach in making representations to the capital market regulators and in providing technical guidance to members. Ongoing projects include:

- + Development of guidance on the preparation of pro forma financial information for purposes of submission of corporate proposals to the Securities Commission (SC).
- + Development of guidance on the accounting treatment for securities borrowing and lending transactions.

The completed guidance will be issued to members in due course.

The Corporate Governance Blueprint 2011 (CG Blueprint) Working Group was formed during the year to review and discuss the recommendations within for onward submission to the Securities Commission for their consideration. The CG Blueprint detailed 35 recommendations designed to bring about positive changes to the Malaysian corporate governance landscape which are to be implemented over a five-year period, some of which through a new Corporate Governance Code and changes to the Bursa Malaysia Listing Requirements. The Malaysian Code of Corporate Governance 2012, the first deliverable of the CG Blueprint which will be effective on December 31, 2012, was recently issued.

The AATC also formed joint taskforces with MICPA's Commerce and Industry Committee (CAIC) to review and discuss the recommendations in the Discussion Paper, *Towards*

The Amended Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements withdraws the existing category of pronouncements known as International Auditing Practice Statements (IAPs) and establishes a new category of pronouncements known as International Auditing Practice Notes (IAPNs).

The AATC continued to review and provide feedback on exposure drafts and discussion documents issued by the MASB. During the year, the MASB has issued:

- (a) 46 new / revised MFRSs, 4 amendments to MFRSs and 27 IC Interpretations under the MFRS Framework, and
- (b) 9 FRSs, 8 amendments to FRSs, and an IC Interpretation under the FRS Framework.

Integrated Reporting – Communicating Value in the 21st Century, issued by the International Integrated Reporting Council and the Proposed International Good Practice Guidance (IGPG), *Evaluating and Improving Internal Control in Organisations*, issued by the Professional Accountants in Business Committee of IFAC.

During the year, the AATC issued a Technical Release (TR) and two Auditing Technical Releases (ATR) for members' guidance and compliance:

- + TR 1, Guidance on the Role of Reporting Accountant in a Due Diligence Working Group
- + ATR 7 (Revised), Examples of Independent Auditor's Reports
- + ATR 8 (Revised), Illustrative Letter of Engagement – Statutory Audit for Single Entity and Group

Based on the recommendations of the AATC, the following IAASB pronouncements were also issued during the year to members for guidance:

- + Preface to the International Standards on Quality Control, Auditing, Other Assurance and Related Services
- + Glossary of Terms (February 2009)
- + Amended Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements
- + International Standards on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus
- + International Auditing Practice Note (IAPN) 1000, Special Considerations in Auditing Financial Instruments



The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after January 1, 2012, with the exception of entities that are within the scope of MFRS 141, *Agriculture*, and IC Interpretation 15, *Agreements for Construction of Real Estate*, including its parent, significant investor and venture. These entities are allowed to defer adoption of the new MFRS Framework for an additional one year, following which the adoption of the MFRS Framework is mandatory for annual periods beginning on or after January 1, 2013.

The MASB has also issued the following discussion papers, exposure drafts and request for views during the year:

- + MASB DP i-1, Takaful
- + MASB DP i-2, Sukuk
- + MASB DP i-3, Shariah Compliant Profit-sharing Contracts
- + MASB ED 75, IFRS-compliant Financial Reporting Standards
- + MASB ED 76, Management Commentary (Guidance)
- + MASB Request for Views, Private Entities, the Way Forward

MASB ED 75 had been subsequently issued as the new MFRS Framework in November 2011.

The MASB has also sought comments on the following International Accounting Standards Board (IASB) Draft Pronouncements:

- + IASB ED/2011/2, Improvements to IFRSs
- + IASB ED/2011/3, Mandatory Effective Date of IFRS 9
- + IASB ED/2011/4, Investment Entities
- + IASB ED/2011/5, Government Loans (Proposed amendments to IFRS 1)
- + IASB ED/2011/6, Revenue from Contracts with Customers
- + IASB ED/2011/7, Transition Guidance (Proposed amendments to IFRS 10)
- + IASB SMEIG Draft Q&As (Batch 3):
- + IFRS for SMEs General, Issue 1: Application of the IFRS for SME for financial periods ending before the IFRS for SMEs was issued
- + IFRS for SMEs General, Issue 2: Interpretation of 'undue cost or effort' and 'impracticable'
- + IFRS for SMEs Section 3, Issue 1: Jurisdiction requires fallback to full IFRSs
- + IFRS for SMEs Section 3, Issue 2: Departure from a principle in the IFRS for SMEs
- + IFRS for SMEs Section 3, Issue 3: Prescription of the format of financial statements by local regulation
- + IASB SMEIG Draft Q&As (Batch 4):
- + IFRS for SMEs Section 11, Issue 1: Fallback to IFRS 9 Financial Instruments
- + IFRS for SMEs Section 30, Issue 1: Recycling of Cumulative Exchange Differences on Disposal of a Subsidiary
- + IASB Request for Views, Agenda Consultation 2011

A number of working groups had been assigned to undertake a review of the discussion papers, exposure drafts and request for views, and to provide feedback to MASB.

+ company and securities law

The Companies Commission of Malaysia (SSM) has issued the second consultative document on the proposed framework for Limited Liability Partnership (LLP) in Malaysia for comment in April 2008. The consultative document incorporates deliberation on the concept of the proposed LLP towards a more comprehensive framework. The proposal was intended to complement the existing forms of business vehicles by providing a wider choice for business to structure their operations which would make them more comprehensive regionally and internationally. The proposed LLP will offer a combination of limited liability for its members and the flexibility of the partnership arrangement for the internal arrangement for its business. The SSM has incorporated the comments received during the consultative period and has drafted the Limited Liability Partnership Bill in March 2009. The Institute submitted its view on the draft LLP Bill to SSM and also participated in the Roundtable Discussions on LLP organised by SSM. The LLP Bill was tabled to Parliament for its first reading on June 14, 2011. The Institute was invited by the SSM to attend consultation sessions on "Tax Treatment for LLP in Malaysia" to discuss and recommend suitable tax treatments for LLP. The Institute and CTIM has jointly submitted a memorandum on the proposed tax treatments for LLP in Malaysia to the SSM. The LLP Act 2012 was passed in Parliament on December 21, 2011 and gazetted on February 9, 2012. The Act was expected to be implemented by end of June 2012.

Since year 2008, the SSM has issued thirteen Practice Notes to assist stakeholders in understanding the application of the Companies Act, 1965, as follows:

| Practice Note | Title |
|---------------|--|
| 1/2008 | Requirements relating to the Lodgement of Annual Return of Companies |
| 2/2008 | Change of Financial Year |
| 3/2009 | Confirmation on the Latest Shareholding Structure/Composition of a Company Issued by a Company Secretary |
| 4/2009 | Notification in relation to the Identification of the Chargees for the Execution of Form 42B for the Discharge of Charge under the Companies Act 1965 |
| 5/2009 | The Filing of Objections pursuant to a Claim of Amount Due and Owing against a Company Undergoing a Striking-off Process |
| 6/2010 | Guidelines for the Application to Strike-off a Company which is being Wound-up |
| 7/2010 | Guidelines for Auditors to Inform Registrar prior to Cessation of Office under Section 172A of the Companies Act, 1965 |
| 8/2010 | Explanation on the Application of Thresholds Provided for under Section 132C(1B) of the Companies Act, 1965 |
| 9/2010 | Application for extension of time: <ul style="list-style-type: none"> • to convene the annual general meeting of a company; and • to lay the profit and loss accounts of a company |
| 10/2011 | Lodgement of Annual Return where Annual General Meeting cannot be Convened |
| 11/2011 | Clarification on whether a Society can be a Member of a Company |
| 12/2011 | Compliance Programme to Encourage Timely Submission of Annual Returns and Audited Financial Statements |
| 13/2011 | Circumstances and Procedures for Rectification of Documents Lodged and Registered with Companies Commission of Malaysia |

The Corporate Practice Consultative Forum (CPCF) was established by the SSM, with the aim of providing a platform for professional bodies to provide feedback, views and proposals on the practices, regulations and programmes implemented by SSM pursuant to the Companies Act 1965. The Forum comprises six professional bodies, including the Institute. During the year under review, the representatives from the Institute had attended two CPCF meetings on September 29, 2011 and April 5, 2012.



SSM had established a Technical Committee under the CPCF, which consists of the CPCF members and representatives from various divisions of the SSM. The CPCF Technical Committee aims to promote, encourage and support the exchange of views and information on matters and issues in areas affecting the company secretarial and administration matters and to set and promulgate the highest standards or best practices in the profession, especially towards the practice of good corporate governance. The CPCF Technical Committee would report to the CPCF on matters discussed and resolved from time to time and to refer any unresolved issues to the CPCF for deliberation. The Technical Committee also discuss and resolve operational and technical issues faced by company secretaries and SSM with the objectives of facilitating and further enhancing the business delivery system.

The Securities Commission (SC) continues to introduce measures and development initiatives to enhance the framework for the enforcement of securities law to allow for more effective action to be taken against corporate impropriety. The Institute maintains an on-going consultative

relationship with the SC to discuss practical issues relating to the existing regulations and proposals for change with the view to provide more facilitative environment for raising of capital. The SC has also invited the Institute to submit issues pertaining to the capital market that the Institute may wish the SC to consider as part of its submission to the Ministry of Finance for the Federal Budget 2013.

The Audit Oversight Board (AOB) that was established pursuant to the Securities Commission Amendment Act 2010 has taken effect on April 1, 2010. The AOB assists the Securities Commission Malaysia in regulating auditors of public-interest entities (PIE) to promote investor protection and reliability of audited financial statements of PIEs. The Institute has participated in various dialogues organised by AOB.

The Institute also participates actively in the consultative process of Bursa Malaysia relating to changes in the Listing Requirements. In addition, the Institute is also involved in the various focus groups of Bursa Malaysia in relation to new measures or products being introduced by Bursa Malaysia.

+ insolvency

The Insolvency Practice Committee consists of representatives from all interest groups including the Institute's members in practice, the Bar Council, the Association of Banks Malaysia, the Companies Commission of Malaysia and the Malaysian Department of Insolvency (MDI). The Committee serves as a useful forum for the discussion of practical issues arising from insolvency management and administration.

During the year, the Committee together with MIA's Insolvency Practice Sub-Committee had arranged to make representations to the relevant authorities to discuss issues related to the implications of the Housing Development (Control and Licensing) (Amendment) Act 2012 on insolvency practitioners. The Housing Development (Control and Licensing) Act 1966 was proposed to be amended by the Ministry of Housing and Local Government and the amendments were passed in the Parliament in December 2011. The amended Act extends the interpretation of a 'housing developer' to include a person or body appointed by a court of competent jurisdiction to be the liquidator or provisional liquidator for the housing developer in a case where the housing developer is under liquidation.

The Committee has deferred the development of Insolvency Guidance Notes on the Eligibility of Auditors to Act as

Liquidator of Audit Clients, Effective Date of Cessation of Office of Liquidator under the Companies Act, 1965, Vacation of Office of Liquidator due to Death and Requirements on Lodgement of Form 75, Liquidator's Account of Receipts and Payments and Statement of the Position of Winding up due to resource constraint.

The IPC as a special interest group, continues to be a member of INSOL International, an international organisation of insolvency professionals. The INSOL International has issued 23 Technical Series since January 2007. The affiliation with INSOL International provides opportunities for members engaged in insolvency practice to keep up to date with the global changes and developments in insolvency law and practices. The INSOL journal and technical series serves as a useful source of reference on significant insolvency issues and developments.



+ taxation

The Tax Practice Committee serves as a key liaison between the Institute and the Government on taxation matters. The Committee makes regular representations to the Government and the revenue authorities on behalf of members. The Committee also participates in the Government's consultation process on the development, revision and implementation of tax law and regulations.

The Institute continues to work in close co-operation with the Malaysian Institute of Accountants (MIA) and the Chartered Tax Institute of Malaysia (CTIM) in making submissions to the Inland Revenue Board (IRB) concerning practical issues encountered by members in the application of tax legislation, and the rules and regulations issued by the IRB.

During the year, several dialogue sessions were held with the Tax Operation Department and the Tax Policy Department of the IRB to seek clarification and to arrive at practical solutions to issues that were raised. The IRB has also formed a working group between the professional bodies and IRB to resolve issues that may arise from time to time. During the year, two

meetings had been held by the Working Group to resolve issues relating to submission of tax return forms and other operation matters.

The Committee continues to participate in the IRB's consultation process relating to the development of Public Rulings, which provide guidance on the interpretation of the Director General of Inland Revenue in respect of a particular provision in the tax law, and the policy and procedures that should be applied. The Public Rulings serves as a useful guide to both taxpayers and the IRB officers in the application of the law.

The Institute, jointly with MIA and CTIM established the Joint Tax Working Group on Financial Reporting Standards (JTWG-FRS) on February 12, 2009. The Working Group analyses and highlights the changes brought about by the Financial Reporting Standards (FRSs) which have tax implications and proposes to the relevant tax authorities the appropriate tax treatments in respect of the FRSs, where applicable.

The JTWG-FRS is in the process of reviewing the following FRS to identify the tax implications related to the implementation of these FRSs:

| Standard | Title |
|----------|--|
| FRS 119 | Employee Benefits |
| FRS 136 | Impairment of Assets |
| IC 12 | Service Concession Arrangements |
| IC 13 | Customer Loyalty Programmes |
| IC 15 | Agreements for the Construction of Real Estate |

The MOF and IRB are in the midst of drafting guidelines on the above matters.

The Committee also represented the Institute at the half-yearly meetings of the Customs-Private Sector Consultative Panel. The Institute was invited by the Royal Malaysian Customs to attend the "Briefing on Customs Appeal Tribunal".

The Committee is responsible for the publication of the CPA Tax and Investment Review, which contains annual updates on tax laws and regulations, Government policies and guidelines on investment and incentives, and other pertinent information on doing business in Malaysia. It also provides a summary of recent tax cases and an index of current amendments to the

The JTWG-FRS had a few dialogues with the Ministry of Finance (MOF) and IRB to discuss the tax implications arising from the implementation of the following FRSs:

| Standard | Title |
|----------|--|
| FRS 5 | Non-current Assets Held for Sale and Presentation of Discontinued Operations |
| FRS 116 | Property, Plant and Equipment |
| FRS 121 | The Effects of Changes in Foreign Exchange Rates |
| FRS 123 | Borrowing Costs |
| FRS 139 | Financial Instruments: Recognition and Measurement |
| FRS 140 | Investment Property |

Income Tax Act and related legislation. The publication was undertaken with the technical support from six large accounting firms.

The Committee also assumes the responsibility to oversee the publication of annual budget commentary, which is undertaken on a joint venture basis by the Institute, MIA and CTIM. A total of 101,436 copies of the 2012 Budget Commentary and Tax Information were printed. Apart from the 31,115 copies sent to members of the three Institutes as part of the membership service and to the complimentary recipients, a total sale volume of 68,932 was achieved. The success of the project was the result of the team work of the three joint-venture partners and the contributions of the editorial board consisting of more than 90 members drawn from nine large accounting firms.



+ communications and public relations

In an environment faced with increasing competition, even in the students' recruitment market, adopting a focused marketing strategy is essential to achieve our objectives. During the year under review, the Institute continued with its endeavour to strengthen its communication channels both internally and externally. A comprehensive public relations programme was implemented to publicise the work of the Institute and to consolidate its image.

In this regard to promote greater awareness of the revised MICPA programme, the training schemes and career opportunities open to potential CPAs and CAs, the Institute participated in several career fairs and exhibitions throughout the year. In addition, visits were undertaken to the accounting faculties of the various public and private universities to promote the programme through professional career talks and to encourage and attract bright young Malaysians to join the programme.

The media plays an instrumental role in our professional development, serving as a link with the wider community. Press releases were also issued during the year to keep the media and public informed of the Institute's activities and programmes and this further reinforced the Institute's professional profile.

The 2012 Budget Proposals with the theme "Together Driving Transformation" was presented to the Rakyat by the Minister of Finance on October 7, 2011. The Institute took advantage to provide target audiences with MICPA's reaction towards the Budget and to project the image of MICPA as a centre of technical excellence. We took part in pre and post budget interviews with both the print and broadcast media including TV3, Bernama TV's "Swot Watch" and "Helo Malaysia", Traxx FM, Radip 24, China Press and Sin Chew Daily to highlight the salient features of the 2012 Budget. We also contributed pre and post budget articles to The Malaysian Reserve.

MICPA 53rd Annual Dinner



The Institute's 53rd Annual Dinner was held on June 17, 2011 at Sheraton Imperial Hotel Kuala Lumpur. The Dinner was graced by YB Dato' Hj Ahmad Husni bin Mohamad Hanadzlah in his capacity as the Minister of Finance II and was attended by over 450 invited guests, members, organisations and secretariat staff.

The Annual Dinner is the most significant event in the Institute's calendar. It marks the close of yet another year of activities and the beginning of a new one. The evening was indeed a perfect opportunity for fellowship and networking for members of the accounting fraternity.

The highlight of the evening was the presentation of Anugerah Presiden 2011 which was bestowed on YBhg Dato' Zainal Abidin Putih, in recognition of his exceptional contribution to society, the accountancy profession and the Institute which can be emulated by others.

Dato' Zainal was admitted as a member of MICPA on January 6, 1973. He was elected to the MICPA Council in 1983 and served a dedicated 18 years until his resignation in 2001 due to work commitments.

Over the years, Dato' Zainal has built a distinguished career and is extremely well respected within the financial and business community. He was appointed Chairman of CIMB Bank's Board of Directors in April 2011.



MICPA Anniversary Commemorative Lecture and Luncheon

This is the summit event in the Institute's calendar of the year as it provides a platform for members of the accountancy profession, Government, the regulatory authorities and the business community to get together and evaluate the most pertinent issues affecting the Malaysian economy and the role of the accountancy profession.

52rd Anniversary Commemorative Lecture

The Institute's 52nd Anniversary Commemorative Lecture was held on July 14, 2011 at the Sime Darby Convention Centre. YBhg Tan Sri Dato' Dr Lin See-Yan, President of the Harvard Club of Malaysia delivered the Lecture titled "Education and Accountancy".

The event was attended by over 220 invited guests, members, organisations and secretariat staff and received good media coverage in both the print and broadcast media.



53rd Anniversary Commemorative Lecture

The Institute's 53rd Anniversary Commemorative Lecture was held on March 27, 2012 at the Sime Darby Convention Centre.

The function was graced by a very distinguished guest, YB Senator Dato' Sri Idris Jala, Minister in the Prime Minister's Department and Chief Executive Officer of Performance Management & Delivery Unit (PEMANDU), who delivered the Commemorative Lecture titled "Economic Transformation Programme (ETP) Update".

The Lecture provided enlightening insights on the progress of the ETP as well as the Government Transformation Programme (GTP) focusing on the 6 National Key Result Areas (NKRAs): reducing crime, fighting corruption, improving student outcomes, raising living standards of low-income households, improving rural basic infrastructure and improving urban public transport.

Close to 370 invited guests, members, organisations, secretariat staff and members of the media attended the event. The event received good media coverage in both the print and broadcast media.



+ Presentation of Examination Certificates & Gold Medals to Graduates of Joint Programme

The MICPA in collaboration with ICAA, held a cocktail reception on August 11, 2011 at Sime Darby Convention Centre to honour the first batch of graduates under the joint programme. A total of 14 graduates completed the Advanced Stage Examination (ASE) of the revised MICPA programme to the satisfaction of the Institute.

The graduates received their examination certificates from Mr Paul Martins in his capacity as the Senior Trade & Investment Commissioner, Australian High Commission, Malaysia.

Also in the roll of honour at the presentation ceremony were 3 students who were awarded Gold Medals for their commendable achievement in attaining high distinction in individual subject modules in the ASE. The Gold Medals are sponsored by MICPA member firms and is awarded in the name of the sponsoring firm unless otherwise specified by the sponsor.



Ms Che Shiao Wen was awarded the Ernst & Young Gold Medal for Audit & Assurance Term 3, 2010 Examination and Folks DFK & Co/Azman, Wong, Salleh & Co Gold Medal for Management Accounting & Analysis Term 1, 2011 Examination. Shiao Wen performed extremely well in the MAA module and scored a total module mark of 81.5% for the module, which is also above the Australian National top mark.

Ms Yeoh Xin Ning was awarded the Datuk Oh Chong Peng Gold Medal for Financial Accounting and Reporting; and Ms Tai June Lee was awarded the Folks DFK & Co/Azman, Wong, Salleh & Co Gold Medal for the Management Accounting & Analysis for the Term 2, 2010 Examination.

+ 13th MICPA accountancy week

The 13th MICPA Accountancy Week with the theme "An Accounting Adventure" was successfully held from November 12 – 19, 2011. On the whole the various events held during the week attracted enthusiastic participation from students in secondary schools, universities and it is noteworthy that there was a higher participation rate from the universities as compared to the previous year. The events included:

- + Accounting Quiz (AccQuiz) for Secondary Schools
- + Accounting Students Quiz for University, Colleges of Advanced Education & Professional Study levels
- + Business Strategy Challenge – Management Simulation Game
- + Career Counselling Sessions
- + Sports and Games Competition

A total of 450 participants took part in the various sports and games competition planned including badminton, futsal, frisbee, netball, paintball, table-tennis, telematch and wall-climbing.



+ marketing and promotions

Promotion of the revised MICPA programme and in particular the CPA (M) and CA(A) designations continued to be a key focus of our marketing and communications programme.

The joint programme is proving very attractive to top candidates in Malaysia with enrolments increasing significantly and it is also pleasing to note that overall pass rates under the programme are very similar for both Malaysian and Australian candidates.

During the year, the Institute promoted the programme to a wide student audience by conducting scheduled talks at Universities, institutions of higher learning, approved training employers and participating in exhibitions and career fairs across the country. The younger members of the Institute were also called upon to share their experiences and give an insight in the career prospects of the employment world once the students graduate.

As part of the marketing and promotions activity, the Institute in collaboration with the Institute of Chartered Accountants in Australia (ICAA) has placed advertorials in the StarSpecial Education Guide, which is published twice a month. Our key target messages was to highlight the benefits of undertaking the MICPA professional programme and how it will further endorse an individual's standing in the profession. We also highlight that we have the **Right Formula for Career Advancement: 1 Examination = 2 Memberships + Opportunities** and that we are **Shaping Future Talents through our Students Sponsorship Programme (SSP)**. The other key message also emphasise the high pass rates of the revised MICPA programme and the commendable efforts of the students under the SSP with the support of the accounting firms.

+ National Annual Corporate Report Awards (NACRA)

NACRA is an annual event jointly organised by Bursa Malaysia Bhd, the Malaysian Institute of Accountants (MIA) and The Malaysian Institute of Certified Public Accountants (MICPA).

The presentation ceremony for NACRA 2011 was held on November 15, 2011 at Sime Darby Convention Centre, Kuala Lumpur. The event was officiated by YB Dato' Sri Ismail Sabri Yaakob, Minister of Domestic Trade, Co-operatives and Consumerism who also presented the awards to the winning companies.

More than recognition, NACRA strives to promote excellence in annual corporate reporting. It encourages transparency and corporate accountability through the publication of timely, informative, factual and reader friendly annual reports. This is the very cornerstone of NACRA's theme – Towards Accountability and Excellence.

A total of 20 awards were presented in 5 categories. Telekom Malaysia Berhad bagged the Platinum Award for the coveted Overall Excellence Award for the Most Outstanding Annual

Report for 2011. They also walked away with four other awards – the Industry Excellence Award for Companies Listed on the Main Market for the Trading and Services Sector category, Silver Awards for Best Annual Report in Bahasa Malaysia, Best Designed Annual Report and Best Corporate Social Responsibility.

The Special Award for Non-Listed Organisations was won by Perbadanan Insurans Deposit Malaysia. A Certificate of Merit was also presented to 8 finalists in recognition of the commendable high quality of their annual reports.

In his opening address, the Minister lauded NACRA as being instrumental in showcasing Corporate Malaysia that sets standards exceeding global benchmarks and playing its role in creating economic confidence in the local capital market.

+ professional regulation

Financial Statements Review

The Institute aims to maintain high standards of practice and professional conduct by all its members. To this end, the Financial Statements Review Committee undertakes the important task of monitoring members' compliance with technical and professional standards in order to uphold the standards of the accountancy profession in Malaysia.

Effective monitoring is achieved through an on-going programme of review of published financial statements audited by the Institute's members. The objective is to assess whether there are any departures from approved accounting standards, relevant approved auditing standards, listing regulations and statutory financial reporting requirements. Any observations of non-compliance will be communicated to the members responsible to seek clarification.

On occasions where the Committee feels that certain accounting information could be better presented, the Committee's suggestions will also be made to the members

concerned. In cases of significant departures, follow-up reviews are carried out to ensure that these have been rectified.

The thrust of the review process is to assist members maintain high standards in the performance of their work. However, in instances where significant shortcomings are discovered, a complaint may be made to the Investigation Committee.

The Committee is pleased to report that members are supportive of the objective of the review process as indicated by the positive response to matters raised by the Committee.



+ investigation and disciplinary

During the year under the review, the Investigation Committee considered ten cases of complaints, two of which were brought forward from the previous year. The Committee has completed the inquiry into eight of the cases, of which one of the cases was dismissed as it was determined that a prima facie case had not been made against the member and in the other seven cases, the Committee has made an order against the members concerned by consent that the members be reprimanded and fined. The remaining cases were under still consideration at the time of this report.

The Disciplinary Committee considered three cases of complaint, one of which was brought forward from the previous year. The cases of complaint were still under consideration.

+ international relations

Operating in a global environment, it is crucial that the Institute maintains active relationships with the international accounting organisations and fellow professional bodies around the world. It is also important that the Institute keep abreast of significant international development in accounting, auditing, education and other professional standards.

The Institute continues to contribute and support the work of IFAC. We have actively promulgated convergence with international auditing standards issued by the International Auditing and Assurance Standards Board (IAASB) of IFAC. The Institute continued to review and provide feedback on exposure drafts and discussion documents issued by the IAASB of IFAC.

During the year, the Institute visited the Institute of Chartered Accountants in Australia. The visit provides an opportunity for the exchange of information on the latest developments in the profession and sharing of information on the conduct of examination.

The delegations from The Accountant and Appraiser Supervisory Center of the Ministry of Finance, Republic of Indonesia has visited the Institute during the year. The visit provides an opportunity for the Institute to share with the delegations the Institute's processes in regulating and monitoring members.

During the year, representatives from The World Bank has also visited the Institute. The Institute has shared with the representatives the Institute's roles and responsibility in the

Malaysia's accounting and auditing professions to facilitate them in the preparation of the Report on the Observance of Standards and Codes (ROSC) for Malaysia that focuses on accounting and auditing.

The Institute has also received a number of visitors from professional bodies. These include the President of the Institute of Chartered Accountants in Australia, the President of The Institute of Chartered Accountants in England and Wales, and the delegations from the Institute of Cost & Works Accountants of India.

In September 2011, the Executive Director of the Institute was nominated by the Ministry of International Trade and Industry Malaysia (MITI) to participate in the Asia-Pacific Economic Cooperation (APEC) Accounting Services Initiative Workshop in San Francisco. The Workshop was held with the aim of drafting a non-binding guidelines for the regulation of foreign accountancy professionals.

The Institute maintains on-going professional relationships with fellow professional bodies around the world to keep abreast of significant national developments in the profession and to share and exchange technical resources.

+ registered students

There has been an increase in student enrolment during the year. A total of 159 new students were admitted showing a significant increase of 65% compared to the previous year. The new intake comprised predominantly accounting graduates from local universities and Australian universities. After taking into account 90 students who were excluded from the register of students for non-payment of annual fees, 29 students who terminated their registration and 25 students who were admitted as members or provisional members, the total number of students stood at 510 on December 31, 2011.

It was reported last year that the Institute has introduced Students Sponsorship Programme (MICPA-SSP) in February 2011. MICPA-SSP has attracted an encouraging number of final year accountancy students from local universities with good academic records to enroll in the revised MICPA programme. This was evidenced from the new student intake whereby 55% of the new recruits were students in the final year of the Bachelor of Accountancy degree.

+ training schemes

The Institute provides for the two streams of training.

Stream I is the traditional route of training where a student works in the office of a CPA in public practice under a training contract, and sits for the CPA examination at the same time. This stream of training is targeted at students who plan to build a career in public accounting practice.

Stream II is designed for students who wish to seek a career in commerce, industry or public sector. The students are not required to enter into a training contract but must maintain a training log book as a record of their practical experience, which must be obtained in an approved training organisation (ATO) under the supervision of a member of the Institute or one of the

professional bodies approved by the Institute. The students may undertake the CPA examination prior to the commencement of practical training or during the training period.

The Institute also provides for a special stream of registration for students in the final year programme of an approved degree in accountancy who wish to enroll for the Taxation module and the Financial Accounting and Reporting module in the Advanced Stage Examination.

As at December 31, 2011, a total of 275 students were registered under Stream I, 33 students under Stream II and 202 students under Special Stream II. There are over 480 firms and 78 ATOs providing CPA training under Stream I and Stream II respectively.

+ examination

A total of 403 examinations entries were received from registered students for the examinations conducted in 2011 compared to 304 entries in 2010, registering an increase of 32.6%.

There were no entries received for the Professional Stage Examination, which had revised its syllabus from 2 modules consisting of 3 papers each (Module A and Module B) to 4 modules of a single paper in the first half of 2011. Students under the transitional arrangements were given exemptions on subject to subject basis.

The number of examination entries received for the various modules under the revised MICPA programme had recorded an increase in all the modules. A total of 40 examination entries were received for the Ethics and Business Application module after the first batch of students who had registered for

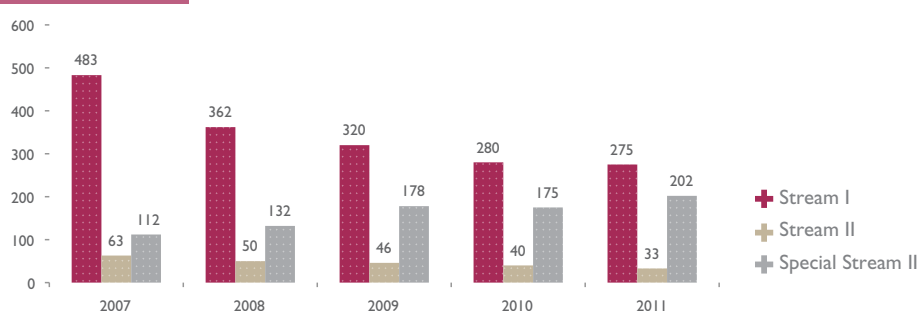
the revised MICPA programme completed the final module in the first term of 2011 examination.

For the year under review, 84 students completed the Advanced Stage Examination, 44 under the existing MICPA programme while another 40 under the revised MICPA programme. The students' performance in the revised MICPA programme had achieved a pass rate of between 60% to 80% for the five modules. Three entries were received for the Admitting Examination for the purpose of gaining admission to membership under bye-law 34(1)(f).

students' statistics

| | 2011 | 2010 |
|---|-----------|-------------|
| Number of registered students at January 1 | 495 | 544 |
| Registration during the year | 159 | 93 |
| Less: | | |
| Admitted to membership/provisional membership, excluded or terminated | 144 | 142 |
| Number of registered students at December 31 | 510 | 495 |
| NET INCREASE / (DECREASE) | 15 | (49) |

number of students



students' registration statistics

| QUALIFICATION | AS AT DECEMBER 31, 2011 | | | | TOTAL AS AT 31-DEC-2010 |
|---|-------------------------|-----------|-------------------|------------|-------------------------|
| | STREAM I | STREAM II | SPECIAL STREAM II | TOTAL | |
| Diploma in Accountancy | 0 | 2 | 0 | 2 | 2 |
| Accounting Degrees (Local) | 83 | 21 | 202 | 306 | 249 |
| Accounting Degrees (Overseas) | 89 | 8 | 0 | 97 | 82 |
| Sub-total | 172 | 31 | 202 | 405 | 333 |
| Completed training contract but not examination | 103 | 2 | 0 | 105 | 162 |
| GRAND TOTAL | 275 | 33 | 202 | 510 | 495 |



+ secretariat

I cannot conclude this statement without acknowledging and commending the Secretariat team as they play a vital role in the delivery of services to members and students. On behalf of the Council, I wish to express my sincere appreciation to the Institute's Executive Director, Mr Foo Yoke Pin for his unceasing efforts in displaying a high sense of responsibility and commitment in executing the various duties entrusted to him.

The Secretariat team has worked hard to carry out the various policies and decisions made by the Council and to respond to the requirements of members. It has been a year of significant progress and they have demonstrated dedication and commitment in their work to position the Institute.

+ acknowledgement

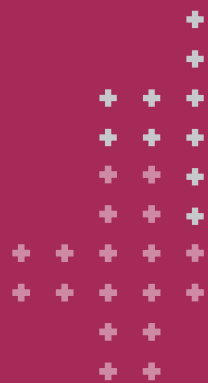
It has been a privilege to serve the Institute as President and it has given me the opportunity to work alongside dedicated and exceptional people, meet members and discuss current issues affecting the profession.

Allow me to record my appreciation to all the members and other volunteers who have contributed unstintingly in a voluntary capacity on the various committees and working groups of the Institute or in less formal ways. The Institute has benefitted enormously from your input of advice and ideas on professional issues.

To my colleagues on the Council, I express my deep gratitude for their support and encouragement and in particular I would like to thank the Vice-President, Mr Ken Pushpanathan for sharing my presidential duties and representing me on various occasions.

At this juncture, on behalf of the Council, I would also like to express our sincere gratitude and appreciation to Mr See Huey Beng, Mr Seow Yoo Lin, Mr Lim Tian Huat and Ms Loo Mi Li who resigned from the Council for their undivided support to the profession and the Institute - they have contributed in many areas to the Institute's technical work and our good wishes are with them.

It is this spirit of teamwork and solidarity within the membership and partnerships that has enabled the Institute to forge ahead as a progressive and dynamic professional body. The year ahead will bring with it fresh challenges and opportunities and the consolidated support and commitment of members is vital to the continued development of the Institute and the accountancy profession.



TECHNICAL PRONOUNCEMENTS MAY 2012

A Approved Accounting Standards and Guidelines

Statement of Approved Accounting Standards (issued 1988)

(a) MASB Approved Accounting Standards for Entities Other than Private Entities

| | Framework Superseded | MASB Operational Date |
|---|---|-----------------------------|
| Foreword to MASB Standards and Other Technical Pronouncements (Revised) | | Jul. 1, 1999 |
| The Conceptual Framework for Financial Reporting | Framework for the Preparation and Presentation of Financial Statements | Nov. 19, 2011 |
| Framework for the Preparation and Presentation of Financial Statements | | Jul. 1, 2007 |

(i) Malaysian Financial Reporting Standards (MFRS) Framework

*Malaysian Financial Reporting Standards (MFRSs)**

| | Extant Accounting Standards Superseded | MASB Operational Date |
|--------|--|-----------------------------|
| MFRS 1 | First-time Adoption of Malaysian Financial Reporting Standards | Jan. 1, 2012 |
| | Government Loans (Amendments to MFRS 1) | Jan. 1, 2013 |
| MFRS 2 | Share-based Payment | Jan. 1, 2012 |
| MFRS 3 | Business Combinations | Jan. 1, 2012 |
| MFRS 4 | Insurance Contracts | Jan. 1, 2012 |
| MFRS 5 | Non-current Assets Held for Sale and Discontinued Operations | Jan. 1, 2012 |
| MFRS 6 | Exploration for and Evaluation of Mineral Resources | Jan. 1, 2012 |
| MFRS 7 | Financial Instruments: Disclosures | Jan. 1, 2012 |
| | <i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i> (Amendments to MFRS 9 (IFRS 9 issued by IASB in Nov. 2009), MFRS 9 (IFRS 9 issued by IASB in Oct. 2010) and MFRS 7) | Mar. 1, 2012 |
| | <i>Disclosures – Offsetting Financial Assets and Financial Liabilities</i> (Amendments to MFRS 7) | Jan. 1, 2013 |
| MFRS 8 | Operating Segments | Jan. 1, 2012 |
| MFRS 9 | Financial Instruments (IFRS 9 issued by IASB in Nov. 2009) | Jan. 1, 2015 |
| | Financial Instruments (IFRS 9 issued by IASB in Oct. 2010) | IC Int. 9 Jan. 1, 2015 |
| | <i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i> (Amendments to MFRS 9 (IFRS 9 issued by IASB in Nov. 2009), MFRS 9 (IFRS 9 issued by IASB in Oct. 2010) and MFRS 7) | Mar. 1, 2012 |



| | | Extant Accounting Standards Superseded | MASB Operational Date |
|----------|---|---|--------------------------------------|
| MFRS 10 | Consolidated Financial Statements | MFRS 127 | Jan. 1, 2013 |
| MFRS 11 | Joint Arrangements | MFRS 131 & IC Int. 112 | Jan. 1, 2013 |
| MFRS 12 | Disclosure of Interests in Other Entities | IC Int. 112 | Jan. 1, 2013 |
| MFRS 13 | Fair Value Measurement | | Jan. 1, 2013 |
| MFRS 101 | Presentation of Financial Statements | | Jan. 1, 2012 |
| | <i>Presentation of Items of Other Comprehensive Income</i> (Amendments to MFRS 101) | | Jul. 1, 2012 |
| MFRS 102 | Inventories | | Jan. 1, 2012 |
| MFRS 107 | Statement of Cash Flows | | Jan. 1, 2012 |
| MFRS 108 | Accounting Policies, Changes in Accounting Estimates and Errors | | Jan. 1, 2012 |
| MFRS 110 | Events After the Reporting Period | | Jan. 1, 2012 |
| MFRS 111 | Construction Contracts | | Jan. 1, 2012 |
| MFRS 112 | Income Taxes | | Jan. 1, 2012 |
| MFRS 116 | Property, Plant and Equipment | | Jan. 1, 2012 |
| MFRS 117 | Leases | | Jan. 1, 2012 |
| MFRS 118 | Revenue | | Jan. 1, 2012 |
| MFRS 119 | Employee Benefits [will be superseded by MFRS 119, <i>Employee Benefits</i> (IAS 19 as amended by IASB in June 2011), with effect from Jan. 1, 2013] | | Jan. 1, 2012 |
| | Employee Benefits (IAS 19 as amended by IASB in Jun. 2011) | MFRS 119 | Jan. 1, 2013 |
| MFRS 120 | Accounting for Government Grants and Disclosure of Government Assistance | | Jan. 1, 2012 |
| MFRS 121 | The Effects of Changes in Foreign Exchange Rates | | Jan. 1, 2012 |
| MFRS 123 | Borrowing Costs | | Jan. 1, 2012 |
| MFRS 124 | Related Party Disclosures | | Jan. 1, 2012 |
| MFRS 126 | Accounting and Reporting by Retirement Benefit Plans | | Jan. 1, 2012 |
| MFRS 127 | Consolidated and Separate Financial Statements [will be superseded by MFRS 127, <i>Separate Financial Statements</i> (IAS 27 as amended by IASB in May 2011), and MFRS 10, <i>Consolidated Financial Statements</i> , with effect from Jan. 1, 2013] | | Jan. 1, 2012 |
| | Separate Financial Statements (IAS 27 as amended by IASB in May 2011) | MFRS 127 | Jan. 1, 2013 |
| MFRS 128 | Investments in Associates [will be superseded by MFRS 128, <i>Investments in Associates and Joint Ventures</i> (IAS 28 as amended by IASB in May 2011), with effect from Jan. 1, 2013] | | Jan. 1, 2012 |
| | Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011) | MFRS 128 | Jan. 1, 2013 |
| MFRS 129 | Financial Reporting in Hyperinflationary Economies | | Jan. 1, 2012 |

| | Extant Accounting Standards Superseded | MASB Operational Date |
|----------|--|--------------------------------------|
| MFRS 131 | Interests in Joint Ventures [will be superseded by MFRS 11, <i>Joint Arrangements</i> , with effect from Jan. 1, 2013] | Jan. 1, 2012 |
| MFRS 132 | Financial Instruments: Presentation | Jan. 1, 2012 |
| | <i>Offsetting Financial Assets and Financial Liabilities</i> (Amendments to MFRS 132) | Jan. 1, 2014 |
| MFRS 133 | Earnings Per Share | Jan. 1, 2012 |
| MFRS 134 | Interim Financial Reporting | Jan. 1, 2012 |
| MFRS 136 | Impairment of Assets | Jan. 1, 2012 |
| MFRS 137 | Provisions, Contingent Liabilities and Contingent Assets | Jan. 1, 2012 |
| MFRS 138 | Intangible Assets | Jan. 1, 2012 |
| MFRS 139 | Financial Instruments: Recognition and Measurement | Jan. 1, 2012 |
| MFRS 140 | Investment Property | Jan. 1, 2012 |
| MFRS 141 | Agriculture | Jan. 1, 2012 |
| | Improvements to MFRSs (Improvements to IFRSs issued by IASB in May 2008) | |
| | Improvements to MFRSs (improvements to IFRSs issued by IASB in Apr. 2009) | |
| | Improvements to MFRSs (Improvements to IFRSs issued by IASB in May 2010) | |
| | Glossary of terms | |



IC Interpretations**

MASB Operational Date

Preface to IC Interpretations

| | | |
|-----------------------|--|--------------|
| IC Interpretation 1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities | Jan. 1, 2012 |
| IC Interpretation 2 | Members' Shares in Co-operative Entities and Similar Instruments | Jan. 1, 2012 |
| IC Interpretation 4 | Determining whether an Arrangement contains a Lease | Jan. 1, 2012 |
| IC Interpretation 5 | Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds | Jan. 1, 2012 |
| IC Interpretation 6 | Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment | Jan. 1, 2012 |
| IC Interpretation 7 | Applying the Restatement Approach under MFRS 129, <i>Financial Reporting in Hyperinflationary Economies</i> | Jan. 1, 2012 |
| IC Interpretation 9 | Reassessment of Embedded Derivatives [will be superseded by MFRS 9, <i>Financial Instruments</i> (IFRS 9 issued by IASB in Oct. 2010), with effect from Jan. 1, 2013] | Jan. 1, 2012 |
| IC Interpretation 10 | Interim Financial Reporting and Impairment | Jan. 1, 2012 |
| IC Interpretation 12 | Service Concession Arrangements | Jan. 1, 2012 |
| IC Interpretation 13 | Customer Loyalty Programmes | Jan. 1, 2012 |
| IC Interpretation 14 | FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction | Jan. 1, 2012 |
| IC Interpretation 15 | Agreements for the Construction of Real Estate | Jan. 1, 2012 |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation | Jan. 1, 2012 |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners | Jan. 1, 2012 |
| IC Interpretation 18 | Transfers of Assets from Customers | Jan. 1, 2012 |
| IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments | Jan. 1, 2012 |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | Jan. 1, 2013 |
| IC Interpretation 107 | Introduction of the Euro | Jan. 1, 2012 |
| IC Interpretation 110 | Government Assistance – No Specific Relation to Operating Activities | Jan. 1, 2012 |
| IC Interpretation 112 | Consolidation – Special Purpose Entities [will be superseded by MFRS 12, <i>Disclosure of Interests in Other Entities</i> , with effect from Jan. 1, 2013] | Jan. 1, 2012 |
| IC Interpretation 113 | Jointly Controlled Entities – Non-Monetary Contributions by Venturers [will be superseded by MFRS 11, <i>Joint Arrangements</i> , with effect from Jan. 1, 2013] | Jan. 1, 2012 |
| IC Interpretation 115 | Operating Leases – Incentives | Jan. 1, 2012 |
| IC Interpretation 125 | Income Taxes – Changes in the Tax Status of an Entity or its Shareholders | Jan. 1, 2012 |
| IC Interpretation 127 | Evaluating the Substance of Transactions Involving the Legal Form of a Lease | Jan. 1, 2012 |
| IC Interpretation 129 | Service Concession Arrangements: Disclosures | Jan. 1, 2012 |
| IC Interpretation 131 | Revenue – Barter Transactions Involving Advertising Services | Jan. 1, 2012 |
| IC Interpretation 132 | Intangible Assets – Web Site Costs | Jan. 1, 2012 |

(ii) Financial Reporting Standards (FRS) Framework

Financial Reporting Standards*

| | | Extant Accounting Standards Superseded | MASB Operational Date |
|-------|---|---|--------------------------------------|
| FRS 1 | First-time Adoption of Financial Reporting Standards | FRS 1 _(issued 2006) | Jul. 1, 2010 |
| | <i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i> (Amendments to FRS 1) | | Jan. 1, 2011 |
| | <i>Additional Exemptions for First-time Adopters</i> (Amendments to FRS 1) | | Jan. 1, 2011 |
| | Amendments to FRS 1 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| | <i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> (Amendments to FRS 1) | | Jan. 1, 2012 |
| | <i>Government Loans</i> (Amendments to FRS 1) | | Jan. 1, 2013 |
| FRS 2 | Share-based Payment | | Jan. 1, 2006 |
| | Amendments to FRS 2, <i>Share-based Payment – Vesting Conditions and Cancellations</i> | | Jan. 1, 2010 |
| | Amendments to FRS 2 | | Jul. 1, 2010 |
| | <i>Group Cash-settled Share-based Payment Transactions</i> (Amendments to FRS 2) | IC Int. 8 & IC Int. 11 | Jan. 1, 2011 |
| FRS 3 | Business Combinations | FRS 3 _(issued 2005) | Jul. 1, 2010 |
| | Amendments to FRS 3 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| FRS 4 | Insurance Contracts | FRS 202 ₂₀₀₄ & FRS 203 ₂₀₀₄ | Jan. 1, 2010 |
| FRS 5 | Non-current Assets Held for Sale and Discontinued Operations | FRS 135 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 5 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Amendments to FRS 5 | | Jul. 1, 2010 |
| FRS 6 | Exploration for and Evaluation of Mineral Resources | | Jan. 1, 2007 |
| FRS 7 | Financial Instruments: Disclosures | | Jan. 1, 2010 |
| | Amendments to FRS 7, <i>Financial Instruments: Disclosures</i> | | Jan. 1, 2010 |
| | <i>Improving Disclosures about Financial Instruments</i> (Amendments to FRS 7) | | Jan. 1, 2011 |
| | Amendments to FRS 7 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| | <i>Disclosures – Transfers of Financial Assets</i> (Amendments to FRS 7) | | Jan. 1, 2012 |
| | <i>Mandatory Effective Date of FRS 9 and Transition Disclosures</i> (Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in October 2010) and FRS 7) | | Mar. 1, 2012 |
| | <i>Disclosures – Offsetting Financial Assets and Financial Liabilities</i> (Amendments to FRS 7) | | Jan. 1, 2013 |
| FRS 8 | Operating Segments | FRS 114 ₂₀₀₄ | Jul. 1, 2009 |
| | Amendment to FRS 8 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |



| | | Extant Accounting Standards Superseded | MASB Operational Date |
|--------------------|--|---|-----------------------------|
| FRS 9 | Financial Instruments (IFRS 9 issued by IASB in Nov. 2009) | | Jan. 1, 2015 |
| (IFRS 9 (2009)) | <i>Mandatory Effective Date of FRS 9 and Transition Disclosures</i> (Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in Oct. 2010) and FRS 7) | | Mar. 1, 2012 |
| FRS 9 | Financial Instruments (IFRS 9 issued by IASB in Oct. 2010) | FRS 9 | Jan. 1, 2015 |
| (IFRS 9 (2010)) | | (IFRS 9 (2009)) & IC Int. 9 | |
| | <i>Mandatory Effective Date of FRS 9 and Transition Disclosures</i> (Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in Oct. 2010) and FRS 7) | | Mar. 1, 2012 |
| FRS 10 | Consolidated Financial Statements | IC Int. 112 | Jan. 1, 2013 |
| FRS 11 | Joint Arrangements | FRS 131 & IC Int. 113 | Jan. 1, 2013 |
| FRS 12 | Disclosure of Interests in Other Entities | | Jan. 1, 2013 |
| FRS 13 | Fair Value Measurement | | Jan. 1, 2013 |
| FRS 101 | Presentation of Financial Statements | FRS 101 _(revised 2005) | Jan. 1, 2010 |
| | Amendments to FRS 101 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| | <i>Presentation of Items of Other Comprehensive Income</i> (Amendments to FRS 101) | | Jul. 1, 2012 |
| FRS 102 | Inventories | FRS 102 ₂₀₀₄ | Jan. 1, 2006 |
| FRS 107 | Statement of Cash Flows | FRS 107 ₂₀₀₄ | Jul. 1, 2007 |
| | Amendments to FRS 107 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 108 | Accounting Policies, Changes in Accounting Estimates and Errors | FRS 108 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 108 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 110 | Events After the Reporting Period | FRS 110 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 110 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 111 | Construction Contracts | FRS 111 ₂₀₀₄ | Jul. 1, 2007 |
| FRS 112 | Income Taxes | FRS 112 ₂₀₀₄ | Jul. 1, 2007 |
| | <i>Deferred Tax: Recovery of Underlying Assets</i> (Amendments to FRS 112) | IC Int. 121 | Jan. 1, 2012 |
| FRS 116 | Property, Plant and Equipment | FRS 116 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 116 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 117 | Leases | FRS 117 ₂₀₀₄ | Oct. 1, 2006 |
| | Amendment to FRS 117 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 118 | Revenue | FRS 118 ₂₀₀₄ | Jul. 1, 2007 |
| | Amendment to FRS 118 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 119 | Employee Benefits | FRS 119 ₂₀₀₄ | Jan. 1, 2003 |
| | Amendment to FRS 119 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 119 (2011) | Employee Benefits | FRS 119 | Jan. 1, 2013 |

| | | Extant Accounting Standards Superseded | MASB Operational Date |
|----------------|--|---|--------------------------------------|
| FRS 120 | Accounting for Government Grants and Disclosure of Government Assistance | FRS 120 ₂₀₀₄ | Jul. 1, 2007 |
| | Amendment to FRS 120 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 121 | The Effects of Changes in Foreign Exchange Rates | FRS 121 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to Financial Reporting Standard FRS 121, <i>The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation</i> | | Jul. 1, 2007 |
| | Amendments to FRS 121 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| FRS 123 | Borrowing Costs | FRS 123 ₂₀₀₄ | Jan. 1, 2010 |
| | Amendment to FRS 123 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 124 | Related Party Disclosures [will be superseded by FRS 124, <i>Related Party Disclosures</i> (issued in Nov. 2010) with effect from Jan. 1, 2012] | FRS 124 ₂₀₀₄ | Oct. 1, 2006 |
| | Related Party Disclosures | | FRS 124 _(revised 2005) |
| FRS 126 | Accounting and Reporting by Retirement Benefit Plans | FRS 126 ₂₀₀₄ | Jan. 1, 2003 |
| FRS 127 | Consolidated and Separate Financial Statements | FRS 127 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> , and FRS 127, <i>Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> | | Jan. 1, 2010 |
| | Amendment to FRS 127 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Consolidated and Separate Financial Statements [will be superseded by FRS 127, <i>Separate Financial Statements</i> , with effect from Jan. 1, 2013] | | FRS 127 _(revised 2005) |
| FRS 127 (2011) | Separate Financial Statements | FRS 127 & IC Int. 112 | Jan. 1, 2013 |
| FRS 128 | Investments in Associates [will be superseded by FRS 128, <i>Investment in Associates and Joint Ventures</i> , with effect from Jan. 1, 2013] | FRS 128 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 128 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Amendments to FRS 128 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| FRS 128 (2011) | Investment in Associates and Joint Ventures | FRS 128, FRS 131 & IC Int. 113 | Jan. 1, 2013 |
| FRS 129 | Financial Reporting in Hyperinflationary Economies | FRS 129 ₂₀₀₄ | Jan. 1, 2003 |
| | Amendment to FRS 129 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 131 | Interests in Joint Ventures [will be superseded by FRS 11, <i>Joint Arrangements</i> , and FRS 128 (2011), <i>Investments in Associates and Joint Ventures</i> , issued in Nov. 2011, with effect from Jan. 1, 2013] | FRS 131 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 131 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Amendments to FRS 131 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |



| | | Extant Accounting Standards Superseded | MASB Operational Date |
|-------------------------|---|--|--------------------------------------|
| FRS 132 | Financial Instruments: Presentation | FRS 132 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendments to FRS 132 | | Jan. 1, 2010 |
| | Amendments to FRS 132 | | Jan. 1, 2010/ Mar. 1, 2010 |
| | Amendments to FRS 132 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| | <i>Offsetting Financial Assets and Financial Liabilities</i> (Amendments to FRS 132) | | Jan. 1, 2014 |
| FRS 133 | Earnings Per Share | FRS 133 ₂₀₀₄ | Jan. 1, 2006 |
| FRS 134 | Interim Financial Reporting | FRS 134 ₂₀₀₄ | Jul. 1, 2007 |
| | Amendment to FRS 134 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Amendment to FRS 134 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| FRS 136 | Impairment of Assets | FRS 136 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 136 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 137 | Provisions, Contingent Liabilities and Contingent Assets | FRS 137 ₂₀₀₄ | Jul. 1, 2007 |
| FRS 138 | Intangible Assets | FRS 138 ₂₀₀₄ | Jan. 1, 2006 |
| | Amendment to FRS 138 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| | Amendments to FRS 138 | | Jul. 1, 2010 |
| FRS 139 | Financial Instruments: Recognition and Measurement | FRS 139 _(issued 2006) | Jan. 1, 2010 |
| | Amendments to FRS 139 [Improvements to FRSs (2010)] | | Jan. 1, 2011 |
| FRS 140 | Investment Property | IAS 40 & that part of FRS 125 ₂₀₀₄ that deals with investment property | Jan. 1, 2006 |
| | Amendment to FRS 140 [Improvements to FRSs (2009)] | | Jan. 1, 2010 |
| FRS 201 ₂₀₀₄ | Property Development Activities | MAS 7 | Jan. 1, 2004 |
| FRS 204 ₂₀₀₄ | Accounting for Aquaculture | MAS 5 | Sep. 1, 1998 |
| | Glossary of terms | | |

IC Interpretations****MASB
Operational
Date**

Preface

| | | |
|-----------------------|---|--------------|
| IC Interpretation 107 | Introduction of the Euro | Jan. 1, 2006 |
| IC Interpretation 110 | Government Assistance – No Specific Relation to Operating Activities | Jan. 1, 2006 |
| IC Interpretation 112 | Consolidation – Special Purpose Entities [will be superseded by FRS 10, <i>Consolidated Financial Statements</i> , and FRS 127, <i>Separate Financial Statements</i> (issued in November 2011), with effect from Jan. 1, 2013] | Jan. 1, 2006 |
| IC Interpretation 113 | Jointly Controlled Entities – Non Monetary Contributions by Venturers [will be superseded by FRS 11, <i>Joint Arrangements</i> , and FRS 128, <i>Investment in Associates and Joint Ventures</i> (issued in Nov. 2011), with effect from Jan. 1, 2013] | Jan. 1, 2006 |
| IC Interpretation 115 | Operating Leases - Incentives | Jan. 1, 2006 |
| IC Interpretation 121 | Income Taxes – Recovery of Revalued Non-Depreciable Assets [will be superseded by <i>Deferred Tax: Recovery of Underlying Assets</i> (Amendments to FRS 112) issued in Nov. 2011 with effect from Jan. 1, 2013] | Jan. 1, 2006 |
| IC Interpretation 125 | Income Taxes – Changes in the Tax Status of an Entity or its Shareholders | Jan. 1, 2006 |
| IC Interpretation 127 | Evaluating the Substance of Transactions Involving the Legal Form of a Lease | Jan. 1, 2006 |
| IC Interpretation 129 | Disclosure – Service Concession Arrangements | Jan. 1, 2006 |
| IC Interpretation 131 | Revenue – Barter Transactions Involving Advertising Services | Jan. 1, 2006 |
| IC Interpretation 132 | Intangible Assets – Web Site Costs | Jan. 1, 2006 |
| IC Interpretation 201 | Preliminary and Pre-operating Expenditure | Jan. 1, 2001 |
| IC Interpretation 1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities | Jul. 1, 2007 |
| IC Interpretation 2 | Members' Shares in Co-operative Entities and Similar Instruments | Jul. 1, 2007 |
| IC Interpretation 4 | Determining whether an Arrangement contains a Lease | Jan. 1, 2011 |
| IC Interpretation 5 | Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds | Jul. 1, 2007 |
| IC Interpretation 6 | Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment | Jul. 1, 2007 |
| IC Interpretation 7 | Applying the Restatement Approach under FRS 129 ₂₀₀₄ <i>Financial Reporting in Hyperinflationary Economies</i> | Jul. 1, 2007 |
| IC Interpretation 8 | Scope of FRS 2 | Jul. 1, 2007 |
| IC Interpretation 9 | Reassessment of Embedded Derivatives [will be superseded by FRS 9, <i>Financial Instruments</i> (IFRS 9 issued by IASB in October 2010), issued in Nov. 2011 with effect from Jan. 1, 2013] | Jan. 1, 2010 |
| | Amendments to IC Interpretation 9 | Jan. 1, 2010 |
| | Amendments to IC Interpretation 9 | Jul. 1, 2010 |
| IC Interpretation 10 | Interim Financial Reporting and Impairment | Jan. 1, 2010 |
| IC Interpretation 11 | FRS 2 – Group and Treasury Share Transactions | Jan. 1, 2010 |



| | | MASB Operational Date |
|----------------------|--|--------------------------------------|
| IC Interpretation 12 | Service Concession Arrangements | Jul. 1, 2010 |
| IC Interpretation 13 | Customer Loyalty Programmes | Jan. 1, 2010 |
| | Amendments to IC Interpretation 13 [Improvements to FRSs (2010)] | Jan. 1, 2011 |
| IC Interpretation 14 | FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction | Jan. 1, 2010 |
| | <i>Prepayments of a Minimum Funding Requirement</i> (Amendments to IC Interpretation 14) | Jul. 1, 2011 |
| IC Interpretation 15 | Agreements for the Construction of Real Estate | withdrawn (Nov. 2011) |
| | Amendment to IC Interpretation 15 | Aug. 30, 2010 |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation | Jul. 1, 2010 |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners | Jul. 1, 2010 |
| IC Interpretation 18 | Transfers of Assets from Customers | Jan. 1, 2011 |
| IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments | Jul. 1, 2011 |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | Jan. 1, 2013 |

Note:

- * Entities other than private entities that are not subject to the application of MFRS 141, *Agriculture*, and / or IC Interpretation 15, *Agreements for the Construction of Real Estate*, shall apply the MFRS Framework.

Entities other than private entities subject to the application of MFRS 141 and IC Interpretation 15 shall apply the FRS Framework. However, these entities shall comply with the MFRS Framework for annual periods beginning on or after Jan. 1, 2013.

MFRS / FRS xx corresponds to the equivalent IFRS issued by the IASB.

MFRS / FRS with 100 prefix corresponds to the equivalent IAS. Hence, FRS 112 is equivalent to IAS 12.

MFRS / FRS with 200 prefix denotes locally developed standards with no equivalent international standard.

- ** The numbering of the IC Interpretation corresponds to the Interpretation issued by the IFRIC and SIC respectively. For example, IC Interpretation 1 in Malaysia is equivalent to IFRIC Interpretation 1. IC Interpretation with a '100 prefix' corresponds to its equivalent SIC-Interpretation. Thus, IC Interpretation 112 is equivalent to SIC-12. IC Interpretation with a '200 prefix' denotes locally developed interpretation with no equivalent international interpretation. In this regard, the existing Interpretation Bulletin I Preliminary and Pre-operating Expenditure is renamed as IC Interpretation 201.

Hence, IC Interpretation 1 = IFRIC Interpretation 1

IC Interpretation 112 = SIC-12

IC Interpretation 201 = locally developed interpretation



(b) MASB Approved Accounting Standards for Private Entities (PERS)**

| | MASB Original Operational Date |
|---|---|
| Framework for the Preparation and Presentation of Financial Statements | Jul. 1, 2007 |
| MASB 1 Presentation of Financial Statements | Jul. 1, 1999 |
| MASB 2 Inventories | Jul. 1, 1999 |
| MASB 3 Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies | Jul. 1, 1999 |
| MASB 4 Research and Development Costs | Jul. 1, 1999 |
| MASB 5 Cash Flow Statements | Jul. 1, 1999 |
| MASB 6 The Effects of Changes in Foreign Exchange Rates | Jul. 1, 1999 |
| MASB 7 Construction Contracts | Jul. 1, 1999 |
| MASB 9 Revenue | Jan. 1, 2000 |
| MASB 10 Leases | Jan. 1, 2000 |
| MASB 11 Consolidated Financial Statements and Investments in Subsidiaries | Jan. 1, 2000 |
| MASB 12 Investments in Associates | Jan. 1, 2000 |
| MASB 14 Depreciation Accounting | Jul. 1, 2000 |
| MASB 15 Property, Plant and Equipment | Jul. 1, 2000 |
| MASB 16 Financial Reporting of Interests in Joint Ventures | Jul. 1, 2000 |
| MASB 19 Events after the Balance Sheet Date | Jul. 1, 2001 |
| MASB 20 Provisions, Contingent Liabilities and Contingent Assets | Jul. 1, 2001 |
| MASB 23 Impairment of Assets | Jan. 1, 2002 |
| MASB 25 Income Taxes | Jul. 1, 2002 |
| MASB 27 Borrowing Costs | Jul. 1, 2002 |
| MASB 28 Discontinuing Operations | Jan. 1, 2003 |
| MASB 29 Employee Benefits | Jan. 1, 2003 |
| MASB 30 Accounting and Reporting by Retirement Benefit Plans | Jan. 1, 2003 |
| MASB 31 Accounting for Government Grants and Disclosure of Government Assistance | Jan. 1, 2004 |
| MASB 32 Property Development Activities | Jan. 1, 2004 |
| IAS 25 Accounting for Investments | Jan. 1, 1987 |
| IAS 29 Financial Reporting in Hyperinflationary Economies | Jan. 1, 1990 |
| MAS 5 Accounting for Aquaculture | Sep. 1, 1998 |
| IB-1 Preliminary and Pre-operating Expenditure | Jan. 1, 2001 |

*** PERS is a set of accounting standards issued or adopted by MASB for application by all private entities.

A private entity is a private company incorporated under the Companies Act, 1965 that –

- is not itself required to prepare or lodge any financial statements under any law administered by the Securities Commission or Bank Negara Malaysia; and
- is not a subsidiary or associate of, or jointly controlled by, an entity which is required to prepare or lodge any financial statements under any law administered by the Securities Commission or Bank Negara Malaysia.



(c) MASB Technical Releases (TR)

| | | MASB Operational Date |
|--------------------------------|--|--------------------------------------|
| TR 1 (revised) | Share Buybacks – Accounting and Disclosure | Jan. 1, 1999 |
| TR 1 (revised) ₂₀₀₄ | Share Buybacks – Accounting and Disclosure (For FRS) | Jan. 1, 2006 |
| TR 2 | The Year 2000 Issue : Accounting and Disclosure | Jul. 31, 1998 |
| TR 3 | Guidance on Disclosures of Transition to IFRSs | Dec. 31, 2010 |
| TR <i>i</i> -1 | Accounting for Zakat on Business | Jul. 1, 2006 |
| TR <i>i</i> -2 | Ijarah | Jul. 1, 2006 |
| TR <i>i</i> -3 | Presentation of Financial Statements of Islamic Financial Institutions | Jan. 1, 2010 |
| TR <i>i</i> -4 | Shariah Compliant Sale Contracts | Jan. 1, 2011 |

(d) MASB Statement of Principles (SOP)

| | | MASB Issue Date |
|-----------------------|---|--|
| SOP 1 ₂₀₀₄ | Exempt Entities | Jun. 2000 |
| SOP 2 | Interim Financial Reporting | [Superseded by FRS 134 ₂₀₀₄] |
| SOP <i>i</i> -1 | Financial Reporting from an Islamic Perspective | Sep. 2009 |

(e) International Accounting Standards (IAS)

| | | MICPA Operational Date | MASB Operational Date | IASB Operational Date |
|--------|----------------------------|---------------------------------------|--------------------------------------|--------------------------------------|
| IAS 25 | Accounting for Investments | 1993 | 1998 | 1987 |



(f) Malaysian Accounting Standards (MAS)

| (i) Issued | | MICPA Operational Date | MASB Operational Date |
|-------------------|---|--|--------------------------------------|
| MAS 1 | Earnings Per Share (issued Jan. 1984) | [Superseded by FRS 133] | |
| MAS 2 | Accounting for Acquisitions and Mergers (issued Jan. 1989) | [Superseded by FRS 3] | |
| MAS 3 | Accounting for General Insurance Business (issued Jan. 1992) | [Superseded by FRS 202 ₂₀₀₄] | |
| MAS 4 | Accounting for Life Insurance Business (issued Jan. 1992) | [Superseded by FRS 203 ₂₀₀₄] | |
| MAS 5 | Accounting for Aquaculture (issued Jan. 1992) | [Superseded by FRS 204 ₂₀₀₄] | |
| MAS 7 | Accounting for Property Development Activities (issued Jan. 1994) | [Superseded by FRS 201] | |
| MAS 8 | Accounting for Pre-cropping Costs | 1997 | - |

(ii) Exposure Draft

| | | | |
|-------|-------------------------|-----------------------|--|
| MAS 6 | Accounting for Goodwill | [Superseded by FRS 3] | |
|-------|-------------------------|-----------------------|--|

(g) MICPA Technical Bulletins

| | | MICPA Issue Date |
|------|--|---------------------------------|
| TB 1 | Accounting for Investments (issued 1982) | [Superseded by IAS 25] |
| TB 2 | Accounting for Land Held for Development and Resale (issued 1982) | [Superseded by MAS 7] |
| TB 3 | Accounting for Malaysian Government Securities (issued 1983) | withdrawn |
| TB 4 | Reporting in Connection with the Capital Adequacy Ratio of Banks | Apr. 1983 |
| TB 5 | Accounting for the Acquisition Costs of Assets in a Subsidiary (issued 1984) | [Superseded by IAS 27] |
| TB 6 | Auditor's Reports on Financial Statements Published in the Print Media by Financial Institutions | Apr. 1988 |
| TB 7 | Accounting for Bankers' Acceptances | Jan. 1989 |
| TB 8 | Accounting for Profit Guarantees and Other Contingencies in Business Acquisitions | Dec. 1995 |



B Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services

- Statement of Policy of Council – Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (issued Dec. 2007)
- Statement of Policy of Council – Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (issued Apr. 2012)

| | IAG/ISA Superseded | MICPA Issue Date | IFAC Issue Date |
|---|-----------------------|---------------------|--------------------|
| Structure of Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services and Guidelines Issued by the MICPA | – | Sep. 2006 | – |
| Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (Amended) | – | Jun. 2008 | Dec. 2006 |
| Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (Amended) | – | Apr. 2011 | Apr. 2010 |
| Amended Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements | – | Mar. 2012 | Dec. 2011 |
| Glossary of Terms (Dec. 2006) | – | Nov. 2007 | Dec. 2006 |
| Glossary of Terms (Feb. 2009) | – | Apr. 2011 | Apr. 2010 |

(a) Framework

| | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|---|-----------------------|------------------------------|-----------------------------|
| International Framework for Assurance Engagements | ISA 120 | Jan. 2007 | Jan. 2005 |

(b) International Standards on Quality Control (ISQC)

| | IAG/ISA/ISQC Superseded | MICPA Operational Date | IFAC Operational Date |
|--|----------------------------|--|---|
| ISQC 1 (Redrafted) Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements | ISQC 1 | Requirements to be established by Jan. 1, 2010 | Requirements to be established by Dec. 15, 2009 |



(c) International Standards on Auditing (ISA)

| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|---------------------------------------|--|-------------------------------|---------------------------------------|--------------------------------------|
| ISA 100 | Assurance Engagements | – | withdrawn (Jan. 2007) | withdrawn (Dec. 2004) |
| ISA 120 | Framework of International Standards on Auditing | – | withdrawn (Jan. 2007) | withdrawn (Dec. 2004) |
| ISA 200 (Revised and Redrafted) | Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing | ISA 200 | Jan. 2010 | Dec. 2009 |
| ISA 210 (Redrafted) | Agreeing the Terms of Audit Engagements | ISA 210 | Jan. 2010 | Dec. 2009 |
| ISA 220 (Redrafted) | Quality Control for an Audit of Financial Statements | ISA 220 (Revised) | Jan. 2010 | Dec. 2009 |
| ISA 230 (Redrafted) | Audit Documentation | ISA 230 (Revised) | Jan. 2010 | Dec. 2009 |
| ISA 240 (Redrafted) | The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements | ISA 240 (Revised) | Jan. 2010 | Dec. 2008 |
| ISA 250 (Redrafted) | Consideration of Laws and Regulations in an Audit of Financial Statements | ISA 250 | Jan. 2010 | Dec. 2009 |
| ISA 260 (Revised and Redrafted) | Communication with Those Charged with Governance | ISA 260 | Jan. 2010 | Dec. 2009 |
| ISA 265 | Communicating Deficiencies in Internal Control to Those Charged with Governance and Management | – | Jan. 2010 | Dec. 2009 |
| ISA 300 (Redrafted) | Planning an Audit of Financial Statements | ISA 300 (Revised) | Jan. 2010 | Dec. 2008 |
| ISA 310 | Knowledge of the Business | ISA 30 | withdrawn (Jan. 2006) | withdrawn (Dec. 2004) |
| ISA 315 (Redrafted) | Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment | ISA 315 | Jan. 2010 | Dec. 2008 |
| ISA 320 (Revised and Redrafted) | Materiality in Planning and Performing an Audit | ISA 320 | Jan. 2010 | Dec. 2009 |
| ISA 330 (Redrafted) | The Auditor's Responses to Assessed Risks | ISA 330 | Jan. 2010 | Dec. 2008 |
| ISA 402 (Revised and Redrafted) | Audit Considerations Relating to an Entity Using a Service Organisation | ISA 402 | Jan. 2010 | Dec. 2009 |
| ISA 450 (Revised and Redrafted) | Evaluation of Misstatements Identified During the Audit | – | Jan. 2010 | Dec. 2009 |
| ISA 500 (Redrafted) | Audit Evidence | ISA 500 | Jan. 2010 | Dec. 2009 |



| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|------------------------------------|--|-------------------------------|---------------------------------------|--------------------------------------|
| ISA 501 (Redrafted) | Audit Evidence – Specific Considerations for Selected Items | ISA 501 | Jan. 2010 | Dec. 2009 |
| ISA 505 (Revised and Redrafted) | External Confirmations | ISA 505 | Jan. 2010 | Dec. 2009 |
| ISA 510 (Redrafted) | Initial Audit Engagements – Opening Balances | ISA 510 | Jan. 2010 | Dec. 2009 |
| ISA 520 (Redrafted) | Analytical Procedures | ISA 520 | Jan. 2010 | Dec. 2009 |
| ISA 530 (Redrafted) | Audit Sampling | ISA 530 | Jan. 2010 | Dec. 2009 |
| ISA 540 (Revised and Redrafted) | Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures | ISA 540 & ISA 545 | Jan. 2010 | Dec. 2009 |
| ISA 550 (Revised and Redrafted) | Related Parties | ISA 550 | Jan. 2010 | Dec. 2009 |
| ISA 560 (Redrafted) | Subsequent Events | ISA 560 | Jan. 2010 | Dec. 2009 |
| ISA 570 (Redrafted) | Going Concern | ISA 570 | Jan. 2010 | Dec. 2009 |
| ISA 580 (Revised and Redrafted) | Written Representations | ISA 580 | Jan. 2010 | Dec. 2009 |
| ISA 600 (Revised and Redrafted) | Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors) | ISA 600 | Jan. 2010 | Dec. 2009 |
| ISA 610 (Redrafted) | Using the Work of Internal Auditors | ISA 610 | Jan. 2010 | Dec. 2009 |
| ISA 620 (Revised and Redrafted) | Using the Work of an Auditor’s Expert | ISA 620 | Jan. 2010 | Dec. 2009 |
| ISA 700 (Redrafted) | Forming an Opinion and Reporting on Financial Statements | ISA 700 (Revised) | Jan. 2010 | Dec. 2009 |
| ISA 705 (Revised and Redrafted) | Modifications to the Opinion in the Independent Auditor’s Report | ISA 701 | Jan. 2010 | Dec. 2009 |
| ISA 706 (Revised and Redrafted) | Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report | ISA 701 | Jan. 2010 | Dec. 2009 |
| ISA 710 (Redrafted) | Comparative Information – Corresponding Figures and Comparative Financial Statements | ISA 710 | Jan. 2010 | Dec. 2009 |
| ISA 720 (Redrafted) | The Auditor’s Responsibility in Relation to Other Information in Documents Containing Audited Financial Statements | ISA 720 | Jan. 2010 | Dec. 2009 |

| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|---------------------------------------|--|-------------------------------|---------------------------------------|--------------------------------------|
| ISA 800 (Revised and Redrafted) | Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks | ISA 800 | Jan. 2010 | Dec. 2009 |
| ISA 805 (Revised and Redrafted) | Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement | – | Jan. 2010 | Dec. 2009 |
| ISA 810 (Revised and Redrafted) | Engagements to Report on Summary Financial Statements | – | Jan. 2010 | Dec. 2009 |

(d) International Auditing Practice Notes (IAPN)

| | | MICPA Issue Date | IFAC Issue Date |
|-----------|--|-----------------------------|----------------------------|
| IAPN 1000 | Special Considerations in Auditing Financial Instruments | Mar. 2012 | Dec. 2011 |

(e) International Auditing Practice Statements (IAPS)

| | | MICPA Issue Date | IFAC Issue Date |
|-----------|--|-----------------------------|----------------------------|
| IAPS 1000 | Inter-Bank Confirmation Procedures | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |
| IAPS 1001 | IT Environments – Stand-Alone Personal Computers | withdrawn (Oct. 2007) | withdrawn (Dec. 2004) |
| IAPS 1002 | IT Environments – On-Line Computer Systems | withdrawn (Oct. 2007) | withdrawn (Dec. 2004) |
| IAPS 1003 | IT Environments – Database Systems | withdrawn (Oct. 2007) | withdrawn (Dec. 2004) |
| IAPS 1004 | The Relationship between Banking Supervisors and Banks' External Auditors | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |
| IAPS 1005 | The Special Considerations in the Audit of Small Entities | withdrawn (Jan. 2010) | withdrawn (Jan. 2010) |
| IAPS 1006 | Audits of the Financial Statements of Banks | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |
| IAPS 1007 | Communications with Management | withdrawn (Jan. 2006) | withdrawn (Jun. 2001) |
| IAPS 1008 | Risk Assessments and Internal Control | withdrawn (Jan. 2006) | withdrawn (Dec. 2004) |
| IAPS 1009 | Computer-Assisted Audit Techniques | withdrawn (Oct. 2007) | withdrawn (Dec. 2004) |
| IAPS 1010 | The Consideration of Environmental Matters in the Audit of Financial Statements | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |



| | | MICPA Issue Date | IFAC Issue Date |
|-----------|--|-----------------------------|----------------------------|
| IAPS 1011 | Implications for Management and Auditors of the Year 2000 Issue | withdrawn (Jan. 2006) | withdrawn (Jun. 2001) |
| IAPS 1012 | Auditing Derivative Financial Instruments | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |
| IAPS 1013 | Electronic Commerce – Effect on the Audit of Financial Statements | withdrawn (Mar. 2012) | withdrawn (Dec. 2011) |
| IAPS 1014 | Reporting by Auditors on Compliance with International Financial Reporting Standards | withdrawn (Jan. 2010) | withdrawn (Jan. 2010) |

(f) International Standards on Review Engagements (ISRE)

| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|-----------|---|-------------------------------|---------------------------------------|--------------------------------------|
| ISRE 2400 | Engagements to Review Financial Statements (Previously ISA 910) | IAG/ RS 1 & 2 | Jul. 2007 | Dec. 2006 |
| ISRE 2410 | Review of Interim Financial Information Performed by the Independent Auditor of the Entity | – | Jul. 2007 | Dec. 2006 |

(g) International Standards on Assurance Engagements (ISAE)

| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|------------------------|--|-------------------------------|---------------------------------------|--------------------------------------|
| ISAE 3000 (Revised) | Assurance Engagements Other than Audits or Reviews of Historical Financial Information | ISA 100 | Jan. 2007 | Jan. 2005 |
| ISAE 3400 | The Examination of Prospective Financial Information (Previously ISA810) | IAG 27 | Jan. 2000 | Jul. 1994 |
| ISAE 3402 | Assurance Reports on Controls at a Service Organisation | – | Jun. 2011 | Jun. 2011 |
| ISAE 3420 | Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus | – | Mar. 2013 | Mar. 2013 |

(h) International Standards on Related Services (ISRS)

| | | IAG/ISA Superseded | MICPA Operational Date | IFAC Operational Date |
|-----------|---|-------------------------------|---------------------------------------|--------------------------------------|
| ISRS 4400 | Engagements to Perform Agreed-upon Procedures Regarding Financial Information (Previously ISA 920) | IAG/RS 3 | Jan. 2000 | Jul. 1994 |
| ISRS 4410 | Engagements to Compile Financial Information (Previously ISA 930) | IAG/RS 4 | Jan. 2000 | Jul. 1994 |

(i) Malaysian Auditing Guidelines (MAG)

| | | MICPA Issue Date |
|-------|---|-----------------------------|
| MAG 1 | Auditor's Reports: Forms and Qualifications (Issued 1988) | [Superseded by ISA 700] |

(j) MICPA Auditing Technical Releases (ATR)

| | | ATR Superseded | MICPA Issue Date |
|-----------------|---|---------------------------|---------------------------------|
| ATR 1 | Audit Report Examples (issued Apr. 1988) | | [Superseded by ISA 700] |
| ATR 2 | Standard Letter of Request for Information from Banks / Finance Companies for Audit Purposes | | May 1990 |
| ATR 3 | Accountants' Report for Prospectus (issued Jan. 1989) | | [Superseded by ISA 810] |
| ATR 4 | Reporting in Connection with Submission of Proposals to Capital Issues Committee (issued May 1990) | | [Superseded by ISA 810] |
| ATR 5 | Guidance for Auditors on the Review of Directors' Statement on Internal Control (Revised Dec. 2007) | | Mar. 2002 |
| ATR 6 | Unit Trust Funds – Distribution Equalisation | | Jun. 2008 |
| ATR 7 | Examples of Auditor's Reports (issued Jun. 2008) | | [Superseded by ATR 7 (Revised)] |
| ATR 7 (Revised) | Examples of Independent Auditor's Reports | ATR 7 | Aug. 2011 |
| ATR 8 | Pro forma Letter of Engagement – Statutory Audit for Single Entity and Group (issued Mar. 2009) | | [Superseded by ATR 8 (Revised)] |
| ATR 8 (Revised) | Illustrative Letter of Engagement – Statutory Audit for Single Entity and Group | ATR 8 | Mar. 2012 |
| ATR 9 | Sample Auditor's Report in Bahasa Malaysia | | Mar. 2009 |

(k) MICPA Technical Releases (TR)

| | | MICPA Issue Date |
|------|---|-----------------------------|
| TR 1 | Guidance on the Role of Reporting Accountant in a Due Diligence Working Group | Aug. 2011 |



C MICPA Guidelines for Accounting in Public Sector (GAPS)

| | | MICPA Issue Date |
|---|-----------------------------------|-----------------------------|
| Preface to Guidelines for Accounting in Public Sector | | Jan. 1992 |
| GAPS 1 | Public Sector Accounting Concepts | Jan. 1992 |

D MICPA Insolvency Guidance Notes (IGN)

| | | MICPA Issue Date |
|---------------------------|--|-----------------------------|
| (i) General | | |
| IGN | Preface to Insolvency Guidance Notes | Nov. 2009 |
| IGN G1 | Minimum Standards of Practice by Insolvency Practitioners | Nov. 2009 |
| IGN G2 | Professional Conduct and Ethics in Insolvency Practice | Nov. 2009 |
| IGN G3 | Remuneration of Insolvency Office Holders | Nov. 2009 |
| IGN G4 | The Handling of Funds in a Liquidation Administration | Nov. 2009 |
| IGN G5 | Preparation of Statement of Receipts and Payments by Insolvency Practitioners | Nov. 2009 |
| (ii) Liquidation | | |
| IGN L1 | Members' Voluntary Winding Up | Nov. 2009 |
| IGN L2 | Procedure for Creditor's Voluntary Winding-up | Nov. 2009 |
| IGN L3 | A Liquidator's Assessment and Review into the Affairs of the Insolvent Company | Nov. 2009 |
| IGN L4 | Summoning and Holding Meetings of Creditors under Court Winding-up | Nov. 2009 |
| (iii) Receivership | | |
| IGN R1 | Suggested Receivership Checklist (for Receiver Appointed under a Debenture) | Nov. 2009 |
| IGN R2 | A Receiver's Responsibility for the Books and Records of the Company | Nov. 2009 |
| IGN R3 | A Receiver's Responsibility to Preferential Creditors | Nov. 2009 |

E Statements on International Management Accounting

| | MICPA Issue Date | IFAC Issue Date |
|---|---------------------|--------------------|
| MICPA Statement on International Management Accounting Statements | Dec. 1992 | – |
| Preface to Statements on International Management Accounting | Dec. 1992 | Feb. 1987 |

(a) Statements on International Management Accounting Practices (MAP)

| | MICPA Issue Date | IFAC Issue Date |
|--|------------------------|--------------------|
| MAP 1 Management Accounting Concepts (Revised 1998) | Aug. 1998 [#] | Mar. 1998 |
| MAP 2 The Capital Expenditure Decision | Dec. 1992 | Oct. 1989 |
| MAP 3 Foreign Capital Exposure and Risk Management | Sep. 1993 | Jul. 1990 |
| MAP 4 Management Control of Projects | Jul. 1993 | Oct. 1991 |
| MAP 5 Managing Quality Improvements | Sep. 1993 | Mar. 1993 |
| MAP 6 Post Completion Review | Nov. 1994 | Apr. 1994 |
| MAP 7 Strategic Planning for Information Resource Management | Nov. 1996 [#] | Feb. 1996 |

(b) Statements on International Management Accounting Studies (IMAS)

| | MICPA Issue Date | IFAC Issue Date |
|--|------------------------|--------------------|
| (i) Issued | | |
| IMAS 3 An Introduction to Strategic Financial Management (Revised 1995) | Jul. 1993 | Apr. 1988 |
| IMAS 4 Reporting Treasury Performance – A Framework for The Treasury Practitioner | Apr. 1996 [#] | Sep. 1995 |
| IMAS 5 The Role of Management Accounting in the Emerging Team Approach to Work | May 1996 [#] | Sep. 1995 |
| IMAS 6 Environmental Management in Organisations – The Role of Management Accounting | Aug. 1998 [#] | Mar. 1998 |
| IMAS 7 The Measurement and Management of Intellectual Capital | Apr. 1999 [#] | Dec. 1998 |
| IMAS 8 Codifying Power and Control: Ethical Codes in Action | Sep. 1999 [#] | May 1999 |
| IMAS 9 Enhancing Shareholder Wealth by Better Managing Business Risk | Sep. 1999 [#] | Jun. 1999 |
| IMAS 10 Target Costing for Effective Cost Management | Sep. 1999 [#] | Jun. 1999 |

[#] Reviewed by MICPA and issued to members on request basis.

| | MICPA Issue Date | IFAC Issue Date |
|--|---------------------|--------------------|
| (ii) Being considered by MICPA for Issuance | | |
| IMAS 11 A Profession Transforming: From Accounting to Management | – | Mar. 2001 |



F MICPA Statements

| | | MICPA Issue Date |
|-------|---|-----------------------------|
| No. 1 | Recommendations on the Presentations of Accounts (issued 1972) | [Superseded by IAS 1] |
| No. 2 | Audit Reports and Qualifications (issued 1972) | [Superseded by MAG 1] |
| No. 3 | Accountants' Report for Prospectuses (issued 1976) | [Superseded by ATR 3] |
| No. 4 | Directors' Report (issued Nov. 1985) Model Holdings Berhad – Specimen Financial Statements (Revised) | withdrawn Jun. 2004 |
| No. 5 | Statement of Source and Application of Funds (issued 1981) | [Superseded by IAS 7] |
| No. 6 | Model Insurance Financial Statements | Jul. 2010 |

G Status of Other MASB Pronouncements

(a) MASB Exposure Draft

| | | MICPA Issue Date |
|-------------------|---|-----------------------------|
| ED 50 | Agriculture | Jan. 2006 |
| ED 52 | Private Entity Reporting Standards | Jun. 2006 |
| ED 62 | Improvements to FRSs [issued as <i>Improvements to FRSs</i> in Sept. 2009 except for Amendment to MASB ED 50, <i>Agriculture</i>] | Feb. 2009 |
| ED 72 | Financial Reporting Standards for Small and Medium-sized Entities | Mar. 2010 |
| ED 74 | Amendments to Financial Reporting Standards arising from Reduced Disclosure Requirements | Dec. 2010 |
| Request for Views | Private Entities, the Way Forward | Feb. 2012 |
| ED 76 | Management Commentary (Guidance) | Apr. 2012 |

(b) MASB Discussion Paper

| | | MICPA Issue Date |
|----------------|--|-----------------------------|
| DP <i>i</i> -1 | Takaful | Dec. 2011 |
| DP <i>i</i> -2 | Sukuk | Dec. 2011 |
| DP <i>i</i> -3 | Shariah Compliant Profit-sharing Contracts | Dec. 2011 |

DP with *i* prefix denotes an Islamic discussion paper.



H Status of Other Statements on International Management Accounting

(a) Not Issued by MICPA

| | IFAC Issue Date |
|---|----------------------------|
| Study No. 1 Control of Computer Applications | Oct. 1985 |
| Management Accounting Concepts (Revised 1998) | Mar. 1998 |

I International Public Sector Accounting Standards (IPSAS)

| | IFAC Issue Date |
|---|----------------------------|
| International Public Sector Accounting Standards Board – Terms of Reference | Nov. 2004 |
| Preface to International Public Sector Accounting Standards (Revised) | Jan. 2007 |
| Introduction to the International Public Sector Accounting Standards | Jan. 2007 |

(a) Standards

| | IFAC Issue Date |
|---|----------------------------|
| IPSAS 1 Presentation of Financial Statements | Dec. 2006 |
| IPSAS 2 Cash Flow Statements | May 2000 |
| IPSAS 3 Accounting Policies, Changes in Accounting Estimates and Errors | Dec. 2006 |
| IPSAS 4 The Effects of Changes in Foreign Exchange Rates | Apr. 2008 |
| IPSAS 5 Borrowing Costs | May 2000 |
| IPSAS 6 Consolidated and Separate Financial Statements | Dec. 2006 |
| IPSAS 7 Investments in Associates | Dec. 2006 |
| IPSAS 8 Interests in Joint Ventures | Dec. 2006 |
| IPSAS 9 Revenue from Exchange Transactions | Jul. 2001 |
| IPSAS 10 Financial Reporting in Hyperinflationary Economies | Jul. 2001 |
| IPSAS 11 Construction Contracts | Jul. 2001 |
| IPSAS 12 Inventories | Dec. 2006 |
| IPSAS 13 Leases | Dec. 2006 |
| IPSAS 14 Events After the Reporting Date | Dec. 2006 |
| IPSAS 15 Financial Instruments: Disclosure and Presentation | Dec. 2001 |
| IPSAS 16 Investment Property | Dec. 2006 |
| IPSAS 17 Property, Plant and Equipment | Dec. 2006 |
| IPSAS 18 Segment Reporting | Jun. 2002 |
| IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets | Oct. 2002 |



| | | IFAC Issue Date |
|--|---|----------------------------|
| IPSAS 20 | Related Party Disclosures | Oct. 2002 |
| IPSAS 21 | Impairment of Non-Cash Generating Assets | Dec. 2004 |
| IPSAS 22 | Disclosure of Information About the General Government Sector | Dec. 2006 |
| IPSAS 23 | Revenue from Non-Exchange Transactions (Taxes and Transfers) | Dec. 2006 |
| IPSAS 24 | Presentation of Budget Information in Financial Statements | Dec. 2006 |
| IPSAS 25 | Employee Benefits | Feb. 2008 |
| IPSAS 26 | Impairment of Cash-Generating Assets | Feb. 2008 |
| IPSAS 27 | Agriculture | Dec. 2009 |
| IPSAS 28 | Financial Instruments: Presentation | Jan. 2010 |
| IPSAS 29 | Financial Instruments: Recognition and Measurement | Jan. 2010 |
| IPSAS 30 | Financial Instruments: Disclosures | Jan. 2010 |
| IPSAS 31 | Intangible Assets | Jan. 2010 |
| IPSAS 32 | Service Concession Arrangements: Grantor | Oct. 2011 |
| Cash Basis IPSAS | Financial Reporting Under the Cash Basis of Accounting Part 1 | Jan. 2008 |
| Cash Basis IPSAS | Financial Reporting Under the Cash Basis of Accounting Part 2: Encouraged Additional Disclosures | Jan. 2008 |
| Improvements to IPSASs 2010 (issued by IPSASB in Nov. 2010) | | |
| Improvements to IPSASs 2011 (issued by IPSASB in Oct. 2011) | | |
| Glossary of Defined Terms in IPSAS 1 to IPSAS 31 (Jan. 2010) | | |

(b) Guidelines

| | | IFAC Issue Date |
|-------|--|----------------------------|
| No. 1 | Financial Reporting by Government Business Enterprises (issued in Jul. 1989) | withdrawn (Nov. 2002) |
| No. 2 | Applicability of International Standards on Auditing to Audits of Financial Statements of Government Business Enterprises | Jul. 1990 |
| No. 3 | Applicability of International Standards on Auditing to the Audits of Financial Statements of Governments and Other Non-Business Public Sector Entities (issued Jan. 1992) | withdrawn (1994) |



(c) Studies

| | | IFAC Issue Date |
|----------|---|----------------------------|
| Study 1 | Financial Reporting by National Governments | Mar. 1991 |
| Study 2 | Elements of the Financial Statements of National Governments | Jul. 1993 |
| Study 3 | Auditing for Compliance with Authorities – A Public Sector Perspective | Oct. 1994 |
| Study 4 | Using the Work of Other Auditors – A Public Sector Perspective | Oct. 1994 |
| Study 5 | Definition and Recognition of Assets | Aug. 1995 |
| Study 6 | Accounting for and Reporting Liabilities | Aug. 1995 |
| Study 7 | Performance Reporting by Government Business Enterprises | Jan. 1996 |
| Study 8 | The Government Financial Reporting Entity | Jul. 1996 |
| Study 9 | Definition and Recognition of Revenues | Dec. 1996 |
| Study 10 | Definition and Recognition of Expenses / Expenditures | Dec. 1996 |
| Study 11 | Government Financial Reporting: Accounting Issues and Practices | May 2000 |
| Study 12 | Perspective on Cost Accounting for Governments | Sep. 2000 |
| Study 13 | Governance in the Public Sector: A Governing Body Perspective | Aug. 2001 |
| Study 14 | Transition to the Accrual Basis of Accounting: Guidance for Public Sector Entities (Third Edition) | Jan. 2011 |

(d) Other Statements

| | IFAC Issue Date |
|---|----------------------------|
| Invitation to Comment: Impairment of Assets | [Superseded by IPSAS 21] |

J International Information Technology Guidelines**(a) Guidelines**

| | | IFAC Issue Date |
|-------|--|----------------------------|
| No. 1 | Managing Security Information | Jan. 1998 |
| No. 2 | Managing Information Technology Planning for Business Impact | Jan. 1999 |
| No. 3 | Acquisition of Information Technology | May 2000 |
| No. 4 | The Implementation of Information Technology Solutions | May 2000 |
| No. 5 | IT Service Delivery and Support | May 2000 |
| No. 6 | IT Monitoring | Apr. 2002 |

(b) Exposure Draft

| | IFAC Issue Date |
|-------------|----------------------------|
| Outsourcing | Dec. 2001 |



K International Accounting Education Standards Board (IAESB) Pronouncements

| | IFAC Issue Date |
|--|----------------------------|
| IAESB Framework for International Education Standards for Professional Accountants | Dec. 2009 |
| Glossary of Terms | |

(a) International Education Standards (IES) for Professional Accountants

| | IFAC Operational Date |
|---|--------------------------------------|
| IES 1 Entry Requirements to a Program of Professional Accounting Education | Jan. 1, 2005 |
| IES 2 Content of Professional Accounting Education Programs | Jan. 1, 2005 |
| IES 3 Professional Skills and General Education | Jan. 1, 2005 |
| IES 4 Professional Values, Ethics and Attitudes | Jan. 1, 2005 |
| IES 5 Practical Experience Requirements | Jan. 1, 2005 |
| IES 6 Assessment of Professional Capabilities and Competence | Jan. 1, 2005 |
| IES 7 Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence | Jan. 1, 2006 |
| IES 8 Competence Requirements for Audit Professionals | Jul. 1, 2008 |

(b) International Education Practice Statements (IEPS) for Professional Accountants

| | IFAC Issue Date |
|---|----------------------------|
| IEPS 1 Approaches to Developing and Maintaining Professional Values, Ethics and Attitudes | Oct. 2007 |
| IEPS 2 Information Technology for Professional Accountants | Oct. 2007 |
| IEPS 3 Practical Experience Requirements – Initial Professional Development for Professional Accountants | Dec. 2007 |

L Code of Ethics

| | MICPA Issue Date | IFAC Issue Date |
|--|-----------------------------|----------------------------|
| IFAC Code of Ethics for Professional Accountants | – | Jul. 2009 |
| MICPA Code of Ethics | Oct. 2007 | – |



M Status of International Financial Reporting Standards

| | IASB Issue Date |
|--|----------------------------|
| Preface to International Financial Reporting Standards | Apr. 2002 |
| Conceptual Framework for Financial Reporting | Sept. 2010 |

(a) International Financial Reporting Standards (IFRS)

| | IASB Operational Date |
|---|--------------------------------------|
| IFRS 1 First-time Adoption of International Financial Reporting Standards | Jan. 1, 2009 |
| IFRS 2 Share-based Payment | Jan. 1, 2005 |
| IFRS 3 Business Combinations | Jul. 1, 2009 |
| IFRS 4 Insurance Contracts | Jan. 1, 2005 |
| IFRS 5 Non-current Assets Held for Sale and Discontinued Operations | Jan. 1, 2005 |
| IFRS 6 Exploration for and Evaluation of Mineral Resources | Jan. 1, 2006 |
| IFRS 7 Financial Instruments: Disclosures | Jan. 1, 2007 |
| IFRS 8 Operating Segments | Jan. 1, 2009 |
| IFRS 9 Financial Instruments | Jan. 1, 2013 |
| IFRS 10 Consolidated Financial Statements | Jan. 1, 2013 |
| IFRS 11 Joint Arrangements | Jan. 1, 2013 |
| IFRS 12 Disclosure of Interests in Other Entities | Jan. 1, 2013 |
| IFRS 13 Fair Value Measurement | Jan. 1, 2013 |



(b) International Accounting Standards (IAS)

| | | IASB Operational Date |
|-------------------|--|--------------------------------------|
| IAS 1 | Presentation of Financial Statements | Jan. 1, 2009 |
| IAS 2 | Inventories | Jan. 1, 2005 |
| IAS 7 | Statement of Cash Flows | Jan. 1, 1994 |
| IAS 8 | Accounting Policies, Changes in Accounting Estimates and Errors | Jan. 1, 2005 |
| IAS 10 | Events After the Reporting Period | Jan. 1, 2005 |
| IAS 11 | Construction Contracts | Jan. 1, 1995 |
| IAS 12 | Income Taxes | Jan. 1, 1998 |
| IAS 16 | Property, Plant and Equipment | Jul. 1, 2005 |
| IAS 17 | Leases | Jan. 1, 2005 |
| IAS 18 | Revenue | Jan. 1, 1995 |
| IAS 19 | Employee Benefits | Jan. 1, 1999 |
| IAS 20 | Accounting for Government Grants and Disclosure of Government Assistance | Jan. 1, 1984 |
| IAS 21 | The Effects of Changes in Foreign Exchange Rates | Jan. 1, 2005 |
| IAS 23 | Borrowing Costs | Jan. 1, 2009 |
| IAS 24 | Related Party Disclosures | Jan. 1, 2011 |
| IAS 26 | Accounting and Reporting by Retirement Benefit Plans | Jan. 1, 1988 |
| IAS 27 | Consolidated and Separate Financial Statements | Jan. 1, 2005 |
| IAS 28 | Investments in Associates | Jan. 1, 2005 |
| IAS 29 | Financial Reporting in Hyperinflationary Economies | Jan. 1, 1990 |
| IAS 32 | Financial Instruments: Presentation | Jan. 1, 2005 |
| IAS 33 | Earnings Per Share | Jan. 1, 2005 |
| IAS 34 | Interim Financial Reporting | Jan. 1, 1999 |
| IAS 36 | Impairment of Assets | Mar. 31, 2004 |
| IAS 37 | Provisions, Contingent Liabilities and Contingent Assets | Jul. 1, 1999 |
| IAS 38 | Intangible Assets | Mar. 31, 2004 |
| IAS 39 | Financial Instruments: Recognition and Measurement | Jan. 1, 2005 |
| IAS 40 | Investment Property | Jan. 1, 2005 |
| IAS 41 | Agriculture | Jan. 1, 2003 |
| Glossary of Terms | | |

NOTES:

- (1) Approved Accounting Standards comprise:
- MASB Standards issued by the Malaysian Accounting Standards Board (MASB).
 - Extant International Financial Reporting Standards (IFRS) adopted by the MICPA and / or the MASB.
 - Extant Malaysian Accounting Standards (MAS) issued by the MICPA and / or adopted by the MASB.
- MASB Technical Releases (TR) present the MASB's views on the appropriate accounting treatment and disclosures. TR is an authoritative statement that may not have the legal standing of a MICPA standard but nonetheless, its application would be considered mandatory.
- Technical Bulletins and other statements issued by the Council of the MICPA relating to accounting are to be regarded as opinions on best current practice and thus form part of generally accepted accounting principles (GAAP).
- (2) Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services comprise:
- International Standards on Quality Control (ISQC).
 - International Standards on Auditing (ISA), International Standards on Assurance Engagements (ISAE), International Standards on Review Engagements (ISRE) and International Standards on Related Services (ISRS) adopted by the MICPA.
 - Malaysian Auditing Guidelines (MAG) issued by the MICPA.
- To enhance the status of the international auditing pronouncements, International Auditing Guidelines (IAG) has been redesignated as International Standards on Auditing (ISA).
- Auditing Technical Releases and other statements issued by the Council of the MICPA relating to auditing are to be regarded as opinions on the best current practice and thus form part of generally accepted auditing standards (GAAS).
- (3) MASB Standards are issued by the Malaysian Accounting Standards Board (MASB) established under the Financial Reporting Act 1997.
- (4) International Financial Reporting Standards (IFRS) are issued by the International Accounting Standards Board (IASB) and ISA, ISAE, ISRE, ISRS are issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).
- IASB is the standard-setting body of the IFRS Foundation (formerly known as the International Accounting Standards Committee Foundation (IASCF)) and has sole responsibility for setting accounting standards.
- IAASB is established by the IFAC Board to develop and issue, under its own authority, standards on auditing, assurance and related services engagements.
- (5) The MICPA considers all MASB Standards, ISQC, ISA, ISAE, ISRE, ISRS and International Auditing Practice Notes (IAPN) for compliance by members. If thought appropriate they are issued with MICPA Foreword as a local exposure draft before formal adoption.
- (6) The operational date refers to financial statements for periods beginning January 1 of the year specified.
- (7) Statements on International Management Accounting (IMAP) are issued by the Financial and Management Accounting Committee (FMAC) of IFAC. These Statements are in two forms:
- International Management Accounting Practices
 - International Management Accounting Studies
- The MICPA considers all IMAP for issuance to members for guidance.
- (8) International Public Sector Accounting Standards, Guidelines and Studies are issued by the International Public Sector Accounting Standards Board (IPSASB) of IFAC.
- (9) MICPA Guidelines for Accounting in Public Sector (GAPS) are issued by the Council of the MICPA and they are to be regarded as opinions on best current practice relating to accounting in the public sector.
- (10) MICPA Insolvency Guidance Notes (IG) are issued by the Council of the MICPA and they are to be regarded as good practice in stated areas of insolvency.
- (11) MICPA technical pronouncements are given an alphabetical reference in their draft form (e.g. MAS C). On their issue as definitive pronouncements or exposure drafts, a numerical reference is applied.
- (12) Upon its inception in 2001, the International Accounting Standards Board (IASB) adopted the body of International Accounting Standards (IAS) issued by its predecessor, the International Accounting Standards Committee (IASC).



REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2011

The Council has pleasure in submitting their report and the audited financial statements of The Malaysian Institute of Certified Public Accountants ("Institute") for the financial year ended 31 December 2011.

PRINCIPAL ACTIVITY

The principal activity of the Institute is the advancement of the accountancy profession. There has been no significant change in this activity during the financial year.

RESULTS

Net operating surplus for the financial year

RM
472,967

DIVIDENDS

In accordance with the Memorandum of Association, no dividends are payable to the members of the Institute.

RESERVES AND PROVISIONS

There were no material transfers made to or from provisions account during the financial year other than those disclosed in the financial statements. The Institute does not have any reserve accounts.

COUNCIL

The Council Members in office since the date of the last report on 26 May 2011 are as follows:

| | |
|---|--|
| Abdul Halim bin Md Lassim | Ong Chee Wai (Appointed on 12.05.2012) |
| Dato' Ab Halim bin Mohyiddin | Poon Yew Hoe |
| Abdul Rauf Rashid (Appointed on 20.08.2011) | Pushpanathan a/l S.A. Kanagarayar |
| Dato' Seri Ahmad Johan bin Mohammad Raslan | See Huey Beng (Resigned on 20.08.2011) |
| Beh Tok Koay | Seow Yoo Lin (Resigned on 14.01.2012) |
| Datin Hjh Fadzilah bte Saad | Sukanta K Dutt |
| Dato' Gan Ah Tee | Dato' Syed Faisal Albar bin Syed A R Albar |
| Goh Lee Hwa | Tan Bun Poo |
| Lee Tuck Heng | Tan Chin Hock |
| Lim Thiam Kee | Tan Theng Hooi |
| Lim Tian Huat (Resigned on 12.05.2012) | Teo Swee Chua |
| Loh Lay Choon | Thong Foo Vung (Appointed on 14.01.2012) |
| Loo Mi Li (Resigned on 12.11.2011) | Dr Veerinderjeet Singh |
| Dato' Hj Maidin Syed Ali | Venkatramanan Viswanathan |
| Mohamed Raslan Abdul Rahman | Dato' Yeo How |
| Ng Gan Hooi (Appointed on 14.01.2012) | Datuk Robert Yong Kuen Loke |
| Ng Kim Tuck | Yong Yoon Shing |

In accordance with bye-law 5, the following Council Members retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election:

Goh Lee Hwa
 Mohamed Raslan Abdul Rahman
 Pushpanathan a/l S.A. Kanagarayar
 Tan Chin Hock
 Dr Veerinderjeet Singh
 Dato' Yeo How
 Datuk Robert Yong Kuen Loke
 Yong Yoon Shing

In accordance with bye-law 13, the following Council Members, who were appointed to fill casual vacancies, will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election:

Abdul Rauf Rashid
 Ong Chee Wai

COUNCIL MEMBERS' BENEFITS

The Institute is a company limited by guarantee and thus has no shares in which the Council Members could have an interest. The Institute has also not issued any debentures.

Since the end of the previous financial year, no Council Member of the Institute has received or become entitled to receive any benefit (other than a benefit in terms of fee received by a Council Member for updating of the MICPA study manual as disclosed in the financial statements) by reason of a contract made by the Institute or a related corporation with the Council Member or with a firm of which the Council Member is a member, or with a company in which the Council Member has a substantial financial interest.

Neither during nor at the end of the financial year, was the Institute a party to any arrangements whose object is to enable the Council Members to acquire benefits by means of the acquisition of shares in or debentures of any corporate body.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Institute were made out, the Council took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of activities have been written down to an amount which they might be expected so to realise.



- (b) As at the date of this report, the Council is not aware of any circumstances:
 - (i) which would render the amount written off for bad debts and the amount of allowance made for doubtful debts in the Institute inadequate to any substantial extent;
 - (ii) which would render the values of current assets in the financial statements of the Institute misleading;
 - (iii) which have arisen which render adherence to the existing method of valuation of assets and liabilities of the Institute misleading or inappropriate; and
 - (iv) not otherwise dealt with in this report or the financial statements of the Institute which would render any amount stated in the financial statements misleading.

- (c) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Institute which has arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) any contingent liability in respect of the Institute which has arisen since the end of the financial year.

- (d) In the opinion of the Council:
 - (i) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Institute to meet its obligations when they fall due;
 - (ii) the results of the Institute's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Institute for the financial year in which this report is made.



AUDITORS

Ooi Chee Kun and Ng Eng Kiat retire as auditors of the Institute at the forthcoming Annual General Meeting pursuant to bye-law 120 and in accordance with bye-law 121, they are deemed to be nominated for re-appointment as auditors for the ensuing financial year.

On behalf of the Council,

DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN

President

PUSHPANATHAN A/L S.A. KANAGARAYAR

Vice-President

This report is made pursuant to the Council's resolution passed on May 12, 2012.



STATEMENT BY COUNCIL MEMBERS

(Pursuant to Section 169(15) of the Companies Act, 1965)

We, **DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN** and **PUSHPANATHAN A/L S.A. KANAGARAYAR**, being two of the Council Members of **THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**, do hereby state that, in the opinion of the Council Members, the accompanying financial statements together with the notes attached thereto, are drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of:

- (i) the state of affairs of the Institute as at 31 December 2011 and of its results for the year ended on that date; and
- (ii) the cash flows of the Institute for the year ended 31 December 2011.

On behalf of the Council Members,

DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN
President

PUSHPANATHAN A/L S.A. KANAGARAYAR
Vice-President

Kuala Lumpur
May 12, 2012



STATUTORY DECLARATION

(Pursuant to Section 169(16) of the Companies Act, 1965)

I, **FOO YOKE PIN**, being the officer primarily responsible for the financial management of **THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**, do solemnly and sincerely declare that the accompanying financial statements together with the notes attached thereto, are to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed **FOO YOKE PIN** at Kuala)
Lumpur in the Federal Territory this)
12th day of May 2012)

Before me,

Yap Lee Chin
Commissioner for Oaths
Kuala Lumpur



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

| | Note | 2011 RM | 2010 RM |
|--|------|------------|------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Plant and equipment | 4 | 46,911 | 53,744 |
| Intangible asset - computer software | 5 | 179,932 | - |
| Development costs of study manuals | 6 | - | 16,600 |
| | | 226,843 | 70,344 |
| Current Assets | | | |
| Study manuals, at cost | | 8,269 | 5,739 |
| Receivables, prepayments and deposits | 7 | 343,723 | 481,042 |
| Fixed deposits | 8 | 1,815,800 | 1,131,517 |
| Cash and bank balances | | 475,281 | 108,524 |
| | | 2,643,073 | 1,726,822 |
| Total Assets | | 2,869,916 | 1,797,166 |
| FUND AND LIABILITIES | | | |
| Accumulated Fund | | | |
| Balance at January 1 | | 581,918 | 355,417 |
| Net operating surplus for the financial year | | 472,967 | 226,501 |
| Balance at December 31 | | 1,054,885 | 581,918 |
| Non-Current Liability | | | |
| Deferred income | 9 | 225,000 | 225,000 |
| Current Liabilities | | | |
| Fees in advance | | 378,286 | 95,297 |
| Payables and accruals | 10 | 1,211,745 | 894,951 |
| | | 1,590,031 | 990,248 |
| Total Liabilities | | 1,815,031 | 1,215,248 |
| Total Fund and Liabilities | | 2,869,916 | 1,797,166 |

The notes on pages 79 to 110 form an integral part of these financial statements



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2011

| | Note | 2011 RM | 2010 RM |
|--|------|-------------|-------------|
| Income | | | |
| Members' annual fees | | 1,559,868 | 1,548,904 |
| Examination fees | | 992,500 | 530,500 |
| Practising certificate fees | | 225,511 | 229,680 |
| Students' exemption fees | | 119,148 | 83,850 |
| Students' annual fees | | 111,420 | 121,920 |
| Members' admission fees | | 24,560 | 52,000 |
| Students' registration and transfer fees | | 49,093 | 44,735 |
| Provisional members' fees | | 15,270 | 15,000 |
| | | 3,097,370 | 2,626,589 |
| Income from Other Activities | 11 | 815,599 | 742,259 |
| Other Income | 12 | 146,673 | 43,257 |
| Total Income | | 4,059,642 | 3,412,105 |
| Operating Expenses | 13 | (3,102,784) | (2,697,002) |
| Expenses of Other Activities | 11 | (487,532) | (488,907) |
| | | 469,326 | 226,196 |
| Taxation | 14 | 3,641 | 305 |
| Net Operating Surplus / Total Comprehensive Income for the Financial Year | | 472,967 | 226,501 |

The notes on pages 79 to 110 form an integral part of these financial statements



STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011

| | Accumulated Fund | |
|---|-------------------------|--------------------|
| | 2011 RM | 2010 RM |
| Balance at 1 January 2010 / 2009 | 355,417 | 180,717 |
| Net operating surplus/ Total comprehensive income for the financial year | 226,501 | 174,700 |
| Balance at 31 December 2010 / 2009 | 581,918 | 355,417 |
| Net operating surplus/ Total comprehensive income for the financial year | 472,967 | 226,501 |
| Balance at 31 December 2011 / 2010 | 1,054,885 | 581,918 |

The notes on pages 79 to 110 form an integral part of these financial statements



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2011

| | Note | 2011 RM | 2010 RM |
|---|------|-------------|-------------|
| Cash Flows from Operating Activities | | | |
| Cash receipts | | | |
| Subscriptions | | 2,269,973 | 2,071,938 |
| Examination fees | | 1,135,550 | 563,500 |
| Journal and publications | | 127,085 | 130,822 |
| Seminars | | 464,981 | 395,229 |
| Study manuals | | 26,025 | 20,700 |
| Examination workshops | | 53,295 | 66,284 |
| Tax refunded | | 4,113 | - |
| Others | | 159,331 | 186,433 |
| Cash payments | | | |
| Operating expenses | | (2,897,506) | (2,827,893) |
| Tax paid | | - | (89) |
| Study manuals | | (1,520) | (3,679) |
| Payments of rental to MACPA Educational Trust Fund | | (120,000) | (120,000) |
| Net cash generated from operating activities | | 1,221,327 | 483,245 |
| Cash Flows from Investing Activities | | | |
| Development cost of study manuals | | (15,000) | (8,000) |
| Purchase of plant and equipment | 4 | (33,209) | (24,624) |
| Purchase of intangible asset – computer software | 5 | (179,932) | - |
| Interest received from fixed deposits | | 57,918 | 4,921 |
| Payments on behalf of MACPA Educational Trust Fund | | (64) | (166) |
| Net cash used in investing activities | | (170,287) | (27,869) |
| Net Increase in Cash and Cash Equivalents | | 1,051,040 | 455,376 |
| Cash and Cash Equivalents at Beginning of Year | | 1,240,041 | 784,665 |
| Cash and Cash Equivalents at End of Year | 16 | 2,291,081 | 1,240,041 |

The notes on pages 79 to 110 form an integral part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS

AT 31 DECEMBER 2011

1. GENERAL INFORMATION

The Malaysian Institute of Certified Public Accountants (“Institute”) is a company limited by guarantee, incorporated and domiciled in Malaysia.

The registered office and principal place of business of the Institute is located at No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur.

The principal activity of the Institute is the advancement of the accountancy profession.

The number of employees at the end of the financial year is 20 (2010 : 21).

The financial statements are presented in Ringgit Malaysia (RM), which is the Institute’s functional currency.

The financial statements were approved and authorised for issue in accordance with a resolution of the Council on May 12, 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Institute are prepared under the historical cost convention unless otherwise indicated in this summary of significant accounting policies. The financial statements comply with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

The accounting policies adopted by the Institute are consistent with those applied in the previous financial year other than the adoption of the new and revised Financial Reporting Standards (“FRSs”), Issues Committee (“IC”) Interpretations and amendments to FRSs issued by the Malaysian Accounting Standards Board (“MASB”), as set out in Note 2.2 below, that are relevant to the Institute’s operations and effective from the beginning of the current financial year.



2.2 New and Revised FRSs, IC Interpretations and Amendments to FRSs Adopted by the Institute

During the financial year, the Institute has adopted the following new and revised FRSs, IC Interpretations and amendments to FRSs:

| | |
|---------------------|---|
| FRS 1 | First-time Adoption of Financial Reporting Standards (Revised) |
| Amendments to FRS 1 | First-time Adoption of Financial Reporting Standards - Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters - Additional Exemptions for First-time Adopters |
| Amendments to FRS 7 | Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments |
| IC Interpretation 4 | Determining whether an Arrangement contains a Lease |

Amendments to FRSs classified as "Improvement to FRSs (2010)"

There is no impact on the Institute arising from the adoption of FRS 1 and Amendments to FRS 1 as this is not the first time that FRSs are adopted. The adoption of the revised FRS and IC Interpretation and amendments to FRSs did not result in any significant effect on the financial position and financial performance of the Institute nor any significant changes in the presentation and disclosure of amounts in the financial statements other than those as described hereunder:

Amendments to FRS 7, Improving Disclosure about Financial Instruments

The Amendments to FRS 7 require enhanced disclosures about fair value measurements and liquidity risks. Disclosure of fair value measurements of financial instruments has been enhanced by classifying them using a three-level fair value hierarchy. In addition, specific disclosures on significant transfer between Level 1 and Level 2 of the fair value hierarchy and a detailed reconciliation for their fair value measurements in Level 3 of the fair value hierarchy are now required.

In accordance with the transitional provisions of Amendments to FRS 7, the new disclosures have not been provided for the comparative period. The adoption of these Amendments affected only the disclosure in financial statements and did not have any financial impact on the Institute.



The other new and revised FRSs, IC Interpretations and amendments to FRSs issued by the MASB that are effective from the beginning of the current financial year but which are not applicable to the Institute's operations are as follows:

| | |
|-----------------------------------|---|
| FRS 3 | Business Combinations (Revised) |
| FRS 127 | Consolidated and Separate Financial Statements (Revised) |
| Amendments to FRS 2 | Share-based Payment <ul style="list-style-type: none"> - Scope of FRS 2 and revised FRS 3 - Group Cash-settled Share-based Payment Transactions |
| Amendments to FRS 5 | Non-current Assets Held for Sale and Discontinued Operations |
| Amendments to FRS 132 | Financial Instruments : Presentation <ul style="list-style-type: none"> - Classification of Rights Issues |
| Amendments to FRS 138 | Intangible Assets - Additional consequential amendments arising from revised FRS 3 |
| Amendments to IC Interpretation 9 | Reassessment of Embedded Derivatives <ul style="list-style-type: none"> - Scope of IC Interpretation 9 and revised FRS 3 |
| IC Interpretation 12 | Service Concession Agreements |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation |
| IC Interpretation 17 | Distribution of Non-cash Assets to Owners |
| IC Interpretation 18 | Transfers of Assets from Customers |



2.3 New and Revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations That Are Not Yet Effective and Have Not Been Early Adopted

The Institute has not early adopted the following new and revised FRSs and IC Interpretations and amendments to FRSs and IC Interpretations, where applicable, which have been issued but are not yet effective:

| | | Effective for financial period beginning on or after |
|---------------------------------------|---|---|
| Amendments to IC Interpretation 14 | Prepayments of a Minimum Funding Requirement | 1 July 2011 |
| IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments | 1 July 2011 |
| FRS 124 | Related Party Disclosures (Revised) | 1 January 2012 |
| Amendments to FRS 1 | Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters | 1 January 2012 |
| Amendments to FRS 7 | Disclosures - Transfer of Financial Assets | 1 January 2012 |
| Amendments to FRS 112 | Deferred Tax - Recovery of Underlying Assets | 1 January 2012 |
| Amendments to FRS 101 | Presentation of Items of Other Comprehensive Income | 1 July 2012 |
| Amendments to FRS 7 | Disclosures - Offsetting Financial Assets and Financial Liabilities | 1 January 2013 |
| Amendments to FRS 12 | Government Loans | 1 January 2013 |
| FRS 10 | Consolidated Financial Statements | 1 January 2013 |
| FRS 11 | Joint Arrangements | 1 January 2013 |
| FRS 12 | Disclosure of Interest in Other Entities | 1 January 2013 |
| FRS 13 | Fair Value Measurement | 1 January 2013 |
| FRS 119 | Employee Benefits (Revised) | 1 January 2013 |
| FRS 127 | Separate Financial Statements | 1 January 2013 |
| FRS 128 | Investments in Associates and Joint Ventures | 1 January 2013 |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | 1 January 2013 |
| Amendments to FRS 132 | Disclosures - Offsetting Financial Assets and Financial Liabilities | 1 January 2014 |
| FRS 9 | Financial Instruments (IFRS 9 issued by International Accounting Standards Board ("IASB") in November 2009) | 1 January 2015* |
| FRS 9 | Financial Instruments (IFRS 9 issued by IASB in October 2010) | 1 January 2015* |



Mandatory Effective Date of FRS 9 and Transition Disclosures **
 (Amendments to FRS 9 (IFRS 9 issued by IASB in November 2009), FRS
 9 (IFRS 9 issued by IASB in October 2010) and FRS 7))

* *The mandatory effective date of FRS 9 has been changed from 1 January 2013 to 1 January 2015 by the MASB.*

** *Effective immediately on the date of its issue by MASB on 1 March 2012.*

As explained below, the Institute will be adopting the new Malaysian Financial Reporting Standards (“MFRS”) accounting framework issued by the MASB in preparing its next set of financial statements. The Institute will therefore not be adopting the above new and revised FRSs, IC Interpretations and their amendments which are effective for annual periods beginning on or after 1 January 2012.

MFRS Framework

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the MFRS framework in conjunction with MASB’s plan to converge with the International Financial Reporting Standards (“IFRS”). The MFRS framework comprises standards which are equivalent to the IFRS issued by the International Accounting Standards Board.

The MFRS framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141, Agriculture and IC Interpretation 15, Agreements for Construction of Real Estate including its parent, significant investor and venturer (hereinafter referred to as “the Transitioning Entities”). Transitioning Entities are allowed to defer the adoption of the MFRS framework for an additional one year. Consequently, the adoption of MFRS framework by the Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

All the FRSs issued under the existing MASB’s FRSs framework are equivalent to the MFRSs issued except that there are no equivalent FRS to MFRS 141 and IC Interpretation 15 issued under the MFRS framework and differences in relation to transitional provisions.

The Institute will prepare its first MFRS financial statements for the financial year ending 31 December 2012 which will also include an opening MFRS statement of financial position at the date of transition to MFRSs which is 1 January 2011.

The Institute expects that there will be no significant impact on its financial position and financial performance upon the adoption of the MFRS framework.



2.4 Plant and Equipment and Depreciation

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation is calculated on a straight line basis to write off the cost of the plant and equipment to their residual values over their estimated useful lives. The principal annual rates used are as follows:

| | |
|------------------------|-----|
| Furniture and fittings | 10% |
| Security system | 10% |
| Office equipment | 20% |
| Computers | 33% |

The residual values and useful lives of assets are reviewed at each financial year end and adjusted prospectively, if appropriate, where expectations differ from previous estimates. Plant and equipment are reviewed for impairment in accordance with the Institute's accounting policy for impairment of assets.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.





2.5 Impairment of Non-Financial Assets

The carrying amounts of non-financial assets (other than inventories of study manuals, and deferred tax assets) are reviewed for impairment at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Impairment losses are provided when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use which is measured by reference to discounted future cash flows.

An impairment loss is charged to the profit or loss in the period in which it arises, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is recognised in other comprehensive income for that asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus account.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.6 Study Manuals

The costs of development of the MICPA study manuals consisting mainly of writers' and reviewers' fees are capitalised and amortised on a straight line basis over the economic lives of the study manuals, which are estimated at 3 to 5 years.

Fees incurred for updating of the MICPA study manuals are expensed in the year the fees are incurred.

Inventories of study manuals are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis and consists of printing cost. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to sell.

2.7 Intangible Assets Acquired Separately - Computer Software

Intangible assets acquired separately are carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives, which is estimated at 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period with the effect of any changes in estimate being accounted for on a prospective basis.





2.8 Provisions

Provisions are recognised when the Institute has a present legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the amount of a provision due to passage of time is recognised as finance cost.

2.9 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with licensed banks and highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The statement of cash flows is prepared using the direct method.

Cash and cash equivalents are categorised and measured as loans and receivables in accordance with policy Note 2.15 (c).

2.10 Employee Benefits

(i) Short-Term Employee Benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the year in which the associated services are rendered by employees of the Institute.

Accumulating compensated absences such as paid annual leave are recognised as an expense when services are rendered by employees that increase their entitlement to future compensated absences. Non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

The Institute provides post-employment benefits by way of contribution to defined contribution plans operated by the relevant authorities at the prescribed rates.

Defined contribution plans are post-employment benefit plans under which the Institute pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Institute's contributions to defined contribution plans are recognised as an expense in the period in which they relate.



2.11 Government Grant

Government grants, including non-monetary grants, shall not be recognised until there is reasonable assurance that all conditions attaching to the grants will be complied with and the grants will be received.

Grants related to assets are set up as deferred income and recognised as income on a systematic basis over the estimated lives of the assets. Grants related to expenses are recognised as income in the period the grants become receivable. Grants related to future costs are deferred and recognised in the profit or loss in the same period as the related costs.

2.12 Foreign Currency Transactions and Balances

In preparing the financial statements of the Institute, transactions in currencies other than the Institute's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are recognised directly to other comprehensive income.

The closing rate of exchange of the foreign currency applicable in the preparation of the financial statements is as follows:

| | 2011 | 2010 |
|---------------------|-------------|-------------|
| | RM | RM |
| 1 Australian Dollar | 3.22 | 3.14 |

2.13 Income Tax

Tax expense is the aggregate amount of current and deferred taxation. Current and deferred taxes are recognised as income or expense in profit or loss except to the extent that the taxes relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided using the liability method on temporary differences at end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and the amounts attributed to those assets and liabilities for taxation purpose.



Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and unabsorbed tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the assets can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Tax rates enacted or substantively enacted at the end of the reporting period are used to determine deferred tax.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Institute intends to settle its current tax assets and liabilities on a net basis.

2.14 Income and Expense Recognition

Membership and Students Fees

- (i) The subscription year of the Institute is January 1 to December 31. Membership and students' annual fees are payable annually in advance. Only those membership and students' annual fees which are attributable to the current financial year are recognised as income. Fees relating to periods beyond the current financial year are shown in the statement of financial position as Fees in Advance under the heading Current Liabilities.
- (ii) Membership admission and students' registration fees are recognised upon approval of the respective applications.
- (iii) Examination and exemption fees are recognised upon approval of the respective applications.

Interest Income

Interest income is recognised on the effective yield basis.

Other Activities

Other activities include providing continuing professional development courses, conducting examination workshops for students, sale of publications and MICPA study manuals and organising other professional development and students activities.

The policies of the Institute with respect to the recognition of income and expenses on such activities are as follows:

- (i) To the extent that activities are completed on or before the reporting period, any surplus or deficit is recognised in the statement of comprehensive income.
- (ii) Income for sale of publications and MICPA study manuals is recognised when physical control of the materials passes to the purchasers.
- (iii) The cost of publications, other than study manuals, is recognised in the statement of comprehensive income in the financial year it is incurred.

Expenses on other activities relate to identifiable direct expenses.



2.15 Financial Assets

The Institute recognises all financial assets in its statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the instruments.

Classification and measurement

Financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are classified into the following specified categories depending on the nature and purpose of the financial assets and are determined at the time of initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when the financial assets are either held for trading or designated as such upon initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Institute manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a designated and effective hedging instrument.

After initial recognition, financial assets at fair value through profit or loss are measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The net gains or losses do not include any exchange differences, dividend or interest earned on the financial asset. Exchange differences, dividend and interest earned on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other income or other expenses.

Derivative that is linked to and must be settled by delivery of unquoted equity instruments whose fair value cannot be reliably measured is measured at cost.

(b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Institute has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest rate method. A gain or loss is recognised in profit or loss when the held-to-maturity investment is derecognised or impaired, and through the amortisation process.

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables, loans and other receivables are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

**(d) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or at fair value through profit or loss. Available-for-sale financial assets include quoted and unquoted equity and debt instruments that are not held-for-trading.

Subsequent to initial recognition, quoted equity and debt instruments are measured at fair value and investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. A gain or loss from changes in fair value is recognised in other comprehensive income, except that impairment losses, foreign exchange gains or losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Dividends on an equity instrument are recognised in profit or loss when the Institute's right to receive payment is established.

Regular way purchase or sale of financial assets

Regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting. Trade date accounting refers to:

- the recognition of an asset to be received and the liability to pay for it on the trade date which is the date the Institute commits itself to purchase or sell an asset; and
- derecognition of an asset that is sold, the recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Impairment of financial assets

The Institute assesses at the end of each reporting period whether there is any objective evidence that a financial asset, other than financial assets at fair value through profit or loss, is impaired. Financial assets are considered to be impaired when objective evidence indicates that a loss event has occurred after the initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that asset that can be reliably estimated. Losses expected as a result of future events, no matter how likely, are not recognised. For a quoted equity instrument, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

An amount of impairment loss in respect of financial assets measured at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate i.e. the effective rate computed at initial recognition. The carrying amount of the asset is reduced through an allowance account. The amount of loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss on financial assets measured at amortised cost decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account to the extent that the carrying amount of the financial asset does not exceed its amortised cost had the impairment not been recognised at the date the impairment is reversed. The amount of reversal is recognised in profit or loss.



When an available-for-sale financial asset is impaired, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity and recognised in profit or loss as a reclassification adjustment even though the financial asset has not been derecognised. The amount of cumulative loss that is reclassified is the difference between the acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss. Increase in fair value, if any, subsequent to the impairment loss, is recognised in other comprehensive income.

If the fair value of a debt instrument classified as available-for-sale, increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed with the amount of the reversal is recognised in profit or loss.

An amount of impairment loss in respect of financial assets carried at cost is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

Derecognition of a financial asset

The Institute derecognises a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset without retaining control or substantially all the risks and rewards of ownership of the financial asset to another party.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2.16 Financial Liabilities

The Institute recognises all financial liabilities in its statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the instruments.

Classification and measurement

Financial liabilities are initially measured at fair value plus in the case of other financial liabilities, directly attributable transaction costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is either held for trading or it is designated as fair value through profit or loss upon initial recognition.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Institute manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.



After initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with any gains or losses arising from changes in fair value recognised in profit or loss. The net gains or losses recognised in profit or loss do not include any exchange differences or interest paid on the financial liability. Exchange differences and interest expense on financial liabilities at fair value through profit or loss are recognised separately in profit or loss as part of other income or other expenses.

Derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured is measured at cost.

(b) Other financial liabilities

All financial liabilities, other than those categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Other financial liabilities of the Institute include fees in advance and payables.

A gain or loss on other financial liabilities is recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

Derecognition of a financial liability

A financial liability is derecognised when, and only when, the obligation specified in the contract is extinguished. When an existing financial liability is exchanged with the same lender on substantially different terms or the terms of an existing liability are substantially modified, they are accounted for as an extinguishment of the original financial liability and a new financial liability is recognised. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with the Financial Reporting Standards requires Council to exercise its judgement in the process of applying the Institute's accounting policies and which may have significant effects on the amounts recognised in the financial statements. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results reported for the reporting period and that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Although these judgements and estimates are based on the Council's best knowledge of current events and actions, actual results may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Significant judgements in applying the Institute's accounting policies

In the process of applying the Institute's accounting policies, which are described in Note 2, the Council is of the opinion that any instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations which are dealt with below.



(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Income taxes and deferred tax

Judgement is required to determine the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions for which the ultimate tax determination is uncertain during the ordinary course of business. The Institute recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the periods in which the outcome is known.

(ii) Depreciation of plant and equipment

The cost of plant and equipment is depreciated on a straight line basis over the assets' useful lives. The Council estimates the useful lives of these plant and equipment to be within 3 years to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment losses of trade receivables

The Institute makes an allowance for impairment losses based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. In assessing the extent of irrecoverable debts, the Council has given due consideration to all pertinent information relating to the ability of the debtors to settle debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables. The carrying amounts of receivables and the cumulative allowance for impairment loss are disclosed in Note 7.

iv) Amortisation of intangible asset – computer software

The cost of software acquired includes all directly attributable costs of preparing the asset for its intended use will be amortised on a straight line basis to operating expenses over the estimated useful life of 3 years. Changes in the expected level of usage and technological developments could impact the economic useful life of the computer software, therefore future amortisation charges could be revised.



4. PLANT AND EQUIPMENT

| 2011 | Office equipment RM | Furniture and fittings RM | Security system RM | Computers RM | Total RM |
|--|---------------------------|---------------------------------|--------------------------|-----------------|-------------|
| Costs | | | | | |
| At beginning of year | 76,539 | 89,206 | 3,020 | 177,076 | 345,841 |
| Additions | 5,105 | 3,655 | 643 | 23,806 | 33,209 |
| Write-offs | (5,529) | - | - | (6,674) | (12,203) |
| At end of year | 76,115 | 92,861 | 3,663 | 194,208 | 366,847 |
| Accumulated depreciation | | | | | |
| At beginning of year | 69,143 | 66,810 | 2,415 | 153,729 | 292,097 |
| Charge for the year | 4,336 | 8,472 | 366 | 26,868 | 40,042 |
| Write-offs | (5,529) | - | - | (6,674) | (12,203) |
| At end of year | 67,950 | 75,282 | 2,781 | 173,923 | 319,936 |
| Net book value as at 31 December 2011 | 8,165 | 17,579 | 882 | 20,285 | 46,911 |
| 2010 | | | | | |
| Costs | | | | | |
| At beginning of year | 83,873 | 84,096 | 3,020 | 165,677 | 336,666 |
| Additions | 8,115 | 5,110 | - | 11,399 | 24,624 |
| Write-offs | (15,449) | - | - | - | (15,449) |
| At end of year | 76,539 | 89,206 | 3,020 | 177,076 | 345,841 |
| Accumulated depreciation | | | | | |
| At beginning of year | 79,812 | 58,704 | 2,113 | 131,439 | 272,068 |
| Charge for the year | 4,152 | 8,106 | 302 | 22,290 | 34,850 |
| Write-offs | (14,821) | - | - | - | (14,821) |
| At end of year | 69,143 | 66,810 | 2,415 | 153,729 | 292,097 |
| Net book value as at 31 December 2010 | 7,396 | 22,396 | 605 | 23,347 | 53,744 |

5. INTANGIBLE ASSET - COMPUTER SOFTWARE

| | 2011 RM | 2010 RM |
|---------------------------|------------|------------|
| Costs | | |
| Balance at 1 January | - | - |
| Additions during the year | 179,932 | - |
| Balance at 31 December | 179,932 | - |

The computer software represents the cost of software acquired. The cost of software acquired includes all directly attributable costs of preparing the asset for its intended use.

No amortisation was made during the year as the computer software is not ready for its intended use yet as at the end of the reporting period.

6. DEVELOPMENT COSTS OF STUDY MANUALS

| | 2011 RM | 2010 RM |
|------------------------|------------|------------|
| Costs | | |
| Balance at 1 January | 731,524 | 723,524 |
| Addition | 15,000 | 8,000 |
| Balance at 31 December | 746,524 | 731,524 |

Accumulated amortisation and impairment loss

| | | |
|---------------------------------|---------|---------|
| Balance at 1 January: | | |
| Accumulated amortisation | 714,924 | 698,624 |
| Accumulated impairment loss | - | - |
| | 714,924 | 698,624 |
| Amortisation for the year | 23,300 | 16,300 |
| Impairment loss during the year | 8,300 | - |
| Balance at 31 December: | | |
| Accumulated amortisation | 738,224 | 714,924 |
| Accumulated impairment loss | 8,300 | - |
| | 746,524 | 714,924 |
| Net carrying amount | - | 16,600 |

The development costs incurred during the year include an amount of RM2,000 (2010 : RM3,000) paid to a Council Member for updating of MICPA study manual.



7. RECEIVABLES, PREPAYMENTS AND DEPOSITS

| | 2011 | 2010 |
|---|-------------|-------------|
| | RM | RM |
| Receivable from Budget Commentary 2012/2011 | 97,000 | 97,000 |
| Receivable from NACRA competition | 41,185 | 30,779 |
| Subscriptions receivable | 248,213 | 374,278 |
| Other receivables | 33,371 | 39,037 |
| | 419,769 | 541,094 |
| Tax recoverable | - | 472 |
| Other prepayments | 21,352 | 9,235 |
| Deposits | 7,050 | 7,050 |
| | 448,171 | 557,851 |
| Less: Allowance for impairment loss | (104,448) | (76,809) |
| | 343,723 | 481,042 |

Subscriptions receivable from existing members are due on the first day of January and must be paid by 30 June of each year while new members are required to pay on or within two months of admission. There is no fixed credit period for receivables from the other activities.

The Institute has recognised an impairment loss of receivables based on the individual assessment of the debts by management who considers that their default in payment is highly possible. The Institute does not hold any collateral or credit enhancements over these balances. The amounts of individual impairment recognised by the Institute are as follows:

(a) Analysis of receivables:

| | 2011 | 2010 |
|---|-------------|-------------|
| | RM | RM |
| Individually impaired | | |
| Receivables carrying amount before impairment | 419,769 | 541,094 |
| Less: Allowance for impairment loss | (104,448) | (76,809) |
| | 315,321 | 464,285 |



(b) The movements of allowance for impairment loss during the financial year are as follows:

| | 2011 RM | 2010 RM |
|--|--------------------------|--------------------------|
| Balance at January 1 | 76,809 | 17,750 |
| Impairment loss recognised during the year | 27,639 | 59,059 |
| Balance at December 31 | 104,448 | 76,809 |

(c) The ageing analysis of the Institute's receivables are as follows:

| | 2011 RM | 2010 RM |
|-------------------------------|--------------------------|--------------------------|
| Neither past due nor impaired | 162,090 | 148,459 |
| 0 to 30 days past due | 9,570 | 10,098 |
| 31 to 60 days past due | 7,258 | 40,539 |
| 61 to 90 days past due | 14,260 | 850 |
| More than 91 days past due | 226,591 | 341,148 |
| | 419,769 | 541,094 |
| Allowance for impairment loss | (104,448) | (76,809) |
| | 315,321 | 464,285 |

Receivables that are neither past due nor impaired

Receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Institute. No significant change in the credit quality of these receivables has occurred which are still considered recoverable. The Institute does not hold any collateral over these balances.

Receivables that are past due but not impaired

Receivables that are past due but not impaired relate to members and a number of significant creditworthy debtors. No significant change in the credit quality of these receivables has occurred which are still considered fully recoverable. The Institute does not hold any collateral over these balances.



8. FIXED DEPOSITS

| | 2011 RM | 2010 RM |
|------------------------------------|--------------------------|--------------------------|
| Fixed deposits with licensed banks | 1,815,800 | 1,131,517 |

The weighted average effective interest rate of the fixed deposits as at the end of the reporting period is 3.03% (2010 : 2.71%) per annum.

The fixed deposits have an average maturity period of 2.3 months (2010 : 2.3 months).

9. DEFERRED INCOME

| | 2011 RM | 2010 RM |
|------------------------|--------------------------|--------------------------|
| Balance at 31 December | 225,000 | 225,000 |

On 11 September 2009, the Malaysian Industrial Development Authority approved a grant of RM450,000 to the Institute under the Services Sector Capacity Development Fund (SSCDF) for the upgrading and modernisation of the Institute's information technology systems ("the project") and the Institute has received RM225,000 on 27 October 2009.

The cost of software to be acquired is estimated to be at RM348,000.

The Institute has started the project but it has not been fully completed yet as at the end of the reporting period.

The amount received of RM225,000 is taken up as deferred income and will be recognised in the Statement of Comprehensive Income in accordance with the Institute's accounting policy for Government Grants as detailed in Note 2.11.



10. PAYABLES AND ACCRUALS

| | 2011 | 2010 |
|----------------------------|-------------|-------------|
| | RM | RM |
| Advances for study manuals | 40,000 | 115,455 |
| Due to students societies | 211,560 | 205,935 |
| Other payables | 580,131 | 269,060 |
| Accruals | 380,054 | 304,501 |
| | 1,211,745 | 894,951 |

The currency exposure profile of payables and accruals is as follows:

| | 2011 | 2010 |
|-------------------|-------------|-------------|
| | RM | RM |
| Ringgit Malaysia | 1,040,512 | 868,716 |
| Australian Dollar | 171,233 | 26,235 |
| | 1,211,745 | 894,951 |



11. INCOME AND EXPENSES FROM OTHER ACTIVITIES

| 2011 | Income RM | Expenses RM | Surplus/ (Deficit) RM |
|-------------------------------------|----------------------|------------------------|--------------------------------------|
| Examination workshops | 31,795 | 20,424 | 11,371 |
| Continuing professional development | 425,914 | 260,815 | 165,099 |
| Annual dinner | 94,500 | 84,833 | 9,667 |
| MICPA excellence awards | 4,000 | 2,857 | 1,143 |
| Journal and publications | 41,090 | 8,887 | 32,203 |
| Informal gatherings | 4,500 | 3,156 | 1,344 |
| MICPA study manuals | 14,375 | 40,135 | (25,760) |
| Commemorative lecture and luncheon | 24,660 | 28,213 | (3,553) |
| Accountancy week | 36,580 | 38,212 | (1,632) |
| | 677,414 | 487,532 | 189,882 |
| Joint activities with other bodies: | | | |
| NACRA competition | 41,185 | - | 41,185 |
| Budget Commentary 2012 | 97,000 | - | 97,000 |
| | 138,185 | - | 138,185 |
| | 815,599 | 487,532 | 328,067 |
| | | | |
| 2010 | Income RM | Expenses RM | Surplus/ (Deficit) RM |
| Examination workshops | 72,334 | 51,128 | 21,206 |
| Continuing professional development | 356,103 | 211,494 | 144,609 |
| Annual dinner | 72,500 | 83,800 | (11,300) |
| MICPA excellence awards | 11,885 | 25,763 | (13,878) |
| Journal and publications | 34,085 | 14,398 | 19,687 |
| Informal gatherings | - | 9,208 | (9,208) |
| MICPA study manuals | 35,100 | 27,509 | 7,591 |
| Commemorative lecture and luncheon | 33,760 | 39,123 | (5,363) |
| Accountancy week | 25,160 | 26,484 | (1,324) |
| | 640,927 | 488,907 | 152,020 |
| Joint activities with other bodies: | | | |
| NACRA competition | 2,332 | - | 2,332 |
| Budget Commentary 2011 | 99,000 | - | 99,000 |
| | 101,332 | - | 101,332 |
| | 742,259 | 488,907 | 253,352 |

Expenses on the above activities relate to identifiable direct expenses only and do not include overhead expenses. The expenses for MICPA study manuals for the current financial year include the amortisation of the development costs amounting to RM23,300 (2010 : RM16,300).

12. OTHER INCOME

| | 2011 | 2010 |
|--------------------------------------|---------------|--------------|
| | RM | RM |
| Interest on fixed deposits | 57,918 | 31,245 |
| Affinity rebate - direct access | 10,290 | 11,938 |
| Waiver of advances for study manuals | 75,455 | - |
| Others | 3,010 | 74 |
| | <hr/> 146,673 | <hr/> 43,257 |

13. OPERATING EXPENSES

| | 2011 | 2010 |
|---|-----------------|---------------|
| | RM | RM |
| Advertisement expenses | 8,547 | 10,895 |
| AGM and Council meeting expenses | 7,287 | 6,071 |
| Impairment loss of receivables | 27,639 | 59,059 |
| Uncollectible receivables written off | 107,359 | 75,322 |
| Auditors' remuneration | 10,000 | 10,000 |
| Bank charges | 27,328 | 23,204 |
| Depreciation of plant and equipment | 40,042 | 34,850 |
| Direct examination expenses | 327,298 | 180,135 |
| Electricity and water | 28,119 | 29,911 |
| General expenses | 11,706 | 11,073 |
| Insurance | 10,992 | 7,268 |
| Impairment loss on development costs of study manuals | 8,300 | - |
| Journal and technical pronouncements | 163,930 | 164,059 |
| Legal and professional fees | 13,216 | 48,425 |
| Office equipment written off | - | 628 |
| Maintenance | 21,216 | 11,864 |
| Medical expenses | 4,640 | 5,597 |
| Office rental | 120,000 | 120,000 |
| Periodicals and library stock | 7,730 | 8,759 |
| Postage and telephone | 97,974 | 110,077 |
| Printing and stationery | 64,710 | 76,507 |
| | <hr/> 1,108,033 | <hr/> 993,704 |



13. OPERATING EXPENSES (CONT'D)

| | 2011 | 2010 |
|---|-------------|-------------|
| | RM | RM |
| Balance brought forward | 1,108,033 | 993,704 |
| Professional development expenses | 54,138 | 69,873 |
| Publication of students' course materials | 2,500 | 4,650 |
| Staff costs | | |
| - Employees Provident Fund and SOCSO | 198,592 | 180,648 |
| - Salaries and bonus | 1,367,006 | 1,182,465 |
| Staff recreation fund | 7,362 | 2,326 |
| Subscriptions to international accountancy bodies | 33,238 | 33,907 |
| Travelling expenses | 46,525 | 39,218 |
| Promotional expenses for new MICPA programme | 133,795 | 94,021 |
| Technical fees | 150,322 | 96,190 |
| Unrealised loss on foreign exchange | 1,273 | - |
| | 3,102,784 | 2,697,002 |



14. TAXATION

- (a) For tax purposes, the Institute is treated as a "Trade Association" under section 53(3) of the Income Tax Act, 1967 under which its income is taxed at scale rates.

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Income tax over provided in prior years | (3,641) | (305) |

No income tax has been provided for in the current financial year as the Institute's chargeable income from other activities has been fully set off by the current year's tax losses.

- (b) The numerical reconciliation between the effective tax rate and the applicable tax rate of the Institute is as follows:

| | 2011 % | 2010 % |
|--------------------------------------|-------------------------|-------------------------|
| Applicable tax rate | 23.51 | 20.84 |
| Tax effects in respect of: | | |
| Utilisation of unabsorbed tax losses | - | (2.88) |
| Non taxable income | (27.87) | (54.81) |
| Non allowable expenses | 1.38 | 4.60 |
| Deferred tax income not recognised | 2.98 | 32.25 |
| Effective tax rate | - | - |

- (c) Subject to the agreement with the Inland Revenue Board, the Institute has unabsorbed tax losses and unutilised capital allowances amounting to RM1,247,396 (2010 : RM1,096,561) and RM156,846 (2010 : NIL) respectively which are available for set-off against future taxable surplus.



15. DEFERRED TAXATION

Deferred tax, determined after appropriate offsetting is as follows:

| | 2011 RM | 2010 RM |
|--------------------------|------------|------------|
| Deferred tax liabilities | 50,853 | 3,500 |
| Deferred tax assets | (50,853) | (3,500) |
| Net deferred tax | - | - |

(a) The components and movements of deferred tax liabilities and assets during the financial year are as follows:

| 2011 | As at 1 January RM | Recognised in profit or loss RM | As at 31 December RM |
|--|--------------------------|--|----------------------------|
| Deferred tax liabilities: | | | |
| Excess of development cost of study manuals incurred over development cost amortised | 3,500 | (3,500) | - |
| Excess of capital allowances over depreciation | - | 50,853 | 50,853 |
| | 3,500 | 47,353 | 50,853 |
| Deferred tax assets: | | | |
| Excess of depreciation over capital allowances | (1,300) | 1,300 | - |
| Unutilised capital allowances | - | (36,874) | (36,874) |
| Unabsorbed tax losses | (2,200) | (11,779) | (13,979) |
| | (3,500) | (47,353) | (50,853) |
| 2010 | | | |
| | As at 1 January RM | Recognised in profit or loss RM | As at 31 December RM |
| Deferred tax liabilities: | | | |
| Excess of development cost of study manuals incurred over development cost amortised | 4,920 | (1,420) | 3,500 |
| Excess of capital allowances over depreciation | 4,810 | (4,810) | - |
| | 9,730 | (6,230) | 3,500 |
| Deferred tax assets: | | | |
| Excess of depreciation over capital allowances | - | (1,300) | (1,300) |
| Unabsorbed tax losses | (9,730) | 7,530 | (2,200) |
| | (9,730) | 6,230 | (3,500) |

- (b) The amount of unabsorbed tax losses for which deferred tax assets have not been recognised in the financial statements is as follows:

| | 2011 RM | 2010 RM |
|-----------------------|--------------------------|--------------------------|
| Unabsorbed tax losses | 1,187,940 | 1,086,004 |

The unabsorbed tax losses are in respect of non-tax exempt activities and for which future taxable profit is not probable.

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balances with banks and fixed deposits. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

| | 2011 RM | 2010 RM |
|------------------------|--------------------------|--------------------------|
| Fixed deposits | 1,815,800 | 1,131,517 |
| Cash and bank balances | 475,281 | 108,524 |
| | 2,291,081 | 1,240,041 |

17. RELATED PARTY TRANSACTIONS

The transactions carried out with related parties during the financial year were as follows:

(a) Transactions and outstanding balances with MACPA Educational Trust Fund

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Payments on behalf of MACPA Educational Trust Fund | 64 | 166 |
| Administrative expenses charged to MACPA Educational Trust Fund | 51,372 | 47,517 |
| Rental charged by MACPA Educational Trust Fund | 120,000 | 120,000 |

MACPA Educational Trust Fund is a fund set up by the Institute and managed by Trustees appointed by the Institute.

**(b) Fees paid by Council Members**

| | 2011 RM | 2010 RM |
|-----------------------------|--------------------|--------------------|
| Members' annual fees | 17,300 | 17,130 |
| Practising certificate fees | 12,100 | 11,550 |
| | 29,400 | 28,680 |

(c) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute either directly or indirectly. The key management personnel of the Institute are the Council Members and the Secretary and their remuneration for the financial year are as follows:

| | 2011 RM | 2010 RM |
|--|--------------------|--------------------|
| Short-term employees benefits | 319,200 | 288,200 |
| Post-employment benefits - contribution to Employees Provident Fund | 47,880 | 52,050 |
| | 367,080 | 340,250 |

The development costs of study manuals paid to a Council Member is disclosed in Note 6 to the financial statements.

The year-end outstanding balance in relation to compensation payable to key management personnel is as follows:

| | 2011 RM | 2010 RM |
|-----------------------------------|--------------------|--------------------|
| Included in payables and accruals | 60,000 | 53,000 |



18. CAPITAL COMMITMENT

| | 2011 RM | 2010 RM |
|--|------------|------------|
| Approved by Council and contracted for but not provided in the financial statements: | | |
| Upgrading and modernisation of the Institute's information technology systems | 168,000 | 465,000 |

19. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Financial assets of the Institute include receivables, fixed deposits and cash and bank balances.

Financial liabilities of the Institute include payables and accruals.

(a) Categories of Financial Instruments

The following are details of the financial assets and financial liabilities of the Institute analysed by categories:

| | 2011 RM | 2010 RM |
|--|------------------|------------------|
| Financial Assets | | |
| Loans and receivables: | | |
| Receivables and deposits | 322,371 | 471,335 |
| Fixed deposits with licensed banks | 1,815,800 | 1,131,517 |
| Cash and bank balances | 475,281 | 108,524 |
| Total loans and receivables | 2,613,452 | 1,711,376 |
| Financial Liabilities | | |
| Financial liabilities measured at amortised costs: | | |
| Payables | 831,691 | 590,450 |
| Accruals | 380,054 | 304,501 |
| Total financial liabilities measured at amortised costs | 1,211,745 | 894,951 |



(b) Financial Risk Management

The Institute's overall financial risk management objective is to seek to address and control the risks to which the Institute is exposed and to minimise or avoid the incidence of loss that may result from its exposure to such risks and to enhance returns where appropriate.

The main risks arising from the Institute's activities are credit risk, liquidity risk, interest rate risk and currency risk. The Council reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Credit risk

Credit risk is the risk of financial loss attributable to default on obligations by parties contracting with the Institute. The Institute's main exposure to credit risk is in respect of its receivables and deposits, fixed deposits and cash and bank balances. The counter parties are members, licensed banking institutions and professional organisations. It is the policy of the Institute to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Institute is exposed to minimal credit risk.

At the reporting date, the Institute has subscriptions receivable of RM248,213 (2010 : RM374,278) which have been outstanding for more than 30 days and bank balance and fixed deposits of RM2,289,081 (2010 : RM1,238,041) with some major licensed banking institutions in Malaysia.

Other than as mentioned, the Institute has no significant concentration of credit risk. The maximum exposures to credit risk are represented by the carrying amount of the financial assets in the reporting date.

(ii) Liquidity and cash flow risks

Liquidity or funding risk is the risk of the inability to meet commitments associated with financial instruments while cash flow risk is the risk of uncertainty of future cash flow amount associated with a monetary financial instrument.

The Institute practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient fund for contingent funding requirements of working capital.

Maturity analysis

The maturity profile of the Institute's financial liabilities as at the end of the reporting period based on undiscounted contractual payments are as follows:

| | Less than 1 year RM |
|----------------------------|------------------------------------|
| 2011 | |
| Advances for study manuals | 40,000 |
| Due to students societies | 211,560 |
| Other payables | 580,131 |
| Accruals | 380,054 |
| <hr/> | |
| 2010 | |
| Advances for study manuals | 115,455 |
| Due to students societies | 205,935 |
| Other payables | 269,060 |
| Accruals | 304,501 |
| <hr/> | |

(iii) Market risk

Market risk is the risk that the value of the financial instruments will fluctuate due to changes in market prices.

The Institute's main market risk exposure are currency and interest rate fluctuations and which are discussed under the respective risk headings.

Interest rate risk

The Institute ensures that it places fixed deposits at competitive rates under the most favourable terms and conditions.

The Institute is also exposed to interest rate risk in respect of its fixed deposits with licensed banks. As these fixed deposits are subject to fixed rate and not accounted for at fair value through profit or loss, a change in the market interest rates would not affect the financial result for the year and the fund of the Institute.

Currency risk

The currency risk relates to transactions denominated in foreign currencies.

The Institute is exposed to currency risk mainly due to payments made in foreign currency that are denominated in currency other than Ringgit Malaysia. The currency giving rise to this risk is Australian Dollar ("AUD"). The Institute's foreign currency exposure profile on payables is disclosed in Note 10.

The Institute minimises the exposure to foreign exchange risk by monitoring the movement in the exchange rates with a view to ensuring that the most competitive rates are secured, where appropriate.

The Institute does not hedge nor speculate in foreign currency derivatives.

Currency risk sensitivity analysis

A 10 percent strengthening or weakening of AUD against RM at the end of the reporting period would have decreased / increased the Institute's net operating surplus for the financial year by RM17,123 (2010 : RM2,623).

(c) Fair value of financial instruments

The carrying amount of the financial assets and financial liabilities of the Institute at the end of the financial year approximated their fair values due to their short term to maturity.



20. CAPITAL MANAGEMENT

The objectives of the Institute in managing capital are:

- to safeguard the Institute's ability to continue as a going concern to enable its statutory obligations under the Companies Act, 1965 is fulfilled;
- to develop and maintain the qualification programme and continuing professional development programme for students and members; and
- to provide capital for the purpose of strengthening the Institute's operational efficiency.

The Institute regularly reviews and manages its capital to ensure adequacy for both operational and capital needs. All surpluses are transferred to the accumulated fund for future operational needs.

For the purpose of capital disclosure, the Council regards the accumulated fund as capital of the Institute.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Report on the Financial Statements

We have audited the financial statements of THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, which comprise the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 75 to 110.

Council's Responsibility for the Financial Statements

The Council of the Institute is responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Institute's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Institute as at 31 December 2011 and of its financial performance and cash flows for the year then ended.



Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Institute have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Institute, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ooi Chee Kun
996/03/14(J/PH)
Chartered Accountant

Kuala Lumpur
May 12, 2012

Ng Eng Kiat
1064/03/13(J/PH)
Chartered Accountant





PENYATA KEWANGAN 2011

KANDUNGAN

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LAPORAN MAJLIS BAGI TAHUN BERAKHIR 31 DISEMBER 2011

Majlis dengan sukacitanya membentangkan laporan mereka dan penyata kewangan Institut Akauntan Awam Bertauliah Malaysia (Institut) yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2011.

KEGIATAN UTAMA

Kegiatan utama Institut ialah memajukan profesion perakaunan. Sepanjang tahun kewangan, tiada sebarang perubahan ketara yang berlaku dalam kegiatan ini.

KEPUTUSAN KEWANGAN

Lebihan kendalian bersih bagi tahun kewangan

RM
472,967

DIVIDEN

Menurut Memorandum Pertubuhan, tiada dividen akan dibayar kepada ahli-ahli Institut.

REZAB DAN PERUNTUKAN

Sepanjang tahun kewangan, tiada sebarang pindahan penting kepada atau daripada akaun peruntukan selain daripada yang dinyatakan dalam penyata kewangan. Institut tidak mempunyai sebarang akaun rezab.

MAJLIS

Ahli-ahli Majlis yang berkhidmat sejak tarikh laporan terakhir pada 26 Mei 2011 ialah:

| | |
|---|---|
| Abdul Halim bin Md Lassim | Ong Chee Wai (Dilantik pada 12.05.2012) |
| Dato' Ab Halim bin Mohyiddin | Poon Yew Hoe |
| Abdul Rauf Rashid (Dilantik pada 20.08.2011) | Pushpanathan a/l S.A. Kanagarayar |
| Dato' Seri Ahmad Johan bin Mohammad Raslan | See Huey Beng (Meletak jawatan pada 20.08.2011) |
| Beh Tok Koay | Seow Yoo Lin (Meletak jawatan pada 14.01.2012) |
| Datin Hj Fadzilah bte Saad | Sukanta K Dutt |
| Dato' Gan Ah Tee | Dato' Syed Faisal Albar bin Syed A R Albar |
| Goh Lee Hwa | Tan Bun Poo |
| Lee Tuck Heng | Tan Chin Hock |
| Lim Thiam Kee | Tan Theng Hooi |
| Lim Tian Huat (Meletak jawatan pada 12.05.2012) | Teo Swee Chua |
| Loh Lay Choon | Thong Foo Vung (Dilantik pada 14.01.2012) |
| Loo Mi Li (Meletak jawatan pada 12.11.2011) | Dr Veerinderjeet Singh |
| Dato' Hj Maidin Syed Ali | Venkatraman Viswanathan |
| Mohamed Raslan Abdul Rahman | Dato' Yeo How |
| Ng Gan Hooi (Dilantik pada 14.01.2012) | Datuk Robert Yong Kuen Loke |
| Ng Kim Tuck | Yong Yoon Shing |



Menurut undang-undang kecil 5, Ahli-ahli Majlis berikut bersara pada Mesyuarat Agung Tahunan dan, disebabkan layak, menawarkan diri mereka untuk dilantik semula:

Goh Lee Hwa
 Mohamed Raslan Abdul Rahman
 Pushpanathan a/l S.A. Kanagarayar
 Tan Chin Hock
 Dr Veerinderjeet Singh
 Dato' Yeo How
 Datuk Robert Yong Kuen Loke
 Yong Yoon Shing

Menurut undang-undang kecil 13, Ahli-ahli Majlis berikut yang dilantik untuk memenuhi kekosongan sambilan akan bersara pada Mesyuarat Agung Tahunan dan, disebabkan layak, menawarkan diri mereka untuk dilantik semula:

Abdul Rauf Rashid
 Ong Chee Wai

MANFAAT AHLI-AHLI MAJLIS

Institut ini adalah sebuah syarikat berhad dengan jaminan dan oleh itu tidak mempunyai syer dalam mana Ahli-ahli Majlis boleh mempunyai kepentingan. Institut juga tidak mengeluarkan sebarang debentur.

Sejak akhir tahun kewangan yang lepas, tiada Ahli Majlis Institut telah menerima atau berhak menerima sebarang manfaat (selain daripada manfaat dalam bentuk bayaran yang diterima oleh seorang Ahli Majlis untuk mengemaskini buku panduan belajar MICPA seperti yang dinyatakan dalam penyata kewangan) akibat dari perjanjian yang dibuat oleh Institut atau sebuah perbadanan yang berkaitan dengan Ahli Majlis atau dengan firma di mana Ahli Majlis adalah seorang ahli, atau dengan syarikat di mana Ahli Majlis mempunyai kepentingan kewangan yang ketara.

Pada akhir tahun kewangan, mahupun pada bila-bila masa sepanjang tahun tersebut, Institut tidak menjadi pihak kepada sebarang persetujuan yang matlamatnya adalah bertujuan untuk membolehkan Ahli-ahli Majlis mendapat faedah melalui perolehan syer atau debentur dalam sebarang badan korporat.

MAKLUMAT BERKANUN YANG LAIN

- (a) Sebelum penyata kewangan Institut disediakan, Majlis telah mengambil langkah-langkah yang sewajarnya:
- (i) untuk memastikan bahawa tindakan sewajarnya telah diambil berkaitan dengan penghapuskiraan hutang lapuk dan membuat peruntukan bagi hutang ragu dan mereka berpuashati bahawa kesemua hutang lapuk yang diketahui telah dihapuskira dan peruntukan yang secukupnya telah dibuat untuk hutang ragu; dan
 - (ii) untuk memastikan bahawa aset semasa yang tidak mungkin direalisasikan nilainya melalui urusan perniagaan biasa, sepertimana dinyatakan dalam rekod perakaunan Institut telahpun dikurangkan nilainya kepada amaun yang dijangka boleh direalisasikan.



- (b) Pada tarikh laporan ini, Majlis tidak mengetahui sebarang keadaan:
- (i) yang boleh menyebabkan jumlah hutang lapuk yang dihapuskirakan dan jumlah elaun hutang ragu yang diperuntukkan dalam Institut tidak mencukupi sehingga ke peringkat yang menjejaskan;
 - (ii) yang boleh menyebabkan nilai aset semasa dalam penyata kewangan Institut mengelirukan;
 - (iii) yang boleh mengakibatkan pematuhan kepada kaedah yang sedia ada bagi penilaian aset dan liabiliti Institut mengelirukan atau tidak sesuai; dan
 - (iv) yang tidak ditangani dalam laporan ini atau dalam penyata kewangan Institut, yang akan menyebabkan mana-mana amaun yang dinyatakan dalam penyata kewangan mengelirukan.
- (c) Pada tarikh laporan ini, tidak terdapat:
- (i) sebarang cagaran ke atas aset Institut yang telah diwujudkan semenjak akhir tahun kewangan yang menjamin liabiliti mana-mana perseorangan lain; dan
 - (ii) sebarang liabiliti luar jangka berhubung dengan Institut yang timbul semenjak akhir tahun kewangan.
- (d) Pada pendapat Majlis:
- (i) tiada liabiliti luar jangka atau liabiliti lain Institut yang akan berkuatkuasa atau mungkin dikuatkuasakan, dalam tempoh dua belas bulan berikutan akhir tahun kewangan ini yang akan atau mungkin memberi kesan terhadap keupayaan Institut untuk menyelesaikan tanggungannya apabila tiba masanya;
 - (ii) keputusan kendalian Institut sepanjang tahun kewangan tidak dipengaruhi dengan ketara oleh sebarang butiran, urusanniaga atau kejadian penting dan luarbiasa; dan
 - (iii) tiada timbul sebarang butiran, urusanniaga atau kejadian penting dan luarbiasa dalam jangka masa di antara akhir tahun kewangan dan tarikh laporan ini yang akan menjejaskan keputusan kendalian Institut dengan ketara bagi tahun kewangan semasa yang dilaporkan.

JURUAUDIT

Menurut undang-undang kecil 120, Ooi Chee Kun dan Ng Eng Kiat akan bersara sebagai juruaudit Institut pada Mesyuarat Agung Tahunan akan datang dan mengikut undang-undang kecil 121, mereka dengan ini dicalonkan untuk perlantikan semula sebagai juruaudit untuk tahun kewangan berikutnya.

Bagi pihak Majlis,

DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN

Presiden

PUSHPANATHAN A/L S.A. KANAGARAYAR

Naib Presiden

Laporan ini dibuat menurut resolusi Majlis yang telah diluluskan pada 12 Mei 2012.



PENYATA OLEH AHLI-AHLI MAJLIS

(Menurut Seksyen 169(15) Akta Syarikat, 1965)

Kami, **DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN** dan **PUSHPANATHAN A/L S.A. KANAGARAYAR**, dua orang daripada Ahli-ahli Majlis **INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA**, dengan ini menyatakan bahawa, pada pendapat ahli-ahli majlis, penyata kewangan yang dibentangkan bersama dengan nota-notanya, telah disediakan mengikut Piawaian Pelaporan kewangan dan Peruntukan akta syarikat, 1965 di malaysia supaya memberi gambaran yang benar dan saksama mengenai:

- (i) kedudukan Institut pada 31 Disember 2011 dan keputusannya bagi tahun kewangan berakhir pada tarikh tersebut; dan
- (ii) aliran tunai Institut bagi tahun kewangan berakhir pada 31 Disember 2011.

Bagi pihak Ahli-ahli Majlis,

DATO' SERI AHMAD JOHAN BIN MOHAMMAD RASLAN
Presiden

PUSHPANATHAN A/L S.A. KANAGARAYAR
Naib Presiden

Kuala Lumpur
12 Mei 2012



AKUAN BERKANUN

(Menurut Seksyen 169(16) Akta Syarikat, 1965)

Saya, **FOO YOKE PIN**, selaku pegawai yang terutama bertanggungjawab ke atas pengurusan kewangan **INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA**, dengan sesungguhnya dan tulus ikhlas mengaku bahawa penyata kewangan yang dibentangkan bersama dengan nota-notanya adalah untuk sebaik-baik pengetahuan dan kepercayaan saya adalah betul, dan saya membuat pengakuan ini dengan penuh kepercayaan bahawa perkara-perkara tersebut adalah benar serta menurut akta akuan berkanun, 1960.

Ditandatangani dan diakui oleh penama di atas)
FOO YOKE PIN)
di Kuala Lumpur)
Wilayah Persekutuan)
pada 12 Mei 2012)

Di hadapan saya:

Yap Lee Chin
Pesuruhjaya Sumpah
Kuala Lumpur



PENYATA KEDUDUKAN KEWANGAN

PADA 31 DISEMBER 2011

| | Nota | 2011 RM | 2010 RM |
|--|------|------------|------------|
| ASET | | | |
| Aset Bukan Semasa | | | |
| Loji dan peralatan | 4 | 46,911 | 53,744 |
| Aset tak ketara - perisian komputer | 5 | 179,932 | - |
| Kos pembangunan buku panduan belajar | 6 | - | 16,600 |
| | | 226,843 | 70,344 |
| Aset Semasa | | | |
| Buku panduan belajar, pada kos | | 8,269 | 5,739 |
| Penghutang, prabayaran dan deposit | 7 | 343,723 | 481,042 |
| Simpanan tetap | 8 | 1,815,800 | 1,131,517 |
| Wang tunai dan baki di bank | | 475,281 | 108,524 |
| | | 2,643,073 | 1,726,822 |
| Jumlah Aset | | 2,869,916 | 1,797,166 |
| DANA DAN LIABILITI | | | |
| Dana Terkumpul | | | |
| Baki pada 1 Januari | | 581,918 | 355,417 |
| Lebihan kendalian bersih bagi tahun kewangan | | 472,967 | 226,501 |
| | | 1,054,885 | 581,918 |
| Liabiliti Bukan Semasa | | | |
| Pendapatan tertunda | 9 | 225,000 | 225,000 |
| Liabiliti Semasa | | | |
| Yuran pendahuluan | | 378,286 | 95,297 |
| Pemiutang dan akruan | 10 | 1,211,745 | 894,951 |
| | | 1,590,031 | 990,248 |
| Jumlah Liabiliti | | 1,815,031 | 1,215,248 |
| Jumlah Dana dan Liabiliti | | 2,869,916 | 1,797,166 |

Nota-nota pada muka surat 123 hingga 154 merupakan sebahagian penting penyata kewangan ini.



PENYATA PENDAPATAN KOMPREHENSIF

BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

| | Nota | 2011 RM | 2010 RM |
|--|------|-------------|-------------|
| Pendapatan | | | |
| Yuran tahunan ahli | | 1,559,868 | 1,548,904 |
| Yuran peperiksaan | | 992,500 | 530,500 |
| Yuran sijil pengamalan | | 225,511 | 229,680 |
| Yuran pengecualian pelajar | | 119,148 | 83,850 |
| Yuran tahunan pelajar | | 111,420 | 121,920 |
| Yuran kemasukan ahli | | 24,560 | 52,000 |
| Yuran pendaftaran dan pemindahan pelajar | | 49,093 | 44,735 |
| Yuran ahli sementara | | 15,270 | 15,000 |
| | | 3,097,370 | 2,626,589 |
| Pendapatan daripada Aktiviti-Aktiviti Lain | 11 | 815,599 | 742,259 |
| Pendapatan Lain | 12 | 146,673 | 43,257 |
| Jumlah Pendapatan | | 4,059,642 | 3,412,105 |
| Belanja Kendalian | 13 | (3,102,784) | (2,697,002) |
| Belanja Aktiviti-Aktiviti Lain | 11 | (487,532) | (488,907) |
| | | 469,326 | 226,196 |
| Cukai | 14 | 3,641 | 305 |
| Lebihan Kendalian Bersih / Jumlah Pendapatan Komprehensif bagi Tahun Kewangan | | 472,967 | 226,501 |

Nota-nota pada muka surat 123 hingga 154 merupakan sebahagian penting penyata kewangan ini.



***PENYATA PERUBAHAN EKUITI AHLI-AHLI
BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011***

| | Dana Terkumpul | |
|--|-----------------------|--------------------|
| | 2011 RM | 2010 RM |
| Baki pada 1 Januari 2010 / 2009 | 355,417 | 180,717 |
| Lebihan kendalian bersih / Jumlah pendapatan komprehensif bagi tahun kewangan | 226,501 | 174,700 |
| Baki pada 31 Disember 2010 / 2009 | 581,918 | 355,417 |
| Lebihan kendalian bersih / Jumlah pendapatan komprehensif bagi tahun kewangan | 472,967 | 226,501 |
| Baki pada 31 Disember 2011 / 2010 | 1,054,885 | 581,918 |

Nota-nota pada muka surat 123 hingga 154 merupakan sebahagian penting penyata kewangan ini.



PENYATA ALIRAN TUNAI

BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

| | Nota | 2011 RM | 2010 RM |
|---|------|-------------|-------------|
| Aliran Tunai daripada Aktiviti Kendalian | | | |
| Penerimaan tunai | | | |
| Yuran | | 2,269,973 | 2,071,938 |
| Yuran peperiksaan | | 1,135,550 | 563,500 |
| Jurnal dan penerbitan | | 127,085 | 130,822 |
| Seminar | | 464,981 | 395,229 |
| Buku panduan belajar | | 26,025 | 20,700 |
| Bengkel peperiksaan | | 53,295 | 66,284 |
| Cukai dibayar balik | | 4,113 | - |
| Lain-lain | | 159,331 | 186,433 |
| Bayaran tunai | | | |
| Belanja kendalian | | (2,897,506) | (2,827,893) |
| Cukai dibayar | | - | (89) |
| Buku panduan belajar | | (1,520) | (3,679) |
| Bayaran sewa pejabat kepada Tabung Amanah Pendidikan MACPA | | (120,000) | (120,000) |
| Tunai bersih terjana daripada aktiviti kendalian | | 1,221,327 | 483,245 |
| Aliran Tunai daripada Aktiviti Pelaburan | | | |
| Kos pembangunan buku panduan belajar | | (15,000) | (8,000) |
| Pembelian loji dan peralatan | 4 | (33,209) | (24,624) |
| Pembelian aset tak ketara – perisian komputer | 5 | (179,932) | - |
| Faedah diterima daripada simpanan tetap | | 57,918 | 4,921 |
| Bayaran bagi pihak Tabung Amanah Pendidikan MACPA | | (64) | (166) |
| Tunai bersih digunakan untuk aktiviti pelaburan | | (170,287) | (27,869) |
| Tambahan Bersih dalam Tunai dan Kesetaraan Tunai | | 1,051,040 | 455,376 |
| Tunai dan Kesetaraan Tunai pada Awal Tahun Kewangan | | 1,240,041 | 784,665 |
| Tunai dan Kesetaraan Tunai pada Akhir Tahun Kewangan | 16 | 2,291,081 | 1,240,041 |

Nota-nota pada muka surat 123 hingga 154 merupakan sebahagian penting penyata kewangan ini.



NOTA KEPADA PENYATA KEWANGAN

31 DISEMBER 2011

1. MAKLUMAT AM

Institut Akauntan Awam Bertauliah Malaysia (Institut) adalah sebuah syarikat berhad dengan jaminan, diperbadankan dan berdomisil di Malaysia.

Pejabat berdaftar dan tempat utama perniagaan Institut terletak di No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur.

Aktiviti utama Institut ialah memajukan profesion perakaunan.

Jumlah kakitangan di akhir tahun kewangan adalah 20 (2010: 21).

Penyata kewangan dibentangkan dalam Ringgit Malaysia (RM), iaitu matawang fungsian Institut.

Penyata kewangan telah diluluskan dan dibenarkan untuk diterbitkan menurut satu resolusi Majlis pada 12 Mei 2012.

2. RINGKASAN DASAR-DASAR PERAKAUNAN PENTING

2.1 Asas Penyediaan

Penyata kewangan Institut disediakan berasaskan konvensyen kos sejarah kecuali seperti yang dinyatakan dalam ringkasan dasar perakaunan penting ini. Penyata kewangan Institut mematuhi Piawaian Pelaporan Kewangan dan peruntukan Akta Syarikat, 1965 di Malaysia.

Polisi perakaunan yang diterima pakai oleh Institut adalah sejajar dengan polisi yang diterima pakai dalam tahun kewangan sebelumnya selain daripada penerimaan pakai Piawaian Pelaporan Kewangan (FRS) baru dan disemak semula, Tafsiran Jawatankuasa Interpretasi (IC) dan pindaan kepada FRS yang telah diterbitkan oleh Lembaga Piawaian Perakaunan Malaysia (MASB) seperti yang dibentangkan dalam Nota 2.2 di bawah yang relevan kepada kendalian Institut, yang berkuatkuasa dari awal tahun kewangan semasa.



2.2 FRS Baru dan Disemak Semula, Tafsiran IC dan Pindaan kepada FRS yang Diterima Pakai oleh Institut

Sepanjang tahun kewangan, Institut telah menerima pakai FRS baru dan disemak semula, Tafsiran IC dan Pindaan kepada FRS berikut:

| | |
|----------------------|---|
| FRS 1 | Penerimaan Pakai Kali Pertama Piawaian Pelaporan Kewangan (Disemak semula) |
| Pindaan kepada FRS 1 | Penerimaan Pakai Kali Pertama Piawaian Pelaporan Kewangan - Pengecualian Terhadap dari Perbandingan FRS 7 Pendedahan untuk Penerima Pakai Kali Pertama - Pengecualian Tambahan untuk Penerima Pakai Kali Pertama |
| Pindaan kepada FRS 7 | Instrumen Kewangan: Pendedahan - Menambah Baik Pendedahan mengenai Instrumen Kewangan |
| Tafsiran IC 4 | Menentukan sama ada sesuatu Pengaturan mengandungi Pajakan |

Pindaan kepada FRS diklasifikasi sebagai “Penambahbaikan kepada FRS (2010)”

Penerimaan pakai FRS 1 dan Pindaan kepada FRS 1 tidak mempunyai sebarang kesan ke atas Institut kerana ini bukan kali pertamanya FRS diterima pakai. Penerimaan pakai FRS disemak semula dan Tafsiran IC dan pindaan kepada FRS tidak memberi kesan yang ketara ke atas keputusan kewangan dan kedudukan kewangan Institut maupun sebarang perubahan ketara dalam pembentangan dan pendedahan amaun dalam penyata kewangan kecuali yang dinyatakan seperti berikut:

Pindaan kepada FRS 7, Menambah Baik Pendedahan mengenai Instrumen Kewangan

Pindaan kepada FRS 7 memerlukan pendedahan yang dipertingkatkan mengenai penilaian nilai saksama dan risiko kecairan. Pendedahan penilaian nilai saksama instrumen kewangan telah dipertingkatkan dengan mengklasifikasikannya mengikut hierarki nilai saksama tiga-tingkat. Di samping itu, pendedahan tertentu ke atas pemindahan ketara di antara Tingkat 1 dan Tingkat 2 hierarki nilai saksama dan satu penyelarasan terperinci untuk penilaian nilai saksama mereka pada Tingkat 3 hierarki nilai saksama adalah diperlukan.

Menurut peruntukan peralihan Pindaan kepada FRS 7, pendedahan baru tersebut tidak diperuntukkan bagi tempoh perbandingan. Penerimaan pakai Pindaan tersebut cuma memberi kesan terhadap pendedahan dalam penyata kewangan dan tidak mempunyai sebarang kesan kewangan ke atas Institut.



Lain-lain FRS baru dan disemak semula, Tafsiran IC dan pindaan kepada FRS yang telah diterbitkan oleh MASB yang berkuatkuasa dari awal tahun kewangan semasa tetapi tidak relevan kepada kendalian Institut adalah seperti berikut:

| | |
|------------------------------|---|
| FRS 3 | Kombinasi Perniagaan (Disemak semula) |
| FRS 127 | Penyata Kewangan Disatukan dan Berasingan (Disemak semula) |
| Pindaan kepada FRS 2 | Bayaran berasaskan Syer - Skop FRS 2 dan semakan semula FRS 3 - Urusniaga Bayaran Berasaskan Syer Kumpulan yang Dijelaskan secara Tunai |
| Pindaan kepada FRS 5 | Aset Bukan Semasa yang Dipegang untuk Dijual dan Kendalian yang Ditamatkan |
| Pindaan kepada FRS 132 | Instrumen Kewangan : Pembentangan - Pengelasan Hak Terbitan |
| Pindaan kepada FRS 138 | Aset Tak Ketara - Pindaan tambahan akibat semakan semula FRS 3 |
| Pindaan kepada Tafsiran IC 9 | Penilaian Semula Derivatif Tersirat - Skop Tafsiran IC 9 dan semakan semula FRS 3 |
| Tafsiran IC 12 | Perjanjian Konsesi Perkhidmatan |
| Tafsiran IC 16 | Lindung Nilai Pelaburan Bersih dalam Kendalian Asing |
| Tafsiran IC 17 | Pengagihan Aset Bukan Tunai kepada Pemilik |
| Tafsiran IC 18 | Pindahan Aset daripada Pelanggan |



2.3 FRS Baru dan Disemak Semula, Tafsiran IC dan Pindaan kepada FRS dan Tafsiran IC yang Belum Dikuatkuasakan dan Belum Diterima Pakai Awal

FRS baru dan disemak semula dan Tafsiran IC dan pindaan kepada FRS dan Tafsiran IC, di mana relevan, yang telah diterbitkan tetapi belum efektif, yang tidak diterima pakai lebih awal oleh Institut adalah seperti berikut:

| | | Berkuatkuasa untuk tempoh kewangan bermula pada atau selepas |
|----------------------------------|--|---|
| Pindaan kepada Tafsiran IC 14 | Prabayaran Pembiayaan Keperluan Minimum | 1 Julai 2011 |
| Tafsiran IC 19 | Pelupusan Liabiliti Kewangan dengan Instrumen Ekuiti | 1 Julai 2011 |
| FRS 124 | Pendedahan Pihak Berkaitan (Disemak semula) | 1 Januari 2012 |
| Pindaan kepada FRS 1 | Hiperinflasi Teruk dan Penyingkiran Tarikh Tetap bagi Penerima Pakai Kali Pertama | 1 Januari 2012 |
| Pindaan kepada FRS 7 | Pendedahan - Pemindahan Aset Kewangan | 1 Januari 2012 |
| Pindaan kepada FRS 112 | Cukai Tertunda - Perolehan Semula Aset Dasar | 1 Januari 2012 |
| Pindaan kepada FRS 101 | Pembentangan Butiran bagi Pendapatan Komprehensif Lain | 1 Julai 2012 |
| Pindaan kepada FRS 7 | Pendedahan - Imbangan Aset Kewangan dengan Liabiliti Kewangan | 1 Januari 2013 |
| Pindaan kepada FRS 12 | Pinjaman Kerajaan | 1 Januari 2013 |
| FRS 10 | Penyata Kewangan Disatukan | 1 Januari 2013 |
| FRS 11 | Pengaturan Bersama | 1 Januari 2013 |
| FRS 12 | Pendedahan Kepentingan Dalam Entiti-entiti Lain | 1 Januari 2013 |
| FRS 13 | Pengukuran Nilai Saksama | 1 Januari 2013 |
| FRS 119 | Manfaat Kakitangan (Disemak semula) | 1 Januari 2013 |
| FRS 127 | Penyata Kewangan Berasingan | 1 Januari 2013 |
| FRS 128 | Pelaburan dalam Syarikat-syarikat Bersekutu dan Usaha Sama | 1 Januari 2013 |
| Tafsiran IC 20 | Kos Penanggalan dalam Fasa Pengeluaran Sebuah Lombong Permukaan | 1 Januari 2013 |
| Pindaan kepada FRS 132 | Pendedahan - Imbangan Aset Kewangan dengan Liabiliti Kewangan | 1 Januari 2014 |
| FRS 9 | Instrumen Kewangan (IFRS 9 yang diterbitkan oleh Lembaga Piawaian Perakaunan Antarabangsa (IASB) pada bulan November 2009) | 1 Januari 2015* |
| FRS 9 | Instrumen Kewangan (IFRS 9 yang diterbitkan oleh IASB pada bulan Oktober 2010) | 1 Januari 2015* |

Tarikh Berkuatkuasa Wajib FRS 9 dan Pendedahan Peralihan (Pindaan kepada FRS 9 (IFRS 9 yang diterbitkan oleh IASB pada bulan November 2009), FRS 9 (IFRS 9 yang diterbitkan oleh IASB pada bulan Oktober 2010) dan FRS 7))

**

* *Tarikh berkuatkuasa wajib FRS 9 telah ditukarkan daripada 1 Januari 2013 kepada 1 Januari 2015 oleh MASB.*

** *Berkuatkuasa serta merta pada tarikh ia diterbitkan oleh MASB pada 1 Mac 2012.*

Sepertimana yang diterangkan di bawah, Institut akan menerima pakai rangka kerja perakaunan Piawaian Pelaporan Kewangan Malaysia (MFRS) yang baharu yang diterbitkan oleh MASB dalam penyediaan penyata kewangan yang berikutnya. Maka Institut tidak akan menerima pakai FRS yang baru dan disemak semula, Tafsiran IC dan pindaan mereka yang berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2012.

Rangka Kerja MFRS

Pada 19 November 2011, MASB menerbitkan rangka kerja perakaunan MASB yang diluluskan yang baharu, rangka kerja MFRS, sempena rancangan MASB untuk bertumpu dengan Piawaian Pelaporan Kewangan Antarabangsa (IFRS). Rangka kerja MFRS terdiri daripada piawaian yang setara dengan IFRS yang diterbitkan oleh Lembaga Piawaian Perakaunan Antarabangsa.

Rangka kerja MFRS akan digunakan oleh semua Entiti Selain Daripada Entiti Persendirian bagi tempoh tahunan yang bermula pada atau selepas 1 Januari 2012, dengan pengecualian bagi entiti-entiti dalam skop MFRS 141, *Pertanian* dan Tafsiran IC 15, *Perjanjian bagi Pembinaan Hartanah*, termasuk syarikat induk, pelabor penting dan rakan usaha samanya (selepas ini dirujuk sebagai "Entiti-entiti Peralihan"). Entiti-entiti Peralihan dibenarkan untuk menangguhkan penerimaan pakai rangka kerja MFRS untuk satu tahun lagi. Susulannya, penerimaan pakai rangka kerja MFRS bagi Entiti-entiti Peralihan akan diwajibkan bagi tempoh tahunan yang bermula pada atau selepas 1 Januari 2013.

Semua FRS yang diterbitkan di bawah rangka kerja FRS MASB yang sedia ada adalah setara dengan MFRS yang diterbitkan kecuali tidak terdapat FRS yang setara dengan MFRS 141 dan Tafsiran IC 15 yang diterbitkan di bawah rangka kerja MFRS dan perbezaan berkenaan dengan peruntukan peralihan.

Institut akan menyediakan penyata kewangan MFRS yang pertama untuk tahun kewangan berakhir 31 Disember 2012 di mana akan juga termasuk suatu penyata kedudukan kewangan pembukaan MFRS pada tarikh peralihan kepada MFRS iaitu pada 1 Januari 2011.

Institut menjangka bahawa tidak terdapat kesan ketara ke atas kedudukan kewangan dan keputusan kewangan sebaik sahaja menerima pakai rangka kerja MFRS.



2.4 Loji dan Peralatan dan Susut Nilai

Butiran loji dan peralatan dicatat pada kos, tolak susut nilai terkumpul dan kerugian rosot nilai terkumpul. Kos termasuk perbelanjaan yang boleh diagihkan terus kepada perolehan aset tersebut.

Kos mengganti sebahagian daripada butiran loji dan peralatan diiktirafkan dalam nilai buku butiran tersebut atau diiktiraf sebagai aset berasingan, seperti yang sewajarnya, hanya apabila terdapatnya kemungkinan bahawa manfaat-manfaat ekonomi masa depan berkaitan dengan butiran tersebut akan mengalir masuk ke Institut dan kos butiran tersebut dapat dinilai dengan pasti. Nilai buku bagi bahagian diganti akan dilucutkan pengiktirafannya. Kesemua pembaikan dan penyelenggaraan yang lain akan dicaj kepada untung atau rugi dalam tahun kewangan di mana ianya berlaku.

Susut nilai dikira berasaskan kaedah garis lurus untuk menghapuskira kos loji dan peralatan kepada nilai sisanya ke atas hayat berguna yang dijangkakan. Kadar tahunan asas yang digunakan adalah seperti berikut:

| | |
|---------------------|-----|
| Perabot danengkapan | 10% |
| Sistem kawalan | 10% |
| Peralatan pejabat | 20% |
| Komputer | 33% |

Nilai sisa dan hayat berguna aset disemak semula pada setiap akhir tahun kewangan dan diselaraskan secara prospektif, sekiranya sesuai, di mana jangkaan berlainan daripada anggaran sebelumnya. Loji dan peralatan disemak semula untuk rosot nilai berasaskan kepada dasar perakaunan Institut untuk rosot nilai aset.

Suatu butiran loji dan peralatan dilucutkan pengiktirafannya sebaik sahaja pelupusan atau apabila tiada manfaat ekonomi pada masa depan dijangka daripada penggunaan atau pelupusannya. Perbezaan di antara hasil pelupusan bersih, jika ada, dan nilai buku bersih adalah diiktirafkan dalam untung atau rugi.

2.5 Rosot Nilai Aset Bukan Kewangan

Nilai buku aset bukan kewangan (selain daripada inventori buku panduan belajar dan aset cukai tertunda) disemak semula untuk rosot nilai pada akhir setiap tempoh pelaporan untuk menentukan sama ada terdapat sebarang petunjuk rosot nilai. Sekira wujudnya petunjuk sebegini, nilai perolehan semula aset adalah dijangka untuk menentukan nilai kerugian rosot nilai. Kerugian rosot nilai diperuntukkan apabila nilai buku satu aset melebihi nilai perolehan semulanya. Nilai perolehan semula adalah nilai yang lebih tinggi di antara nilai saksama satu aset ditolak kos jualan dan nilai penggunaannya yang dinilai dengan merujuk kepada aliran tunai masa depan yang didiskaunkan.

Kerugian rosot nilai adalah diiktiraf dalam untung atau rugi dalam tempoh di mana ianya wujud, kecuali aset tersebut dinilai pada amaun dinilai semula. Sebarang kerugian rosot nilai untuk aset yang dinilai semula adalah diiktiraf dalam pendapatan komprehensif lain bagi aset tersebut setakat di mana kerugian rosot nilai tersebut tidak melebihi jumlah yang berada di akaun lebihan penilaian semula.

Kerugian rosot nilai untuk suatu aset adalah dinyatakan semula sekiranya, dan hanya sekiranya, terdapat perubahan dalam anggaran yang digunakan untuk menentukan nilai perolehan semula satu aset sejak kerugian rosot nilai yang terakhir diiktirafkan. Nilai buku satu aset akan ditingkatkan kepada nilai perolehan yang disemak semula, jika nilai tersebut tidak melebihi nilai buku yang telah ditentukan (tolak pelunasan atau susut nilai) jika tidak terdapat kerugian rosot nilai diiktirafkan untuk aset dalam tahun-tahun sebelumnya. Suatu pernyataan semula kerugian rosot nilai untuk suatu aset diiktiraf dalam untung atau rugi.



2.6 Buku Panduan Belajar

Kos pembangunan buku panduan belajar MICPA yang sebahagian besarnya terdiri daripada bayaran kepada penulis dan penyemak semula dipermodalkan dan dilunaskan mengikut asas garis lurus ke atas hayat ekonomi buku panduan belajar, yang dianggarkan dari 3 hingga 5 tahun.

Bayaran untuk mengemaskini buku panduan belajar MICPA akan dibelanjakan dalam tahun di mana bayaran dilakukan.

Stok buku panduan belajar dicatat pada nilai terendah antara kos dan nilai boleh direalis bersih. Kos ditetapkan mengikut asas masuk-dulu, keluar-dulu dan terdiri daripada kos percetakan. Nilai boleh direalis bersih merupakan harga jualan yang dianggarkan dalam urusan perniagaan biasa tolak kesemua kos anggaran untuk menjual.

2.7 Aset Tak Ketara Diperolehi Berasingan - Perisian Komputer

Aset tak ketara diperolehi berasingan adalah dinilai pada kos tolak sebarang pelunasan terkumpul dan sebarang kerugian rosot nilai terkumpul. Pelunasan adalah diiktiraf berasaskan kepada garis lurus ke atas hayat berguna yang dijangkakan, yang mana dijangkakan selama 3 tahun. Hayat berguna yang dijangka dan kaedah pelunasan disemak semula pada akhir setiap tempoh pelaporan dimana kesan sebarang perubahan anggaran diambil kira secara prospektif.

2.8 Peruntukan

Peruntukan diiktiraf apabila Institut mempunyai satu obligasi semasa yang sah di sisi undang-undang dan konstruktif yang disebabkan oleh peristiwa lepas dan terdapat kemungkinan satu aliran keluar sumber melibatkan manfaat ekonomi diperlukan untuk menyelesaikan obligasi tersebut dan anggaran yang boleh dipercayai dapat dibuat bagi amaun obligasi tersebut. Di mana kesan nilai masa untuk wang adalah penting, jumlah peruntukan diukur pada nilai kini perbelanjaan yang dijangka akan diperlukan untuk menjelaskan obligasi tersebut dengan menggunakan kadar pra-cukai yang menggambarkan penilaian pasaran semasa nilai masa untuk wang dan risiko tertentu terhadap liabiliti tersebut. Di mana diskaun digunakan, peningkatan dalam jumlah sesuatu peruntukan disebabkan masa diiktirafkan sebagai kos kewangan.

2.9 Tunai dan Kesetaraan Tunai

Tunai dan kesetaraan tunai merangkumi tunai dalam tangan, baki di bank, deposit dengan bank berlesen dan pelaburan yang amat mudah cair yang boleh ditukar dengan mudah kepada amaun tunai dan tertakluk kepada risiko perubahan nilai yang tidak ketara. Penyata aliran tunai disediakan dengan menggunakan kaedah langsung.

Tunai dan kesetaraan tunai dikategori dan dinilai sebagai pinjaman dan penghutang menurut polisi Nota 2.15(c).



2.10 Manfaat Kakitangan

(i) Manfaat Kakitangan Jangka Pendek

Upah, gaji, caruman keselamatan sosial, cuti tahunan berbayar, cuti sakit berbayar, bonus dan faedah bukan kewangan diiktiraf sebagai belanja pada tahun di mana perkhidmatan berkaitan diberikan oleh kakitangan Institut.

Pampasan ketidakhadiran terkumpul seperti cuti tahunan berbayar adalah diiktiraf sebagai belanja apabila perkhidmatan diberikan oleh kakitangan yang meningkatkan hak mereka bagi pampasan ketidakhadiran masa depan. Pampasan ketidakhadiran tak terkumpul seperti cuti sakit adalah diiktiraf apabila berlakunya ketidakhadiran tersebut.

(ii) Pelan Caruman Tetap

Institut memperuntukkan manfaat selepas penggajian melalui caruman kepada pelan caruman tetap yang dikendalikan oleh pihak berkuasa yang relevan pada kadar yang ditetapkan.

Pelan caruman tetap adalah pelan manfaat selepas penggajian di mana Institut membayar caruman tetap kepada suatu entiti berasingan (suatu dana) dan tidak mempunyai obligasi yang sah di sisi undang-undang atau konstruktif untuk membayar caruman selanjutnya sekiranya dana tersebut tidak memegang aset yang mencukupi untuk membayar semua manfaat kakitangan berkaitan dengan perkhidmatan kakitangan dalam tempoh semasa dan sebelumnya.

Caruman Institut kepada pelan caruman tetap diiktiraf sebagai belanja dalam tahun ianya berlaku.

2.11 Bantuan Kerajaan

Bantuan kerajaan, termasuk bantuan bukan kewangan, tidak akan diiktiraf sehingga terdapat kepastian yang munasabah di mana semua syarat-syarat terikat kepada bantuan tersebut akan dapat dipatuhi dan bantuan akan diterima.

Bantuan berkaitan dengan aset diwujudkan sebagai pendapatan tertunda dan diiktiraf sebagai pendapatan secara sistematik ke atas hayat jangka aset tersebut. Bantuan berkaitan dengan belanja diiktiraf sebagai pendapatan dalam tempoh bantuan tersebut menjadi penghutang. Bantuan berkaitan dengan kos masa depan ditundakan dan diiktiraf dalam untung atau rugi dalam tempoh yang sama sebagai kos berkaitan.

2.12 Urusniaga Matawang Asing dan Baki

Dalam menyediakan penyata kewangan Institut, urusniaga dalam matawang selain daripada matawang fungsian Institut (matawang asing) dicatatkan dalam matawang fungsian dengan menggunakan kadar pertukaran lazim pada tarikh urusniaga. Pada akhir setiap tempoh pelaporan, aset dan liabiliti kewangan dalam matawang asing diterjemahkan pada kadar pertukaran lazim pada akhir tempoh pelaporan. Butiran bukan kewangan yang dinilai mengikut kos sejarah dalam matawang asing diterjemahkan dengan menggunakan kadar pertukaran pada tarikh urusniaga. Butiran bukan kewangan yang dinilai pada nilai saksama dalam matawang asing diterjemahkan dengan menggunakan kadar pertukaran pada tarikh apabila nilai saksama ditentukan.

Perbezaan pertukaran yang wujud dari penyelesaian urusniaga dalam matawang asing dan dari terjemahan aset dan liabiliti kewangan dalam matawang asing diiktiraf dalam untung atau rugi.



Perbezaan pertukaran yang wujud dari terjemahan butiran bukan kewangan yang dinilai pada nilai saksama adalah termasuk dalam untung atau rugi untuk tempoh tersebut kecuali perbezaan yang wujud dari terjemahan butiran bukan kewangan di mana perolehan atau kerugian diiktiraf secara langsung dalam pendapatan komprehensif lain. Perbezaan pertukaran yang wujud dari butiran bukan kewangan sebegini adalah diiktiraf secara langsung dalam pendapatan komprehensif lain.

Kadar penutup pertukaran matawang asing diguna pakai dalam penyediaan penyata kewangan adalah seperti berikut:

| | 2011 | 2010 |
|-------------------|-------------|-------------|
| | RM | RM |
| 1 Dolar Australia | 3.22 | 3.14 |

2.13 Cukai Pendapatan

Belanja cukai merupakan agregat amaun cukai semasa dan cukai tertunda. Cukai semasa dan cukai tertunda diiktiraf sebagai pendapatan atau belanja dalam untung atau rugi kecuali setakat di mana cukai tersebut berkaitan dengan butiran yang diiktiraf di luar untung atau rugi, sama ada dalam pendapatan komprehensif lain atau secara langsung dalam ekuiti.

Cukai semasa merupakan cukai yang dijangkakan perlu dibayar ke atas pendapatan bercukai bagi tahun tersebut dengan menggunakan kadar cukai yang dikuatkuasakan atau hampir dikuatkuasakan pada akhir tempoh pelaporan.

Cukai tertunda diperuntukkan mengikut kaedah liabiliti ke atas perbezaan sementara pada akhir tempoh pelaporan antara nilai buku aset dan liabiliti dalam penyata kewangan dengan jumlah yang digunakan bagi aset dan liabiliti tersebut untuk tujuan percukaian.

Liabiliti cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh dikenakan cukai dan aset cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh diberikan potongan dan kerugian cukai belum diserap dan kredit cukai belum guna setakat terdapat kemungkinan keuntungan bercukai masa depan akan berlaku di mana aset tersebut boleh digunakan.

Nilai buku aset cukai tertunda disemak semula pada akhir setiap tempoh pelaporan dan akan dikurangkan setakat di mana kemungkinan faedah cukai yang berkaitan tidak akan direalis.

Kadar cukai yang dikuatkuasakan atau hampir dikuatkuasakan pada akhir tempoh pelaporan adalah digunakan untuk menentukan cukai tertunda.

Aset cukai tertunda dan liabiliti cukai tertunda diimbangi apabila terdapatnya hak boleh dikuatkuasakan dari segi undang-undang untuk mengimbangi aset cukai semasa dengan liabiliti cukai semasa dan apabila ia berkaitan dengan cukai pendapatan yang dikenakan oleh pihak berkuasa cukai yang sama dan Institut ingin menyelesaikan aset cukai semasa dan liabiliti cukai semasa secara asas bersih.



2.14 Pengiktirafan Pendapatan dan Belanja

Yuran Ahli dan Pelajar

- (i) Yuran tahunan Institut ialah 1 Januari hingga 31 Disember. Yuran tahunan ahli dan pelajar adalah dibayar terdahulu setiap tahun. Hanya yuran tahunan ahli dan pelajar yang berpunca dari tahun kewangan semasa diiktiraf sebagai pendapatan. Yuran berhubung dengan tempoh selepas tahun kewangan semasa ditunjuk dalam penyata kedudukan kewangan sebagai Yuran Pendahuluan di bawah tajuk Liabiliti Semasa.
- (ii) Yuran kemasukan ahli dan yuran pendaftaran pelajar diiktiraf apabila permohonan masing-masing diluluskan.
- (iii) Yuran peperiksaan dan pengecualian diiktiraf apabila permohonan masing-masing diluluskan.

Pendapatan Faedah

Pendapatan faedah diiktiraf berasaskan kadar hasil efektif.

Aktiviti-aktiviti Lain

Aktiviti lain termasuk penyediaan kursus-kursus pembangunan profesional berterusan, mengendalikan bengkel peperiksaan untuk pelajar, jualan penerbitan dan buku panduan belajar MICPA dan pengelolaan aktiviti-aktiviti pembangunan profesional dan pelajar yang lain.

Dasar pengiktirafan pendapatan dan belanja bagi aktiviti-aktiviti sebegini oleh Institut adalah seperti berikut:

- (i) Setakat aktiviti disempurnakan pada atau sebelum tempoh pelaporan, sebarang lebihan atau defisit diiktiraf dalam penyata pendapatan komprehensif.
- (ii) Pendapatan daripada jualan penerbitan dan buku panduan belajar MICPA diiktiraf apabila kawalan fizikal bahan dipindahkan kepada pembeli.
- (iii) Kos penerbitan, selain daripada buku panduan belajar, diiktiraf dalam penyata pendapatan komprehensif dalam tahun kewangan ianya berlaku.

Belanja aktiviti lain adalah berkaitan dengan belanja langsung yang boleh dikenalpasti.

2.15 Aset Kewangan

Institut mengiktiraf semua aset kewangan dalam penyata kedudukannya apabila, dan hanya apabila, Institut menjadi satu pihak berkontrak kepada peruntukan instrumen tersebut.

Klasifikasi dan Penilaian

Aset kewangan dinilai pada mulanya berdasarkan kepada nilai saksama ditambah, dalam kes di mana aset kewangan bukan pada nilai saksama melalui untung atau rugi, kos urusniaga yang berpunca secara langsungnya.

Aset kewangan adalah diklasifikasikan mengikut kategori tertentu berikut bergantung kepada sifat semulajadi dan tujuan aset kewangan tersebut dan ditentukan pada masa pengiktirafan permulaan.



(a) Aset kewangan pada nilai saksama melalui untung atau rugi

Aset kewangan diklasifikasikan pada nilai saksama melalui untung atau rugi apabila aset kewangan tersebut sama ada dipegang untuk dagangan atau ditetapkan sebegini selepas pengiktirafan permulaan.

Suatu aset kewangan diklasifikasikan sebagai dipegang untuk dagangan sekiranya:

- ianya diperolehi terutamanya untuk tujuan menjual dalam jangka masa yang terdekat; atau
- semasa pengiktirafan permulaan, ia merupakan sebahagian daripada portfolio instrumen kewangan dikenalpasti di mana Institut mengurus bersama dan mempunyai suatu corak sebenar terkini bagi mengaut untung jangka pendek; atau
- ia adalah suatu derivatif yang bukan suatu instrumen lindung nilai yang ditetapkan dan efektif.

Selepas pengiktirafan permulaan, aset kewangan pada nilai saksama melalui untung atau rugi dinilai pada nilai saksama dengan sebarang perolehan atau kerugian yang wujud daripada perubahan dalam nilai saksama diiktiraf dalam untung atau rugi. Perolehan atau kerugian bersih tersebut tidak termasuk sebarang perbezaan pertukaran, dividen atau faedah diperolehi daripada aset kewangan. Perbezaan pertukaran, dividend dan faedah diperolehi daripada aset kewangan pada nilai saksama melalui untung atau rugi diiktiraf secara berasingan dalam untung atau rugi sebagai sebahagian daripada pendapatan lain atau belanja lain.

Derivatif yang berkaitan dengan dan patut dijelaskan dengan menggunakan instrumen ekuiti tidak disebut harga di mana nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos.

(b) Pelaburan dipegang sehingga matang

Pelaburan dipegang sehingga matang adalah aset kewangan bukan derivatif dengan pembayaran ditetapkan atau boleh ditentukan dan kematangan tetap di mana Institut mempunyai hasrat positif dan keupayaan untuk memegang sehingga matang.

Berikutan pengiktirafan permulaan, pelaburan dipegang sehingga matang dinilai pada kos dilunaskan dengan menggunakan kaedah kadar faedah efektif. Suatu perolehan atau kerugian diiktiraf dalam untung atau rugi apabila pelaburan dipegang sehingga matang dilucut pengiktirafan atau rosot nilai, dan melalui proses pelunasan.

(c) Pinjaman dan penghutang

Pinjaman dan penghutang adalah aset kewangan bukan derivatif dengan pembayaran ditetapkan atau boleh ditentukan yang mana tidak disebut harga dalam suatu pasaran yang aktif. Penghutang perniagaan, pinjaman dan penghutang lain diklasifikasikan sebagai pinjaman dan penghutang.

Berikutan pengiktirafan permulaan, pinjaman dan penghutang dinilai pada kos dilunaskan dengan menggunakan kaedah faedah efektif. Perolehan dan kerugian diiktiraf dalam untung atau rugi apabila pinjaman dan penghutang dilucut pengiktirafan atau rosot nilai, dan melalui proses pelunasan.

(d) Aset kewangan sedia untuk dijual

Aset kewangan sedia untuk dijual adalah aset kewangan bukan derivatif yang ditetapkan sebagai sedia untuk dijual atau tidak diklasifikasikan sebagai pinjaman dan penghutang, pelaburan dipegang sehingga matang atau pada nilai saksama melalui untung atau rugi. Aset kewangan sedia untuk dijual termasuk ekuiti disebut harga dan ekuiti tidak disebut harga dan instrumen hutang yang tidak dipegang untuk dagangan.



Berikutan pengiktirafan permulaan, ekuiti disebut harga dan instrumen hutang adalah dinilai pada nilai saksama dan pelaburan dalam instrumen ekuiti yang tidak mempunyai harga pasaran disebut harga dalam suatu pasaran aktif dan di mana nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos. Suatu perolehan atau kerugian daripada perubahan nilai saksama diiktiraf dalam pendapatan komprehensif lain, melainkan kerugian rosot nilai, perolehan atau kerugian pertukaran asing bagi instrumen kewangan dan faedah dikira dengan menggunakan kaedah faedah efektif diiktiraf dalam untung atau rugi. Perolehan atau kerugian terkumpul diiktiraf sebelumnya dalam pendapatan komprehensif lain diklasifikasi semula daripada ekuiti kepada untung atau rugi sebagai pelarasan pengklasifikasi semula apabila aset kewangan tersebut dilucut pengiktirafannya. Dividen bagi suatu instrumen ekuiti diiktiraf dalam untung atau rugi apabila hak Institut untuk menerima bayaran adalah mantap.

Kaedah biasa untuk membeli atau menjual aset kewangan

Kaedah biasa untuk membeli atau menjual aset kewangan adalah diiktiraf dan dilucut pengiktirafan dengan menggunakan perakaunan tarikh dagangan. Perakaunan tarikh dagangan merujuk kepada:

- pengiktirafan suatu aset diterima dan liabiliti perlu dibayarnya pada tarikh dagangan yang merupakan tarikh di mana Institut menyatakan kesanggupannya untuk membeli atau menjual suatu aset; dan
- melucutkan pengiktirafan suatu aset yang telah dijual, pengiktirafan sebarang perolehan atau kerugian ke atas penghapuskiraan dan pengiktirafan penghutang daripada pembeli untuk bayaran pada tarikh dagangan.

Rosot nilai aset kewangan

Institut menilai pada setiap akhir tempoh pelaporan sama ada terdapat sebarang bukti objektif yang mana suatu aset kewangan, selain daripada aset kewangan pada nilai saksama melalui untung atau rugi, adalah rosot nilai. Aset kewangan dianggap rosot nilai apabila bukti objektif menyatakan bahawa suatu peristiwa kerugian telah berlaku selepas pengiktirafan permulaan aset dan di mana peristiwa kerugian tersebut mempunyai kesan negatif ke atas aliran tunai masa depan dijangka aset tersebut yang boleh dijangka dengan kepastian. Kerugian dijangka yang disebabkan oleh suatu peristiwa masa depan, tidak dikira betapa berkemungkinannya, tidak diiktirafkan. Untuk suatu instrumen ekuiti disebut harga, pengurangan yang ketara atau berpanjangan dalam nilai saksama pelaburan yang kurang daripada kosnya dianggap sebagai bukti objektif rosot nilai.

Suatu jumlah kerugian rosot nilai mengenai aset kewangan dinilai pada kos dilunaskan adalah dinilai sebagai perbezaan antara nilai buku aset dan nilai kini aliran tunai masa depan dijangka didiskaunkan pada kadar faedah efektif asal aset kewangan iaitu kadar efektif dikira pada pengiktirafan permulaan. Nilai buku aset dikurangkan melalui suatu akaun peruntukan. Jumlah kerugian diiktiraf dalam untung atau rugi.

Sekiranya, dalam suatu tempoh berikutnya, jumlah kerugian rosot nilai bagi aset kewangan dinilai pada kos dilunaskan berkurangan dan kekurangan tersebut boleh dikaitkan secara objektif kepada suatu peristiwa yang berlaku selepas rosot nilai diiktiraf, kerugian rosot nilai diiktiraf sebelumnya dinyatakan semula dengan menyelaraskan peruntukan akaun kepada setakat nilai buku aset kewangan tidak melebihi kos dilunaskannya jika rosot nilai belum diiktiraf pada tarikh rosot nilai dinyatakan semula. Nilai dinyatakan semula diiktiraf dalam untung atau rugi.



Apabila suatu aset kewangan sedia untuk dijual adalah rosot nilai, kerugian terkumpul yang telah diiktiraf dalam pendapatan komprehensif lain diklasifikasikan semula daripada ekuiti dan diiktiraf dalam untung atau rugi sebagai pelarasan klasifikasi semula walaupun aset kewangan belum dilucut pengiktirafannya. Jumlah kerugian terkumpul yang diklasifikasikan semula adalah perbezaan antara kos perolehan (tolak sebarang bayaran semula wang pokok dan pelunasan) dan nilai saksama semasa, tolak sebarang kerugian rosot nilai ke atas aset kewangan yang diiktiraf sebelumnya dalam untung atau rugi.

Kerugian rosot nilai diiktiraf dalam untung atau rugi untuk suatu pelaburan dalam instrumen ekuiti yang diklasifikasikan sebagai sedia untuk dijual adalah tidak dinyatakan semula melalui untung atau rugi. Peningkatan dalam nilai saksama, sekiranya ada, berikutan kerugian rosot nilai, diiktiraf dalam pendapatan komprehensif lain.

Sekiranya nilai saksama suatu instrumen hutang diklasifikasikan sebagai sedia untuk dijual, peningkatan dalam tempoh berikutnya dan peningkatan tersebut dapat dikaitkan secara objektif kepada suatu peristiwa yang berlaku selepas kerugian rosot nilai diiktiraf dalam untung atau rugi, kerugian rosot nilai dinyatakan semula dengan nilai penyataan semula diiktiraf dalam untung atau rugi.

Suatu jumlah kerugian rosot nilai berkaitan dengan aset kewangan dibawa pada kos dinilai sebagai perbezaan antara nilai buku aset kewangan dan nilai semasa aliran tunai masa depan dijangka yang didiskaunkan pada kadar pulangan pasaran semasa untuk aset kewangan yang sama. Kerugian rosot nilai sebegini tidak dinyatakan semula dalam tempoh-tempoh berikutnya.

Melucutkan pengiktirafan suatu aset kewangan

Institut melucut pengiktirafan suatu aset kewangan apabila, dan hanya apabila, hak kontraktual kepada aliran tunai daripada aset kewangan tamat atau ia memindah aset kewangan tersebut tanpa mengekal kawalan atau hampir-hampir semua risiko dan ganjaran pemilik aset kewangan kepada pihak lain.

Dengan melucutkan pengiktirafan aset kewangan secara keseluruhannya, perbezaan antara nilai buku dan jumlah pertimbangan diterima dan sebarang perolehan atau kerugian terkumpul yang telah diiktiraf dalam pendapatan komprehensif lain adalah diiktiraf dalam untung atau rugi.

2.16 Liabiliti Kewangan

Institut mengiktiraf semua liabiliti kewangan dalam penyata kedudukan kewangannya apabila, dan hanya apabila, Institut menjadi satu pihak berkontrak kepada peruntukan instrumen tersebut.

Klasifikasi dan Penilaian

Liabiliti kewangan dinilai pada mulanya berdasarkan kepada nilai saksama ditambah, dalam kes liabiliti kewangan lain, kos urusniaga yang berpunca secara langsungnya.

Liabiliti kewangan adalah diklasifikasikan sebagai sama ada liabiliti kewangan pada nilai saksama melalui untung atau rugi atau liabiliti kewangan lain.

(a) Liabiliti kewangan pada nilai saksama melalui untung atau rugi

Liabiliti kewangan adalah diklasifikasikan pada nilai saksama melalui untung atau rugi apabila liabiliti kewangan adalah sama ada dipegang untuk dagangan atau ditetapkan pada nilai saksama melalui untung atau rugi selepas pengiktirafan permulaan.



Suatu liabiliti kewangan diklasifikasikan sebagai dipegang untuk dagangan sekiranya:

- ia telah diperolehi terutamanya untuk tujuan membeli semula dalam jangka masa terdekat; atau
- semasa pengiktirafan permulaan, ia merupakan sebahagian daripada portfolio instrumen kewangan dikenalpasti di mana Institut mengurus bersama dan mempunyai suatu corak sebenar terkini bagi mengaut untung jangka pendek; atau
- ia adalah suatu derivatif yang bukan suatu kontrak jaminan kewangan atau suatu instrumen lindungan nilai yang ditetapkan dan efektif.

Selepas pengiktirafan permulaan, liabiliti kewangan pada nilai saksama melalui untung atau rugi adalah dinilai pada nilai saksama dengan sebarang perolehan atau kerugian yang wujud daripada perubahan dalam nilai saksama diiktiraf dalam untung atau rugi. Perolehan atau kerugian bersih diiktiraf dalam untung atau rugi tidak termasuk sebarang perbezaan pertukaran atau faedah dibayar pada liabiliti kewangan. Perbezaan pertukaran dan belanja faedah ke atas liabiliti kewangan nilai saksama melalui untung atau rugi diiktiraf secara berasingan dalam untung atau rugi sebagai sebahagian pendapatan lain atau belanja lain.

Liabiliti derivatif yang berkaitan dengan dan mesti dijelaskan dengan menggunakan instrumen ekuiti tidak disebut harga yang nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos.

(b) Liabiliti kewangan lain

Semua liabiliti kewangan, selain daripada yang diklasifikasikan sebagai nilai saksama melalui untung atau rugi, adalah kemudiannya dinilai pada kos dilunaskan dengan menggunakan kaedah faedah efektif. Liabiliti kewangan lain Institut termasuk yuran pendahuluan dan pemiutang.

Suatu perolehan atau kerugian ke atas liabiliti kewangan lain diiktiraf dalam untung atau rugi apabila liabiliti kewangan dilucut pengiktirafan dan melalui proses pelunasan.

Liabiliti kewangan dilucut pengiktirafan

Suatu liabiliti kewangan dilucut pengiktirafan apabila, dan hanya apabila, obligasi tertentu dalam kontrak telah lupus. Apabila liabiliti kewangan yang sedia ada ditukar dengan peminjam yang sama dengan syarat yang amat berbeza atau syarat liabiliti sedia ada yang sebahagian besarnya diubah suai, maka ianya diambilkira sebagai suatu pelupusan liabiliti kewangan asal dan liabiliti kewangan baru diiktirafkan. Perbezaan antara nilai buku liabiliti kewangan yang dilupuskan atau dipindah kepada pihak lain dan ganjaran yang dibayar, termasuk aset bukan tunai yang dipindah atau liabiliti yang diandaikan, adalah diiktiraf dalam untung atau rugi.

3. PERTIMBANGAN PERAKAUNAN PENTING DAN SUMBER UTAMA KETIDAKPASTIAN ANGGARAN

Penyediaan penyata kewangan mengikut Piawaian Pelaporan Kewangan memerlukan Majlis untuk mengamal pertimbangan mereka dalam proses penggunaan pakai polisi perakaunan Institut dan mungkin mempunyai kesan ketara ke atas jumlah yang diiktirafkan dalam penyata kewangan. Ia juga memerlukan penggunaan anggaran-anggaran perakaunan dan andaian-andaian yang mempengaruhi jumlah aset dan liabiliti yang dilaporkan dan pendedahan aset dan liabiliti luar jangka pada tarikh penyata kewangan dan keputusan yang dilaporkan bagi tempoh pelaporan dan berkemungkinan mempunyai risiko ketara yang menyebabkan suatu pelarasan yang penting kepada nilai buku aset dan liabiliti dalam tahun kewangan depan. Walaupun pertimbangan dan anggaran tersebut berasaskan kepada pengetahuan terbaik Majlis mengenai peristiwa dan tindakan semasa, keputusan sebenar mungkin berbeza.



Anggaran-anggaran dan andaian-andaian asas adalah disemak semula secara berterusan. Semakan semula kepada anggaran perakaunan adalah diiktiraf dalam tempoh di mana anggaran tersebut disemak semula jika semakan semula hanya mempengaruhi tempoh tersebut, atau dalam tempoh semakan semula dan tempoh masa depan jika semakan semula tersebut mempengaruhi tempoh semasa dan tempoh masa depan.

(a) Pertimbangan penting dalam mengguna pakai polisi perakaunan Institut

Dalam proses mengguna pakai polisi perakaunan Institut, yang dinyatakan dalam Nota 2, Majlis berpendapat bahawa sebarang contoh penggunaan pertimbangan adalah tidak dijangka mempunyai kesan ketara ke atas jumlah yang diiktirafkan dalam penyata kewangan, melainkan anggaran yang melibatkan penganggaran yang ditangani di bawah.

(b) Sumber utama ketidakpastian anggaran

Andaian utama mengenai masa depan dan sumber utama ketidakpastian anggaran lain pada tarikh pelaporan, yang mempunyai suatu risiko ketara yang menyebabkan suatu pelarasan yang penting kepada nilai buku aset dan liabiliti dalam tahun kewangan depan, adalah dibincangkan di bawah.

(i) Cukai pendapatan dan cukai tertunda

Pertimbangan diperlukan untuk menentukan peruntukan modal dan potongan belanja tertentu apabila menganggarkan peruntukan cukai pendapatan. Terdapat urusan di mana penetapan cukai muktamad adalah tidak pasti dalam keadaan biasa dagangan. Institut mengiktiraf liabiliti berasaskan kepada anggaran sama ada cukai tambahan kena dibayar. Sekiranya keputusan cukai muktamad berkenaan perkara tersebut berbeza daripada jumlah yang dicatatkan pada mulanya, perbezaan tersebut akan memberi kesan kepada cukai pendapatan dan cukai tertunda dalam tempoh di mana keputusan diketahui.

(ii) Susut nilai loji dan peralatan

Kos loji dan peralatan disusut nilai berasaskan garis lurus ke atas hayat berguna aset. Majlis menganggarkan hayat berguna loji dan peralatan adalah di antara tempoh 3 tahun dan 10 tahun. Perubahan dalam anggaran tahap penggunaan dan pembangunan teknologi boleh memberi kesan ke atas hayat berguna ekonomi dan nilai sisa aset tersebut. Oleh yang demikian, caj susut nilai untuk masa depan mungkin disemak semula.

(iii) Kerugian rosot nilai penghutang dagangan

Institut membuat suatu peruntukan untuk kerugian rosot nilai berdasarkan kepada penilaian pemulihan daripada penghutang. Peruntukan diguna pakai ke atas penghutang di mana terdapat peristiwa atau perubahan dalam keadaan yang menyatakan bahawa nilai buku mungkin tidak dapat dipulihkan semula. Dalam penilaian tahap hutang yang tidak dapat dipulihkan semula, Majlis telah memberi pertimbangan yang sewajarnya kepada semua maklumat penting berkenaan kesanggupan penghutang untuk menjelaskan hutang. Sekiranya jangkaan adalah berbeza daripada anggaran asal, perbezaan tersebut akan memberi kesan kepada nilai buku penghutang. Nilai buku penghutang dan peruntukan terkumpul untuk kerugian rosot nilai adalah didedahkan dalam Nota 7.

(iv) Pelunasan aset tak ketara – perisian komputer

Perisian komputer mewakili kos perisian yang diperolehi. Kos perisian yang diperolehi, termasuk semua kos langsung berpunca dari menyediakan aset tersebut untuk tujuan kegunaannya akan dilunaskan berasaskan garis lurus kepada belanja kendalian ke atas hayat berguna dijangka selama 3 tahun. Perubahan dalam anggaran tahap penggunaan dan pembangunan teknologi boleh memberi kesan ke atas hayat berguna ekonomi perisian komputer tersebut. Oleh yang demikian, caj pelunasan nilai untuk masa depan mungkin disemak semula.



4. LOJI DAN PERALATAN

| 2011 | Peralatan pejabat RM | Perabot dan lengkapan RM | Sistem kawalan RM | Komputer RM | Jumlah RM |
|--|-------------------------|--------------------------------|-------------------------|----------------|--------------|
| Kos | | | | | |
| Pada awal tahun | 76,539 | 89,206 | 3,020 | 177,076 | 345,841 |
| Tambahan | 5,105 | 3,655 | 643 | 23,806 | 33,209 |
| Dihapuskira | (5,529) | - | - | (6,674) | (12,203) |
| Pada akhir tahun | 76,115 | 92,861 | 3,663 | 194,208 | 366,847 |
| Susut nilai terkumpul | | | | | |
| Pada awal tahun | 69,143 | 66,810 | 2,415 | 153,729 | 292,097 |
| Susut nilai bagi tahun kewangan | 4,336 | 8,472 | 366 | 26,868 | 40,042 |
| Dihapuskira | (5,529) | - | - | (6,674) | (12,203) |
| Pada akhir tahun | 67,950 | 75,282 | 2,781 | 173,923 | 319,936 |
| Nilai buku bersih pada 31 Disember 2011 | 8,165 | 17,579 | 882 | 20,285 | 46,911 |
| 2010 | | | | | |
| Kos | | | | | |
| Pada awal tahun | 83,873 | 84,096 | 3,020 | 165,677 | 336,666 |
| Tambahan | 8,115 | 5,110 | - | 11,399 | 24,624 |
| Dihapuskira | (15,449) | - | - | - | (15,449) |
| Pada akhir tahun | 76,539 | 89,206 | 3,020 | 177,076 | 345,841 |
| Susut nilai terkumpul | | | | | |
| Pada awal tahun | 79,812 | 58,704 | 2,113 | 131,439 | 272,068 |
| Susut nilai bagi tahun kewangan | 4,152 | 8,106 | 302 | 22,290 | 34,850 |
| Dihapuskira | (14,821) | - | - | - | (14,821) |
| Pada akhir tahun | 69,143 | 66,810 | 2,415 | 153,729 | 292,097 |
| Nilai buku bersih 31 Disember 2010 | 7,396 | 22,396 | 605 | 23,347 | 53,744 |

5. ASET TAK KETARA - PERISIAN KOMPUTER

| | 2011 RM | 2010 RM |
|-----------------------------|------------|------------|
| Kos | | |
| Baki pada 1 Januari | - | - |
| Tambahan dalam tahun semasa | 179,932 | - |
| Baki pada 31 Disember | 179,932 | - |

Perisian komputer mewakili kos perisian yang diperolehi. Kos perisian yang diperolehi adalah termasuk semua kos langsung berpunca dari menyediakan aset tersebut untuk tujuan kegunaannya.

Tidak terdapat pelunasan dalam tahun semasa kerana perisian komputer masih belum boleh digunakan pada akhir tempoh pelaporan.

6. KOS PEMBANGUNAN BUKU PANDUAN BELAJAR

| | 2011 RM | 2010 RM |
|-----------------------|------------|------------|
| Kos | | |
| Baki pada 1 Januari | 731,524 | 723,524 |
| Tambahan | 15,000 | 8,000 |
| Baki pada 31 Disember | 746,524 | 731,524 |

Pelunasan dan kerugian rosot nilai terkumpul

| | | |
|--|---------|---------|
| Baki pada 1 Januari: | | |
| Pelunasan terkumpul | 714,924 | 698,624 |
| Kerugian rosot nilai terkumpul | - | - |
| | 714,924 | 698,624 |
| Pelunasan dalam tahun semasa | 23,300 | 16,300 |
| Kerugian rosot nilai pada tahun semasa | 8,300 | - |
| Baki pada 31 Disember: | | |
| Pelunasan terkumpul | 738,224 | 714,924 |
| Kerugian rosot nilai terkumpul | 8,300 | - |
| | 746,524 | 714,924 |
| Nilai buku bersih | - | 16,600 |

Kos pembangunan berlaku dalam tahun semasa termasuk jumlah sebanyak RM2,000 (2010: RM3,000) yang dibayar kepada seorang Ahli Majlis untuk mengemaskini buku panduan belajar MICPA.



7. PENGHUTANG, PRABAYARAN DAN DEPOSIT

| | 2011 | 2010 |
|--|----------------|----------------|
| | RM | RM |
| Hutang dari Ulasan Belanjawan 2012/2011 | 97,000 | 97,000 |
| Hutang dari pertandingan NACRA | 41,185 | 30,779 |
| Yuran belum diterima | 248,213 | 374,278 |
| Pelbagai penghutang | 33,371 | 39,037 |
| | 419,769 | 541,094 |
| Cukai boleh diperolehi semula | - | 472 |
| Prabayaran lain | 21,352 | 9,235 |
| Deposit | 7,050 | 7,050 |
| | 448,171 | 557,851 |
| Tolak: Peruntukan untuk kerugian rosot nilai | (104,448) | (76,809) |
| | 343,723 | 481,042 |

Yuran belum terima dari ahli-ahli semasa adalah matang pada hari pertama Januari dan perlu dijelaskan pada 30 Jun setiap tahun manakala ahli-ahli baru perlu jelaskan pada atau dalam jangka masa dua bulan dari kemasukan. Tiada tempoh kredit yang tetap untuk penghutang-penghutang bagi aktiviti-aktiviti lain.

Institut telah mengiktiraf suatu kerugian rosot nilai penghutang berdasarkan penilaian hutang individu oleh pengurusan yang menganggap bahawa besar kemungkinan mereka akan gagal dalam pembayaran. Institut tidak memegang sebarang cagaran atau penambahan kredit ke atas baki-baki tersebut. Amaun rosot nilai individu diiktiraf oleh Institut adalah seperti berikut:

(a) Analisa penghutang

| | 2011 | 2010 |
|--|----------------|----------------|
| | RM | RM |
| Rosot nilai secara individu | | |
| Nilai buku penghutang sebelum rosot nilai | 419,769 | 541,094 |
| Tolak: Peruntukan untuk kerugian rosot nilai | (104,448) | (76,809) |
| | 315,321 | 464,285 |



(b) Perubahan peruntukan untuk kerugian rosot nilai sepanjang tahun kewangan adalah seperti berikut:

| | 2011 RM | 2010 RM |
|--|--------------------------|--------------------------|
| Baki pada 1 Januari | 76,809 | 17,750 |
| Kerugian rosot nilai diiktiraf pada tahun semasa | 27,639 | 59,059 |
| Baki pada 31 Disember | 104,448 | 76,809 |

(c) Analisa jangka masa penghutang Institut adalah seperti berikut:

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Belum melepasi tempoh matang atau rosot nilai | 162,090 | 148,459 |
| 0 hingga 30 hari melepasi tempoh matang | 9,570 | 10,098 |
| 31 hingga 60 hari melepasi tempoh matang | 7,258 | 40,539 |
| 61 hingga 90 hari melepasi tempoh matang | 14,260 | 850 |
| Melebihi 91 hari tempoh matang | 226,591 | 341,148 |
| | 419,769 | 541,094 |
| Peruntukan untuk kerugian rosot nilai | (104,448) | (76,809) |
| | 315,321 | 464,285 |

Penghutang yang belum melepasi tempoh bayaran atau dirosot nilai

Penghutang yang belum melepasi tempoh bayaran atau dirosot nilai adalah merupakan penghutang yang dipercayai kreditnya di mana rekod bayaran dengan Institut adalah baik. Tidak terdapat perubahan yang ketara telah berlaku dalam kualiti kredit penghutang tersebut yang masih dianggap dapat diperolehi semula. Institut tidak memegang sebarang cagaran ke atas baki-baki tersebut.

Penghutang yang melepasi tempoh bayaran tetapi tidak dirosot nilai

Penghutang yang melepasi tempoh bayaran tetapi tidak dirosot nilai adalah berkaitan dengan ahli-ahli dan sesetengah penghutang yang dipercayai kreditnya. Tidak terdapat perubahan ketara telah berlaku dalam kualiti kredit mereka. Institut percaya bahawa amaun tersebut masih dianggap dapat diperolehi semula dengan sepenuhnya. Institut tidak memegang sebarang cagaran ke atas baki-baki tersebut.



8. SIMPANAN TETAP

| | 2011 RM | 2010 RM |
|--|--------------------------|--------------------------|
| Simpanan tetap dengan bank-bank berlesen | 1,815,800 | 1,131,517 |

Kadar faedah efektif purata berwajaran untuk simpanan tetap pada akhir tempoh pelaporan adalah 3.03% (2010: 2.71%) setahun.

Tempoh matang purata simpanan tetap tersebut adalah 2.3 bulan (2010: 2.3 bulan).

9. PENDAPATAN TERTUNDA

| | 2011 RM | 2010 RM |
|-----------------------|--------------------------|--------------------------|
| Baki pada 31 Disember | 225,000 | 225,000 |

Pada 11 September 2009, Lembaga Kemajuan Perindustrian Malaysia (MIDA) meluluskan suatu bantuan yang bernilai sebanyak RM450,000 kepada Institut di bawah Dana Kemajuan Keupayaan Sektor Perkhidmatan (SSCDF) untuk peningkatan dan memodenisasikan sistem teknologi maklumat Institut (projek tersebut) dan Institut telah menerima sebanyak RM225,000 pada 27 Oktober 2009.

Kos perisian yang akan diperolehi adalah dijangka berjumlah RM348,000.

Institut telah memulakan projek tersebut tetapi ianya masih belum disempurnakan dengan sepenuhnya pada akhir tempoh pelaporan.

Jumlah yang telah diterima sebanyak RM225,000 diambilkira sebagai pendapatan tertunda dan akan diiktiraf dalam Penyata Pendapatan Komprehensif mengikut dasar perakaunan Institut untuk Bantuan Kerajaan seperti dinyatakan dalam Nota 2.11.



10. PEMIUTANG DAN AKRUAN

| | 2011 RM | 2010 RM |
|--|--------------------------|--------------------------|
| Pendahuluan untuk buku panduan belajar | 40,000 | 115,455 |
| Hutang kepada persatuan pelajar | 211,560 | 205,935 |
| Pemiutang lain | 580,131 | 269,060 |
| Akruan | 380,054 | 304,501 |
| | 1,211,745 | 894,951 |

Profil pendedahan matawang bagi pemiutang dan akruan adalah seperti berikut:

| | 2011 RM | 2010 RM |
|------------------|--------------------------|--------------------------|
| Ringgit Malaysia | 1,040,512 | 868,716 |
| Dolar Australia | 171,233 | 26,235 |
| | 1,211,745 | 894,951 |



11. PENDAPATAN DAN BELANJA AKTIVITI LAIN

| 2011 | Pendapatan RM | Belanja RM | Lebihan/ (Defisit) RM |
|--|--------------------------|-----------------------|--------------------------------------|
| Bengkel peperiksaan | 31,795 | 20,424 | 11,371 |
| Pembangunan profesional berterusan | 425,914 | 260,815 | 165,099 |
| Majlis jamuan tahunan | 94,500 | 84,833 | 9,667 |
| Anugerah kecemerlangan MICPA | 4,000 | 2,857 | 1,143 |
| Jurnal dan penerbitan | 41,090 | 8,887 | 32,203 |
| Perhimpunan ahli-ahli tidak formal | 4,500 | 3,156 | 1,344 |
| Buku panduan belajar MICPA | 14,375 | 40,135 | (25,760) |
| Syarahen kenangan dan jamuan | 24,660 | 28,213 | (3,553) |
| Minggu perakaunan | 36,580 | 38,212 | (1,632) |
| | 677,414 | 487,532 | 189,882 |
| Aktiviti yang dikelolakan bersama pertubuhan lain: | | | |
| Pertandingan NACRA | 41,185 | - | 41,185 |
| Ulasan Belanjawan 2012 | 97,000 | - | 97,000 |
| | 138,185 | - | 138,185 |
| | 815,599 | 487,532 | 328,067 |

| 2010 | Pendapatan RM | Belanja RM | Lebihan/ (Defisit) RM |
|--|--------------------------|-----------------------|--------------------------------------|
| Bengkel peperiksaan | 72,334 | 51,128 | 21,206 |
| Pembangunan profesional berterusan | 356,103 | 211,494 | 144,609 |
| Majlis jamuan tahunan | 72,500 | 83,800 | (11,300) |
| Anugerah kecemerlangan MICPA | 11,885 | 25,763 | (13,878) |
| Jurnal dan penerbitan | 34,085 | 14,398 | 19,687 |
| Perhimpunan ahli-ahli tidak formal | - | 9,208 | (9,208) |
| Buku panduan belajar MICPA | 35,100 | 27,509 | 7,591 |
| Syarahen kenangan dan jamuan | 33,760 | 39,123 | (5,363) |
| Minggu perakaunan | 25,160 | 26,484 | (1,324) |
| | 640,927 | 488,907 | 152,020 |
| Aktiviti yang dikelolakan bersama pertubuhan lain: | | | |
| Pertandingan NACRA | 2,332 | - | 2,332 |
| Ulasan Belanjawan 2011 | 99,000 | - | 99,000 |
| | 101,332 | - | 101,332 |
| | 742,259 | 488,907 | 253,352 |

Belanja bagi aktiviti-aktiviti di atas merupakan belanja langsung yang dapat dikenalpasti sahaja dan tidak termasuk belanja overhead. Belanja untuk buku panduan belajar MICPA termasuk pelunasan kos pembangunan berjumlah RM23,300 (2010: RM16,300).

12. PENDAPATAN LAIN

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Faedah simpanan tetap | 57,918 | 31,245 |
| Rebat afiniti - Direct Access | 10,290 | 11,938 |
| Penepian pendahuluan untuk buku panduan belajar | 75,455 | - |
| Lain-lain | 3,010 | 74 |
| | 146,673 | 43,257 |

13. BELANJA KENDALIAN

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Belanja pengiklanan | 8,547 | 10,895 |
| Belanja mesyuarat agung tahunan dan mesyuarat Majlis | 7,287 | 6,071 |
| Kerugian rosot nilai penghutang | 27,639 | 59,059 |
| Penghapuskiraan penghutang tidak dapat diperolehi semula | 107,359 | 75,322 |
| Ganjaran juruaudit | 10,000 | 10,000 |
| Bayaran bank | 27,328 | 23,204 |
| Susut nilai loji dan peralatan | 40,042 | 34,850 |
| Belanja langsung peperiksaan | 327,298 | 180,135 |
| Elektrik dan air | 28,119 | 29,911 |
| Belanja am | 11,706 | 11,073 |
| Insurans | 10,992 | 7,268 |
| Kerugian rosot nilai kos pembangunan buku panduan belajar | 8,300 | - |
| Jurnal dan pernyataan teknikal | 163,930 | 164,059 |
| Bayaran perundangan dan professional | 13,216 | 48,425 |
| Penghapuskiraan peralatan pejabat | - | 628 |
| Penyelenggaraan | 21,216 | 11,864 |
| Belanja perubatan | 4,640 | 5,597 |
| Sewa pejabat | 120,000 | 120,000 |
| Majalah dan stok perpustakaan | 7,730 | 8,759 |
| Pos dan telefon | 97,974 | 110,077 |
| Percetakan dan alatulis | 64,710 | 76,507 |
| | 1,108,033 | 993,704 |



13. BELANJA KENDALIAN (SAMBUNGAN)

| | 2011 | 2010 |
|--|-------------|-------------|
| | RM | RM |
| Baki dibawa ke hadapan | 1,108,033 | 993,704 |
| Belanja pembangunan profesional | 54,138 | 69,873 |
| Penerbitan bahan kursus pelajar | 2,500 | 4,650 |
| Kos kakitangan | | |
| - Kumpulan Wang Simpanan Pekerja dan SOCSO | 198,592 | 180,648 |
| - Gaji dan bonus | 1,367,006 | 1,182,465 |
| Dana rekreasi kakitangan | 7,362 | 2,326 |
| Yuran kepada badan perakaunan antarabangsa | 33,238 | 33,907 |
| Belanja perjalanan | 46,525 | 39,218 |
| Belanja promosi program baru MICPA | 133,795 | 94,021 |
| Bayaran teknikal | 150,322 | 96,190 |
| Kerugian pertukaran asing tidak direalisasikan | 1,273 | - |
| | <hr/> | |
| | 3,102,784 | 2,697,002 |
| | <hr/> | |



14. CUKAI

- (a) Bagi tujuan cukai, Institut ditaksirkan sebagai "Persatuan Dagangan" di bawah seksyen 53(3) Akta Cukai Pendapatan, 1967, di mana pendapatannya dikenakan cukai mengikut kadar skala.

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Terlebih peruntukan bagi tahun-tahun sebelumnya | (3,641) | (305) |

Tidak terdapat peruntukan cukai bagi tahun kewangan semasa kerana pendapatan bercukai Institut dari aktiviti-aktiviti lain telah diimbangi dengan sepenuhnya oleh kerugian cukai tahun semasa.

- (b) Penyelarasan berangka di antara kadar cukai efektif dan kadar cukai dikenakan bagi Institut adalah seperti berikut:

| | 2011 % | 2010 % |
|--|-------------------------|-------------------------|
| Kadar cukai dikenakan | 23.51 | 20.84 |
| Kesan cukai berkaitan dengan: | | |
| Penggunaan kerugian cukai belum diserap | - | (2.88) |
| Pendapatan tidak dikenakan cukai | (27.87) | (54.81) |
| Belanja tidak dibenarkan | 1.38 | 4.60 |
| Pendapatan cukai tertunda tidak diiktirafkan | 2.98 | 32.25 |
| Kadar cukai efektif | - | - |

- (c) Tertakluk kepada persetujuan dengan Lembaga Hasil Dalam Negeri, Institut mempunyai kerugian cukai belum diserap dan elaun modal belum diserap sebanyak RM1,247,396 (2010: RM1,096,561) dan RM156,846 (2010 : TIADA) di mana boleh digunakan untuk mengimbangi lebihan kena dibayar cukai pada masa hadapan.



15. CUKAI TERTUNDA

Cukai tertunda ditentukan selepas imbalan sewajarnya adalah seperti berikut:

| | 2011 RM | 2010 RM |
|--------------------------|--------------------------|--------------------------|
| Liabiliti cukai tertunda | 50,853 | 3,500 |
| Aset cukai tertunda | (50,853) | (3,500) |
| Cukai tertunda bersih | - | - |

- (a) Komponen-komponen dan perubahan-perubahan liabiliti dan aset cukai tertunda pada tahun kewangan adalah seperti berikut:

| 2011 | Pada 1 Januari RM | Diiktiraf dalam untung atau rugi RM | Pada 31 Disember RM |
|---|--|--|--|
| Liabiliti cukai tertunda: | | | |
| Lebihan kos pembangunan buku panduan belajar ke atas kos pembangunan dilunaskan | 3,500 | (3,500) | - |
| Lebihan peruntukan modal ke atas susut nilai | - | 50,853 | 50,853 |
| | 3,500 | 47,353 | 50,853 |

| | | | |
|--|---------|----------|----------|
| Aset cukai tertunda: | | | |
| Lebihan susut nilai ke atas peruntukan modal | (1,300) | 1,300 | - |
| Elaun modal belum diserap | - | (36,874) | (36,874) |
| Kerugian cukai belum diserap | (2,200) | (11,779) | (13,979) |
| | (3,500) | (47,353) | (50,853) |

| 2010 | Pada 1 Januari RM | Diiktiraf dalam untung atau rugi RM | Pada 31 Disember RM |
|---|--|--|--|
| Liabiliti cukai tertunda: | | | |
| Lebihan kos pembangunan buku panduan belajar ke atas kos pembangunan dilunaskan | 4,920 | (1,420) | 3,500 |
| Lebihan peruntukan modal ke atas susut nilai | 4,810 | (4,810) | - |
| | 9,730 | (6,230) | 3,500 |

| | | | |
|--|---------|---------|---------|
| Aset cukai tertunda: | | | |
| Lebihan susut nilai ke atas peruntukan modal | - | (1,300) | (1,300) |
| Kerugian cukai belum diserap | (9,730) | 7,530 | (2,200) |
| | (9,730) | 6,230 | (3,500) |

- (b) Jumlah kerugian cukai belum diserap di mana aset cukai tertunda belum diiktiraf dalam penyata kewangan adalah seperti berikut:

| | 2011 RM | 2010 RM |
|------------------------------|--------------------------|--------------------------|
| Kerugian cukai belum diserap | 1,187,940 | 1,086,004 |

Kerugian cukai belum diserap adalah berkaitan dengan aktiviti-aktiviti yang tidak dikecualikan cukai dan di mana keuntungan boleh dikenakan cukai masa hadapan adalah tidak berkemungkinan.

16. TUNAI DAN KESETARAAN TUNAI

Tunai dan kesetaraan tunai terdiri daripada tunai dalam tangan dan baki di bank dan simpanan tetap. Tunai dan kesetaraan tunai termasuk dalam penyata aliran tunai terdiri daripada amaun di penyata kedudukan kewangan seperti berikut:

| | 2011 RM | 2010 RM |
|------------------------|--------------------------|--------------------------|
| Simpanan tetap | 1,815,800 | 1,131,517 |
| Tunai dan baki di bank | 475,281 | 108,524 |
| | 2,291,081 | 1,240,041 |

17. URUSNIAGA PIHAK BERKAITAN

Urusniaga yang diuruskan dengan pihak berkaitan pada tahun kewangan adalah seperti berikut:

(a) Urusniaga dan baki belum dijelaskan dengan Tabung Amanah Pendidikan MACPA

| | 2011 RM | 2010 RM |
|---|--------------------------|--------------------------|
| Bayaran bagi pihak Tabung Amanah Pendidikan MACPA | 64 | 166 |
| Belanja pentadbiran dicaaj kepada Tabung Amanah Pendidikan MACPA | 51,372 | 47,517 |
| Caj sewa oleh Tabung Amanah Pendidikan MACPA | 120,000 | 120,000 |

Tabung Amanah Pendidikan MACPA adalah satu dana yang ditubuhkan oleh Institut dan diurus oleh Pemegang-pemegang Amanah yang dilantik oleh Institut.

**(b) Yuran dibayar oleh Ahli-ahli Majlis**

| | 2011 RM | 2010 RM |
|------------------------|--------------------|--------------------|
| Yuran tahunan ahli | 17,300 | 17,130 |
| Yuran sijil pengamalan | 12,100 | 11,550 |
| | 29,400 | 28,680 |

(c) Pampasan kakitangan pengurusan utama

Kakitangan pengurusan utama adalah mereka yang mempunyai kuasa dan tanggungjawab untuk merancang, memberi arahan dan mengawal aktiviti Institut sama ada secara langsung atau tidak langsung. Kakitangan pengurusan utama Institut adalah Ahli-ahli Majlis dan Setiausaha dan ganjaran mereka bagi tahun kewangan adalah seperti berikut:

| | 2011 RM | 2010 RM |
|---|--------------------|--------------------|
| Faedah kakitangan jangka pendek | 319,200 | 288,200 |
| Faedah selepas pengajian - sumbangan kepada Kumpulan Wang Simpanan Pekerja | 47,880 | 52,050 |
| | 367,080 | 340,250 |

Kos pembangunan buku panduan belajar yang dibayar kepada seorang Ahli Majlis adalah dinyatakan dalam Nota 6 kepada penyata kewangan.

Baki belum dijelaskan pada akhir tahun berkaitan dengan pampasan kena dibayar kepada kakitangan pengurusan utama adalah seperti berikut:

| | 2011 RM | 2010 RM |
|-------------------------------------|--------------------|--------------------|
| Termasuk dalam pemiutang dan akruan | 60,000 | 53,000 |



18. KOMITMEN MODAL

| | 2011 RM | 2010 RM |
|--|------------|------------|
| Diluluskan oleh Majlis dan dikontrakkan tetapi belum diperuntukkan dalam penyata kewangan: | | |
| Peningkatan dan modenisasi sistem teknologi maklumat Institut | 168,000 | 465,000 |

19. INSTRUMEN KEWANGAN

Suatu instrumen kewangan adalah sebarang kontrak yang menimbulkan kedua-dua aset kewangan bagi satu pihak perniagaan dan liabiliti kewangan atau instrumen ekuiti bagi satu pihak perniagaan yang lain.

Aset kewangan Institut merangkumi penghutang, simpanan tetap dan wang tunai dan baki di bank.

Liabiliti kewangan Institut merangkumi pemiutang dan akruan.

(a) Kategori Instrumen Kewangan

Berikut adalah butiran aset kewangan dan liabiliti kewangan Institut yang dianalisa mengikut kategori:

| | 2011 RM | 2010 RM |
|---|------------|------------|
| Aset Kewangan | | |
| Pinjaman dan penghutang: | | |
| Penghutang dan deposit | 322,371 | 471,335 |
| Simpanan tetap dengan bank-bank berlesen | 1,815,800 | 1,131,517 |
| Wang tunai dan baki di bank | 475,281 | 108,524 |
| Jumlah pinjaman dan penghutang | 2,613,452 | 1,711,376 |
| Liabiliti Kewangan | | |
| Liabiliti kewangan dinilai pada kos dilunaskan: | | |
| Pemiutang | 831,691 | 590,450 |
| Akruan | 380,054 | 304,501 |
| Jumlah liabiliti kewangan dinilai pada kos dilunaskan | 1,211,745 | 894,951 |



(b) Pengurusan Risiko Kewangan

Objektif Institut dalam pengurusan risiko kewangan secara keseluruhan adalah untuk menangani dan mengawal risiko yang dihadapi oleh Institut dan untuk meminimumkan atau mengelak daripada berlakunya kerugian yang mungkin disebabkan oleh pendedahannya kepada risiko sebegini dan untuk menambahkan pulangan sekiranya sesuai.

Risiko-risiko utama yang wujud daripada aktiviti Institut adalah risiko kredit, risiko mudah cair, risiko kadar faedah dan risiko matawang. Majlis menyemak semula dan bersetuju dengan dasar-dasar untuk mengurus setiap risiko tersebut dan adalah diringkaskan seperti di bawah:

(i) Risiko Kredit

Risiko kredit adalah risiko kerugian kewangan yang disebabkan kegagalan pihak yang berkontrak dengan Institut untuk melaksanakan obligasinya. Pendedahan utama kepada risiko kredit Institut adalah berkaitan dengan penghutang dan deposit, deposit bank dan wang tunai dan baki di bank. Pihak-pihak berurusan adalah ahli-ahli, institusi perbankan berlesen dan organisasi profesional. Adalah menjadi dasar Institut untuk memantau kedudukan kewangan pihak-pihak berurusan secara berterusan untuk memastikan bahawa pendedahan Institut terhadap risiko kredit adalah minimum.

Pada tarikh pelaporan, Institut mempunyai yuran yang belum diterima sebanyak RM248,213 (2010 : RM374,278) yang telah berhutang melebihi 30 hari dan baki di bank dan simpanan tetap sebanyak RM2,289,081 (2010 : RM1,238,041) dengan beberapa institusi perbankan berlesen yang utama di Malaysia.

Selain daripada yang tersebut, Institut tidak mempunyai tumpuan risiko kredit yang ketara. Pendedahan maksimum kepada risiko kredit diwakili oleh nilai buku aset kewangan pada tarikh pelaporan.

(ii) Risiko Kecairan dan Aliran Tunai

Risiko kecairan atau pembiayaan adalah risiko di mana tidak dapat memenuhi komitmen yang berkaitan dengan instrumen kewangan sementara risiko aliran tunai adalah risiko ketidakpastian amaun aliran tunai masa depan yang berkaitan dengan instrumen kewangan.

Institut mengamalkan pengurusan risiko kecairan hemat untuk meminimumkan ketidakpadanan antara aset dan liabiliti kewangan dan mengekalkan dana yang mencukupi untuk keperluan pembiayaan modal kerja luar jangka.



Analisa Kematangan

Profil kematangan liabiliti kewangan Institut pada akhir tempoh pelaporan berasaskan kepada bayaran kontraktual yang belum didiskaunkan adalah seperti berikut:

| | Kurang daripada 1 tahun RM |
|--|---|
| 2011 | |
| Pendahuluan untuk buku panduan belajar | 40,000 |
| Hutang kepada persatuan pelajar | 211,560 |
| Pemiutang lain | 580,131 |
| Akruan | 380,054 |
| <hr/> | |
| 2010 | |
| Pendahuluan untuk buku panduan belajar | 115,455 |
| Hutang kepada persatuan pelajar | 205,935 |
| Pemiutang lain | 269,060 |
| Akruan | 304,501 |
| <hr/> | |

(iii) Risiko pasaran

Risiko pasaran adalah risiko dimana nilai instrumen kewangan akan berubah disebabkan perubahan harga pasaran.

Pendedahan risiko pasaran utama Institut adalah perubahan kadar matawang dan faedah dan dimana dibincangkan dibawah tajuk risiko masing-masing.

Risiko kadar faedah

Institut memastikan bahawa simpanan tetapnya disimpan pada kadar-kadar yang kompetitif di bawah terma dan syarat yang paling menguntungkan.

Institut juga didedahkan kepada risiko kadar faedah terhadap simpanan tetapnya dengan bank-bank berlesen. Memandangkan simpanan tetap tersebut tertakluk kepada kadar tetap dan tidak mengambil kira pada nilai saksama melalui untung atau rugi, sebarang perubahan dalam kadar faedah pasaran tidak akan mempengaruhi keputusan kewangan untuk tahun semasa dan dana Institut.



Risiko matawang

Risiko matawang adalah berkaitan dengan urusan yang didenominasikan dalam matawang asing.

Institut terdedah kepada risiko matawang terutamanya disebabkan oleh bayaran yang dilakukan dalam matawang asing yang didenominasikan dalam matawang selain daripada Ringgit Malaysia. Matawang yang menimbulkan risiko tersebut ialah Dolar Australia (AUD). Profil pendedahan matawang asing Institut terhadap pemiutang adalah dinyatakan dalam Nota 10.

Institut meminimumkan pendedahan kepada risiko pertukaran asing dengan mengawasi pergerakan kadar pertukaran supaya memastikan kadar yang paling kompetitif adalah diperolehi, di mana sesuai.

Institut tidak mempunyai lindung nilai atau membuat spekulasi dalam derivatif matawang asing.

Analisa sensitiviti risiko matawang

Keteguhan atau kelemahan AUD ke atas RM sebanyak 10% pada akhir tempoh pelaporan akan mengurangkan atau menambahkan lebih kendalian Institut untuk tahun kewangan sebanyak RM17,123 (2010: RM2,623).

(c) Nilai Saksama Instrumen Kewangan

Nilai buku aset kewangan dan liabiliti kewangan Institut pada akhir tahun kewangan menghampiri nilai saksamanya disebabkan jangka pendek kematangannya.

20. PENGURUSAN MODAL

Objektif Institut dalam mengurus modal adalah:

- untuk melindungi keupayaan Institut diteruskan secara berterusan supaya membolehkan obligasi berkanunnya di bawah Akta Syarikat 1965, dapat dipenuhi;
- untuk membangun dan mengekal program kelayakan dan program pembangunan profesional berterusan untuk pelajar-pelajar dan ahli-ahli; dan
- untuk memperuntukkan modal bagi tujuan memperkukuhkan keberkesanan kendalian Institut.

Institut sering menyemak semula dan mengurus modalnya untuk memastikan berkecukupan untuk keperluan kendalian dan modal. Kesemua lebih dipindah kepada dana terkumpul untuk keperluan kendalian masa depan.

Untuk tujuan pendedahan modal, Majlis menganggap dana terkumpul sebagai modal Institut.



LAPORAN JURUAUDIT KEPADA AHLI-AHLI THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (Institut Akauntan Awam Bertauliah Malaysia)

Laporan Mengenai Penyata Kewangan

Kami telah mengaudit penyata kewangan INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA yang merangkumi penyata kedudukan kewangan pada 31 Disember 2011, dan penyata pendapatan komprehensif, penyata perubahan ekuiti ahli-ahli dan penyata aliran tunai untuk tahun berakhir pada tarikh tersebut, serta satu ringkasan dasar perakaunan yang penting dan nota-nota penerangan lain, seperti yang dibentangkan pada mukasurat 119 hingga 154.

Tanggungjawab Majlis ke atas Penyata Kewangan

Majlis Institut bertanggungjawab dalam penyediaan penyata kewangan yang memberi gambaran yang benar dan saksama menurut Piawaian Pelaporan Kewangan dan Akta Syarikat, 1965 di Malaysia, dan kawalan dalaman sebegini yang ditentukan oleh Majlis adalah perlu untuk membolehkan penyediaan penyata kewangan yang bebas daripada salahnyata yang ketara, sama ada disebabkan oleh penipuan atau kesilapan.

Tanggungjawab Juruaudit

Tanggungjawab kami adalah untuk menyatakan pendapat tentang penyata kewangan berdasarkan audit yang dilaksanakan. Kami telah melaksanakan audit tersebut menurut piawaian pengauditan yang diluluskan di Malaysia. Piawaian tersebut mewajibkan kami mematuhi tuntutan etika di samping merancang dan melaksanakan audit untuk memperolehi keyakinan yang munasabah sama ada atau tidak penyata kewangan tersebut bebas daripada salahnyata yang ketara.

Sesuatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung kepada pertimbangan kami, termasuk penilaian risiko salahnyata yang ketara pada penyata kewangan, sama ada disebabkan oleh penipuan atau kesilapan. Dalam membuat penilaian risiko tersebut, kami mengambil kira kawalan dalaman yang bersesuaian untuk Institut dalam penyediaan penyata kewangan yang memberi gambaran yang benar dan saksama bagi tujuan merangka prosedur audit yang bersesuaian dengan keadaan, tetapi bukan bertujuan menyatakan pendapat mengenai keberkesanan kawalan dalaman Institut. Sesuatu audit juga termasuk penilaian kesesuaian dasar-dasar perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan yang dibuat oleh Majlis, serta penilaian pembentangan penyata kewangan secara keseluruhan.

Kami percaya bahawa bukti audit yang kami perolehi adalah mencukupi dan bersesuaian untuk memberikan asas yang munasabah untuk pendapat kami.

Pendapat

Pada pendapat kami, penyata kewangan tersebut telah disediakan selaras dengan Piawaian Pelaporan Kewangan dan Akta Syarikat, 1965 di Malaysia untuk memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Institut pada 31 Disember 2011 dan prestasi kewangan dan aliran tunai untuk tahun kewangan berakhir pada tarikh tersebut.



Laporan mengenai Perundangan Lain dan Keperluan Badan Pengawasan

Menurut keperluan Akta Syarikat, 1965 di Malaysia, kami juga melaporkan bahawa pada pendapat kami, rekod perakaunan dan rekod lain, serta daftar yang wajib disimpan di bawah Akta oleh Institut telah disimpan dengan sempurna selaras dengan peruntukan Akta tersebut.

Hal-hal Lain

Laporan ini disediakan hanya untuk ahli-ahli Institut, sebagai satu badan, selaras dengan peruntukan Seksyen 174 Akta Syarikat, 1965 di Malaysia dan bukan untuk sebarang tujuan yang lain. Kami tidak akan bertanggungjawab kepada mana-mana pihak lain untuk kandungan laporan ini.

Ooi Chee Kun
996/03/14(J/PH)
Akauntan Bertauliah

Kuala Lumpur
12 Mei 2012

Ng Eng Kiat
1064/03/13(J/PH)
Akauntan Bertauliah





The Malaysian Institute of Certified Public Accountants
(Institut Akauntan Awam Bertauliah Malaysia) (3246-U)
(Company Incorporated in Malaysia Limited by Guarantee)

Form of Proxy

I, _____
(Full Name in Block Capitals)

of _____

being a member of the abovenamed Institute hereby appoint

1. _____
(Full Name)

_____ or
(Address)

2. _____
(Full Name)

(Address)

as my proxy to attend on my behalf the Annual General Meeting of the Institute to be held at FR Dillenia, Ground Floor, Sime Darby Convention Centre, Jalan Bukit Kiara, Kuala Lumpur on June 23, 2012 at 10.00 a.m. and at any adjournment thereof.

Signature _____

Dated this _____ day of _____, 2012

Note:

A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy must be a member of the Institute. The instrument appointing a proxy must be deposited at the office of the Institute at No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur not less than 48 hours before the time set for holding the meeting.

The Malaysian Institute of Certified Public Accountants

Institut Akauntan Awam Bertauliah Malaysia (3246-U)

No.15, Jalan Medan Tuanku, 50300 Kuala Lumpur

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