

*April 2008*

*The CPA e-Newsline is a monthly electronic newsletter designed to provide members, and the public with quick updates on recent developments at the Institute and in the business environment.*

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## **Announcements/Activities**

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### **50<sup>th</sup> Annual General Meeting**

Members are informed that the 50<sup>th</sup> Annual General Meeting of the Institute has been fixed for Saturday, June 21, 2008 at 10:00 a.m. to be held at Bilik Meranti, Level 4, Best Western Premier Seri Pacific Hotel, Jalan Putra, Kuala Lumpur. Notice of the Annual General Meeting, minutes of the 49<sup>th</sup> Annual General Meeting and the Institute's Annual Report will be dispatched to members in the last week of May 2008. For further information, please click [here](#)

### **Council Meeting**

The next Council Meeting of the Institute will be held on Saturday, May 10, 2008 at the MICPA Boardroom at 9:30 a.m.

### **Schedule of MICPA Events for 2008**

We are pleased to inform members that the schedule of events for 2008 has been identified and has been made available on the MICPA website [www.micpa.com.my](http://www.micpa.com.my) under Events/CPD in the Homepage.

### **50<sup>th</sup> Golden Jubilee Annual Dinner**

The Institute's 50<sup>th</sup> Golden Jubilee Annual Dinner will be held on Saturday, July 26, 2008 at Mandarin Oriental Kuala Lumpur. For further information, please contact Ms Vicky Rajaretnam, Public Affairs & Communications Manager on Tel: 03-2698 9622 or e-mail: [vic.pr@micpa.com.my](mailto:vic.pr@micpa.com.my)

### **MICPA Participates in Career Fairs and Exhibitions**

The Institute continues to embark on a more aggressive marketing strategy to position the CPA and CFiA as the designated choice. In this respect, the Institute participates actively in career fairs and exhibitions across the country to promote accountancy as a career, and in particular to create greater awareness of the CPA Malaysia and CFiA qualification. The Institute welcomes participation from young CPA members' who would like to support and participate in these activities. For further information, please contact Ms Jenny Chua, Education and Research Manager on Tel: 03-2698 9622 or e-mail: [jenny.edu@micpa.com.my](mailto:jenny.edu@micpa.com.my)

### **Career Talks at Secondary Schools**

Accountancy has become one of the more popular courses being pursued by young Malaysians. The Institute is always seeking opportunities to foster closer relationship with the secondary schools, to promote accountancy as a career and in particular to

create awareness of the CPA Malaysia qualification. In this respect, a series of scheduled career talks at secondary schools to Forms 4, 5 and 6 students undertaking the accounting subjects has been planned for February – July 2008 in the Klang Valley. The Institute presented a talk on *Career in Accountancy* to:

- 120 students of SMK Bandar Sunway on Tuesday, February 26, 2008;
- 60 students of SMK Bandar Sri Damansara I on Tuesday, March 18, 2008;
- 100 students of SMK Seksyen I Bandar Kinrara on Tuesday, April 1, 2008

The Institute also participated in an exhibition at SMK (P) Sri Aman on Tuesday, April 15, 2008 which was held in conjunction with the school's *Pameran Pendidikan dan Kerjaya 2008*.

### **Collaboration with Universities**

As part of the Institute's efforts to foster closer collaboration with the universities in a positive and mutually beneficial manner, the Institute has scheduled meetings with the Deans of the Faculty of Accountancy of the various public universities. The aim is to promote and strengthen the CPA Malaysia brand name, the CPA and CFIA qualifications to university students.

To date the Institute has made visits to UPM, UKM, USM, UiTM (Shah Alam, Sri Iskandar & Arau), UNITEN and Politeknik Ungku Omar.

The Institute has also sponsored a number of student activities organised by the accounting clubs of the various public universities. For January – April, 2008, the Institute has sponsored various activities organised by UiTM, USM, UKM, UM, UTAR and UNITEN.

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## **Members Update**

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### **MICPA Technical Updates**

Members are informed that Supplement No. 109 and the following exposure drafts issued by MICPA for comment have been posted on the MICPA website:

- *ED ISA 265,*  
*Communicating Deficiencies in Internal Control*
- *ED ISAE 3402,*  
*Assurance Reports on Controls at a Third Party Service Organisation*
- *ED ISA 210 (Redrafted),*  
*Agreeing the Terms of Audit Engagements*
- *EDISA 501 (Redrafted),*  
*Audit Evidence Regarding Specific Financial Statement Account Balances and Disclosures*
- *ED ISA 520 (Redrafted),*  
*Analytical Procedures*
- *ED ISA 710 (Redrafted),*  
*Comparative Information – Corresponding Figures and Comparative Financial Statements*

- *ED ISA 402 (Revised & Redrafted),  
Audit Considerations Relating to an Entity Using a Third Party*
- *ED ISA 505 (Revised & Redrafted),  
External Confirmations*
- *ED ISA 600 (Revised & Redrafted),  
Special Considerations – Audits of Group Financial Statements (Including the  
Work of Component Auditors)*
- *ED ISA 620 (Revised & Redrafted),  
Using the Work of an Auditor's Expert*

Supplement No. 109 and the Exposure Drafts can be downloaded from the MICPA website [www.micpa.com.my](http://www.micpa.com.my) in the members' area.

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

Members are informed that the updated version of the Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services, Auditing Technical Release 2 and 5 have been posted on the MICPA website [www.micpa.com.my](http://www.micpa.com.my) under Member's Handbook in the members' area.

***Extension of Time for Submission of Borang R31 by Companies with  
Financial Year Ended in October or November 2007***

Further to Circulars No: TEC/005/02/2008W and TEC/014/03/2008W, members are duly informed that the Inland Revenue Board (IRB) has advised that the deadline for submission of Borang R31 by companies with financial year ended on or before September 2007 is April 30, 2008.

For companies with financial year ended in October or November 2007, submission of Borang R31 can be made within the period stipulated for submission of Borang C and Borang R for the year of assessment 2007, i.e. within seven (7) months from the date of the company's financial year end.

***Borang C and Borang R for Year of Assessment 2008***

The IRB has informed that in order to facilitate taxpayers, Borang C and Borang R in PDF format would be made available on the IRB website [www.hasil.org.my](http://www.hasil.org.my).

***Public Ruling No.1/2008 – Special Allowances for Small Value Assets***

The IRB has issued Public Ruling No.1/2008 (Special Allowances for Small Value Assets) on March 27, 2008. The Public Ruling can be downloaded from the IRB's website [www.hasil.org.my](http://www.hasil.org.my).

***Format of Dividend Voucher***

Further to Circular No. TEC/002-01/2008W issued to members, the Inland Revenue Board (IRB) has advised that the following amendments have been made to the sample dividend voucher, which was issued in January 2008:

- "For year ended" column – the date has been amended from January 31, 2008 to June 30, 2008;
- "For shares registered on" column – the date has been amended from October 30, 2007 to April 30, 2008;

- “Single Tier Exempt Dividend” – the word “Exempt” has been removed

Further information can be obtained from Circular No. TEC/007/02/2008/W posted in the MICPA website [www.micpa.com.my](http://www.micpa.com.my) in the members’ area.

### ***Borang Nyata B, BE and P in Excel Format***

The IRB has advised that it will not be issuing any Borang Nyata B, BE and P in Excel format for year of assessment 2007. This is due to the fact that the number of users was small and not feasible to maintain it. In addition, the IRB provides e-filing service for tax agents to file returns for their clients.

### ***Exemption of Stamp Duty Under Section 15 and Section 15A of Stamp Act 1949***

With effect from January 1, 2008, applications for Exemption of Stamp Duty under Section 15 and Section 15A of the Stamp Act should be submitted to the respective State Directors’ offices of the IRB.

### ***Borang CP55 [1/2008] – Authority to File Return Electronically Under Section 152A of Income Tax Act 1967***

Members are informed that Borang CP55 [1/2008] is the prescribed form under Section 152A of the Income Tax Act 1967 in relation to authority given by the taxpayer to the tax agent to file return electronically. Borang CP55 [1/2008] is available on the IRB website [www.hasil.org.my](http://www.hasil.org.my)

Further information can be obtained from Circular No. TEC/005/02/2008/W posted in the MICPA website [www.micpa.com.my](http://www.micpa.com.my) in the members’ area.

### ***E-Filing***

The IRB will provide e-filing services for Borang Nyata B, BE, M, P, TP, TF and TJ for year of assessment 2007 and Borang E in respect of remuneration for year 2007. The guidelines for users and related procedures for e-filing will be issued from time to time. Further information can be obtained from Circular No. TEC/005/02/2008/W posted in the MICPA website [www.micpa.com.my](http://www.micpa.com.my) in the members’ area.

### ***Consultative Document on Limited Liability Partnership in Malaysia***

Members are informed that Circular TEC/017/04/2008/W dated April 3, 2008 – Companies Commission of Malaysia – Consultative Document on Limited Liability Partnership in Malaysia has been posted on the MICPA website [www.micpa.com.my](http://www.micpa.com.my). The Circular can be downloaded in the members’ area. Members are encouraged to submit to the Institute’s Secretariat any views / comments on the Consultative Document, preferably by May 2, 2008.

### ***Validity of Certificate of Registration Issued Electronically***

Pursuant to the provisions of Section 22A of the Registration of Businesses Act 1956, the Companies Commission of Malaysia (SSM) has officially launched its e-Lodgement services for businesses on January 22, 2008.

Members are informed that SSM had announced that the *Certificate of Registration* issued electronically is a legal and valid document issued in accordance with the Registration of Businesses Act 1956 and the Registration of Businesses Rules (Amendment) 2007 and shall be treated as conclusive evidence that the business has been duly registered.

### ***Validity of Certificate of Incorporation Issued Electronically***

Pursuant to the provisions of Section 11A of the Companies Act 1965, SSM has officially launched its e-Lodgement services for companies on January 22, 2008. In this respect, the SSM had announced that the Certificate of Incorporation issued electronically is a legal and valid document issued in accordance with the provisions of the Companies Act 1965 and the Companies Regulations 1966.

### ***Payment Made to Companies Commission of Malaysia***

With effect from April 1, 2008, payment made at the SSM counters for the following services can be in the form of cash, bank draft, cheque, postal order or money order:

- *Payment for incorporation of companies;*
- *Payment for increase in share capital; and*
- *Payment for compounds.*

However, cheque payment would only be accepted if the cheques are issued by management company / firm, secretarial company / firm, audit firm, accounting firm, law firm or other similar firms.

The following details would need to be indicated on the reverse side of the cheque:

- *Name, address and phone number of the firm that issued the cheque; and*
- *Company / Entity Number of which the payment was made out for.*

### ***CPD On-Line Record***

Effective January 1, 2007, it is mandatory for all members to complete at least 120 hours of relevant Continuing Professional Development (CPD) activity in each rolling three-year period, of which 60 hours should be verifiable. Members are required to submit an annual declaration as to compliance with the CPD requirements prescribed in the CPD Statement.

An On-Line CPD Record functionality has been added to the MICPA website, which facilitates members to update their CPD records on-line in the format provided. Please visit the MICPA website at [www.micpa.com.my](http://www.micpa.com.my), login as a Member, click on Members Update on the Left-hand Menu and go to Section F to update your CPD records.

For further information, please contact Mr Joseph Leong, Training Manager at 03-2698 9622 or e-mail: [joseph.edu@micpa.com.my](mailto:joseph.edu@micpa.com.my)

### ***Young CPA Group***

As members are aware, the *Young CPA Group* was established in 2004 with the aim of encouraging our younger members to take part in the Institute's work and activities. Young members can play an important role in identifying the professional needs of its members and provide valuable feedback, suggestions and recommendations to the Institute. If you are a CPA below the age of 40, please register yourself online at [www.micpa.com.my](http://www.micpa.com.my).

### ***MICPA Practising Certificate***

The Membership Affairs Committee of the Institute in considering applications for practising certificate has frequently come across cases where a member has commenced public practice before he is issued with a practising certificate by the

Institute. The Committee would like to remind members that in accordance with **bye-law 56 of the Institute's bye-laws**, a member shall be entitled to engage in public practice in Malaysia only if he holds a practising certificate issued by the Institute. If members need clarification on the above requirement, you may forward your inquiry to [membership@micpa.com.my](mailto:membership@micpa.com.my) or Cik Ruhaizah at [ri.stud@micpa.com.my](mailto:ri.stud@micpa.com.my) or call 03-2698 9622.

### ***Change of Correspondence and E-mail Address***

Members and Students are reminded that they should inform the Institute of any change in their correspondence and e-mail addresses. This is to ensure that you receive all circulars, publications, correspondences and e-mail broadcasts promptly. Please click [here](#) to download the form and fax the completed form to the MICPA Secretariat at Fax No. 03-2698 9403. You may also send an e-mail to [membership@micpa.com.my](mailto:membership@micpa.com.my) for the change of correspondence and e-mail address.

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## **Upcoming Continuing Professional Development (CPD) Programmes**

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### ***A Practical Guide to Auditing***

A two-day Workshop on *A Practical Guide to Auditing* will be held at the Legend Hotel, Kuala Lumpur on May 14 – 15, 2008. The objective of the workshop is to equip participants with the technical knowledge and skills in conducting an audit of financial statements in accordance with international Standards on Auditing, which have been adopted for application in Malaysia. The workshop will cover the fundamental auditing principles, the development of an audit plan, performance of audit procedures, documentation, audit conclusions and reporting. For further information on the workshop, please click [here](#)

### ***Briefing on E-Lodgement Services***

The Companies Commission of Malaysia (SSM) launched the e-Lodgement services on January 22, 2008 to enable the lodgement or filing of company and business statutory documents via the internet. As part of the continuing effort to educate and create awareness on e-lodgement, the Institute has organised a briefing session on e-Lodgement services. The briefing session will be held on May 21, 2008 at Best Western Premier Seri Pacific Hotel Kuala Lumpur and will be led by a team of SSM trainers. For further information on the briefing, please click [here](#)

### ***Understanding Financial Statements for Directors and Senior Management***

A one-day Workshop on *Understanding Financial Statements for Directors and Senior Management – How FRS Information Reflects Your Business* will be held on May 22, 2008 at Best Western Premier Seri Pacific Hotel Kuala Lumpur. The objective of the workshop is to help participants appreciate how business strategies and performance are reflected in the financial information under the current Financial Reporting Standards (FRS). For further information on the workshop, please click [here](#)

### ***Evening Talk on Wealth Management: Can Wealth Last 3 Generations? Succession Planning for Business Owners***

The Commerce and Industry Committee (CAIC) of the Institute is organising an Evening Talk cum Hi-Tea on *Wealth Management: Can Wealth Last 3 Generations? Succession Planning for Business Owners* on May 23, 2008 at the Legend Hotel Kuala Lumpur. The objective of the talk is to update participants of the various options available in wealth management and its benefits. The talk will also assist participants to map out a course to help them achieve the income they need in their life and to develop actionable strategies for wealth management. For further information on the workshop, please click [here](#)

### ***Business Combinations and Issues in Consolidated Financial Statements (FRS 3 and FRS 127)***

A one-day Workshop on *Business Combinations and Issues in Consolidated Financial Statements* will be held on May 29, 2008 at the Legend Hotel, Kuala Lumpur. The workshop is organised with the primary aim of assisting participants master the technique of preparing consolidated financial statements and providing a forum for discussing controversial issues in the preparation of consolidated financial statements. For further information on the workshop, please click [here](#)

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## **Updates from Regulatory Bodies**

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### **SECURITIES COMMISSION**

#### ***Further Details on Capital Market Initiatives***

Following the Prime Minister's announcement at Invest Malaysia on the streamlining of Bursa Malaysia's three boards, the Securities Commission (SC) furnished more details of the proposal in a Press Release issued on March 25, 2008 as follows:

The Main and Second Boards will be merged into a unified Board for companies with an established profit track record where the qualifying criteria for listing will be based on the current Second Board criteria. The MESDAQ Market will be transformed into a sponsor-driven market and expanded to include the listing of both technology and non-technology emerging companies.

The SC will continue with its education programmes to further strengthen investor knowledge and vigilance. The streamlined board structure together with the new regulatory and listing approach will be implemented by the end of 2008. For further information, please visit [www.sc.com.my](http://www.sc.com.my)

#### ***SC Unveils Key ICM Initiatives at International Islamic Capital Market Forum***

The Securities Commission (SC) on March 27, 2008 unveiled several new initiatives which reinforce its role as a leading advocate of Islamic Capital Market (ICM) development.

The initiatives include:

- *Strengthening partnerships through collaborative efforts*
- *The establishment of an International Advisory Committee and*
- *Convening of the semi-annual International Islamic Capital Market Forum*

Two Memorandum of Understandings (MOUs) were signed. The MOU with Universiti Sains Islam Malaysia (USIM) will facilitate the compilation and publication of global Shariah Rulings, and the MOU with Universiti Malaya (UM) will establish a Visiting Scholar Programme. For further information, please visit [www.sc.com.my](http://www.sc.com.my)

### ***New SC Guidelines to Raise Standards of Market Conduct***

The SC on April 8, 2008 introduced a set of new guidelines to strengthen investor protection by promoting responsible conduct among stockbrokers and their representatives.

The introduction of the *Guidelines on Market Conduct and Business Practices* (Guidelines), which are aligned with international best practices, supports the Capital Market Masterplan (CMP) strategic initiative of ensuring that the Malaysian intermediation services are anchored on appropriate prudential standards, with high levels of business conduct and professional skills.

The new Guidelines identify 11 core principles of supervision applicable to stockbrokers and their representatives pursuant to the SC's principles-based approach to regulation. The Guidelines also specify the expected market and business conduct standards of stockbrokers, their representatives and employees. Examples and scenarios are provided to illustrate activities which constitute market abuses and unethical business conduct. For further information, please visit [www.sc.com.my](http://www.sc.com.my)

### ***The 2<sup>nd</sup> Financial Leaders Forum***

We are pleased to inform members that the Securities Commission, Malaysia in collaboration with the International Institute for Management (IMD), Lausanne, Switzerland will be organising the *2<sup>nd</sup> Financial Leaders Forum: Advanced Business Management Programme (ABMP)* for Senior Leaders in the Capital Markets. This programme is specially designed for members of the senior management team of market intermediaries, financial institutions, PLCs, GLCs and regulators. For further information on the programme and registrations details, please visit [www.sc.com.my](http://www.sc.com.my)

## **BURSA MALAYSIA BERHAD**

### ***Bursa Malaysia Urges More Companies to Embrace CSR as part of Sustainable Business Practice***

In a press release dated April 7, 2008, Bursa Malaysia urged public listed companies (PLCs) to step up their Corporate Social Responsibility (CSR) practices and adopt a more integrated and holistic CSR approach to fully realize the sustainable value it brings to businesses. Bursa Malaysia commissioned a CSR survey to find out the status of CSR practices by Malaysian PLCs. The findings of the CSR 2007 Status Report revealed poor CSR engagement by Malaysian PLCs. On average, the PLCs surveyed demonstrated lack of knowledge and awareness of CSR. While there were some positive examples of best practices in relation to certain CSR areas, the overall picture points to a greater need for PLCs to improve their CSR disclosure and attain better understanding of the key CSR concepts. For further information, please visit [www.bursamalaysia.com](http://www.bursamalaysia.com)

### ***Bursa Malaysia Direct Market Access Enhances Accessibility and Connectivity to the Derivatives Market***

Bursa Malaysia announced the introduction of Direct Market Access (DMA) for the Derivatives market in line with the exchange's efforts to enhance market accessibility



and trading efficiency. For further information and details on DMA – Derivatives, please contact Bursa Malaysia via email at [DMA@bursamalaysia.com](mailto:DMA@bursamalaysia.com)

## **BANK NEGARA MALAYSIA**

### ***Introduction of the Cheque Truncation and Conversion System (CTCS)***

Bank Negara Malaysia wishes to announce the introduction of the Cheque Truncation and Conversion System (CTCS) to replace the current cheque clearing system. Cheque truncation is scheduled to go live on May 23, 2008 and cheque conversion in August 2008, both to be implemented first in the Klang Valley. The rollout to the rest of the country will be carried out in phases; the Penang and Johor Bahru regions by October 2008 and the east coast states and east Malaysia by January 2009. For further information, please visit [www.bnm.gov.my](http://www.bnm.gov.my)

### ***Decision of the Shariah Advisory Council of Bank Negara Malaysia on Rounding Mechanism***

Bank Negara Malaysia announced that its Shariah Advisory Council at its 74th meeting has decided that the rounding mechanism introduced by the Government of Malaysia to the nearest 5 sen for all payments made over the counter effective from April 1, 2008 is Shariah compliant. The decision is based on the following:-

- *The objective of rounding mechanism implement by the Government is for public interest;*
- *The difference between actual and rounded amounts for each payment is very negligible; and*
- *The mechanism is beneficial for all and does not create any harmful (dharar) to all transacting parties.*

### ***BNM Guidelines & Circulars***

Bank Negara Malaysia's Guidelines and Circulars are now available for public viewing. For further information, please visit [www.bnm.gov.my](http://www.bnm.gov.my)

## **INLAND REVENUE BOARD**

### ***Programme for Submission of Year 2007 Income Tax Return Forms***

Members are informed that a copy of the programme for submission of year 2007 income tax return forms has been issued by the IRB. Members are advised to take note and comply with the due dates for the filing of income tax return forms for the various categories of taxpayers. All income tax return forms should be submitted to Pusat Pemprosesan of the IRB in Pandan Indah, Kuala Lumpur. The programme and due dates can be downloaded from the IRB's website [www.hasil.org.my](http://www.hasil.org.my)

## **COMPANIES COMMISSION OF MALAYSIA**

### ***A Consultative Document on Limited Liability Partnership***

The Companies Commission of Malaysia (SSM) issued the second consultative document on the proposed framework for the *Limited Liability Partnership (LLP)* in Malaysia as an alternative form of business vehicle. The second consultative document incorporates deliberation on the concept of the proposed LLP towards formulating a more comprehensive framework. The proposal was intended to complement the existing forms of business vehicles by providing a wider choice for

businesses to structure their operations which would make them more competitive 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 arrangements of its business. SSM hopes to receive views and comments on the recommendations stated in the consultative document.

### **SSM e-Lodgement Services**

e-Lodgement is a facility offered by SSM to enable the lodgement or filing of company and business statutory documents electronically. Steps to use the SSM e-Lodgement include:

- User must have e-mail address, mykad and internet line
- Go to website [www.gov.my](http://www.gov.my) or [www.ssm.com.my](http://www.ssm.com.my) and click e-Lodgement icon
- Click "Register" for registration as a PSP (Public Service Portal)/myGovernment Portal user
- Follow e-mail instruction from PSP ([admin@portal.gov.my](mailto:admin@portal.gov.my)) to activate user ID and Password
- Register as a SSM Subscriber
- Please follow the instruction shown on the screen according to service required
- Click "myHome" to check on submission status
- Application result will be notified via e-mail

For further information, please visit [www.ssm.com.my](http://www.ssm.com.my)

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## **News from Other Regulatory / Professional / Bodies**

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### **INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)**

#### ***IFAC's International Public Sector Accounting Standards Board Consults on Accounting for Service Concession Arrangements***

The International Public Sector Accounting Standards Board (IPSASB), an independent standard-setting board of the International Federation of Accountants (IFAC), is seeking comments on a consultation paper entitled *Accounting and Financial Reporting for Service Concession Arrangements*.

The consultation paper identifies issues and provides proposals to be considered in the development of IPSASB requirements for accounting and financial reporting of service concession arrangements. Obtaining feedback from constituents is a key desired outcome of the paper. The consultation paper provides an overview of the various types of arrangements that are considered public-private partnerships, of which service concession arrangements are a subset. Also included is an analysis of existing authoritative guidance to assess whether it is sufficient to address the accounting and reporting implications for these arrangements. The paper concludes that additional guidance is needed for service concession arrangements in the public sector. For further information, please visit [www.ifac.org](http://www.ifac.org)

#### ***IFAC's International Public Sector Accounting Standards Board Advances Global Convergence***

The International Public Sector Accounting Standards Board (IPSASB), an independent standard-setting board of the IFAC, has released a technical update to International Public Sector Accounting Standard (IPSAS) 4, *The Effects of Changes*

*in Foreign Exchange Rates*. The update to IPSAS 4, which was issued as part of the IPSASB's global convergence programme, reflects the latest amendments to the corresponding International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board,

The revised IPSAS 4 can be downloaded free-of-charge from the IFAC online bookstore at <http://www.ifac.org/store>. It will also be included in the 2008 edition of the *Handbook of International Public Sector Accounting Pronouncements*. For further information, please visit [www.ifac.org](http://www.ifac.org)

### ***IAASB Issues Auditing Standard to Enhance Written Representations Requested from Management; Makes Further Progress on Clarity Standards***

Following the consideration and approval of due process by the Public Interest Oversight Board (PIOB), the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board under the auspices of the IFAC, on April 11, 2008 released International Standard on Auditing (ISA) 580 (Revised and Redrafted), Written Representations, and ISA 560 (Redrafted), Subsequent Events.

#### *Written Representations*

ISA 580 (Revised and Redrafted) contains new requirements designed to improve the auditors' practice in relation to the written statements that management provides to auditors to confirm certain matters or to support other audit evidence (referred to as "written representations"). During the development of the standard, the IAASB considered matters such as the reasons for requesting written representations, the value of the evidence that they provide, and from whom they should be requested.

The standard requires the auditor to request management to provide written representations on two fundamental matters:

- *That it has fulfilled its responsibility for the preparation and presentation of the financial statements; and*
- *That it has provided the auditor with all relevant information and that all transactions have been recorded and are reflected in the financial statements.*

#### *Subsequent Events*

ISA 560 (Redrafted) forms part of the IAASB's ambitious 18-month program to redraft existing standards following the clarity drafting conventions. The standard, which deals with the auditor's responsibilities relating to subsequent events in an audit of financial statements, provides more clarity as to the requirements, but does not incorporate any substantive changes thereto. ISA 560 (Redrafted) will contribute to improving the consistency of its application by auditors around the world.

The complete set of clarified ISAs, including newly revised standards such as ISA 580 (Revised and Redrafted), is effective for audits of financial statements for periods beginning on or after December 15, 2009. The ISAs can be downloaded free-of-charge from the IFAC online bookstore at <http://www.ifac.org/store>.

For further information, please visit [www.ifac.org](http://www.ifac.org)

## **INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)**

### ***IASB Opens Discussion on Proposals to Increase Transparency in the Accounting for Post-Employment Benefits***

The International Accounting Standards Board (IASB) on March 27, 2008 published for public comment a discussion paper on IAS 19 *Employee Benefits*. The paper sets out the IASB's preliminary views on how the accounting for some post-employment benefits, including pensions, could be improved. The discussion paper, developed in consultation with the IASB's Employee Benefits Working Group, addresses the main concerns expressed by a wide range of interested parties that the accounting model set out in IAS 19 is inadequate and should be reviewed. The IASB invites comments on the discussion paper by **September 26, 2008**. For further information, please visit [www.iasb.org](http://www.iasb.org).

### ***The IASC Foundation Publishes IFRS Taxonomy 2008***

The International Accounting Standards Committee (IASC) Foundation's XBRL Team on March 31, 2008 announced the release of the near final version of the IFRS Taxonomy 2008. The IFRS Taxonomy 2008 is a complete translation of International Financial Reporting Standards (IFRSs) as published in the IFRS Bound Volume 2008 into XBRL, an eXtensible Markup Language (XML) language that is used to communicate information between businesses. The IFRS Taxonomy 2008 is published in the same languages as the IFRS Bound Volume 2008.

The specific characteristics of XBRL will provide users of the IFRS Taxonomy 2008 with easier filing, access to and comparison of financial data.

The IFRS Taxonomy 2008 represents a complete review of past taxonomies and is also the first taxonomy to undergo an extensive external review by the XBRL Quality Review Team (XQRT) that was set up by the IASC Foundation at the end of 2007. The XQRT comprises 20 experts from the preparer community, securities regulators, central banks, financial institutions and software companies.

Interested parties are invited to access the near final version of the IFRS Taxonomy 2008 and send comments by **May 30, 2008**. In accordance with the XBRL International policy the near final version of the IFRS Taxonomy 2008 is freely available on the IFRS XBRL Website.

The final version is expected to be released at the end of **June 2008** and will also be freely available. For further information, please visit [www.iasb.org](http://www.iasb.org).

### ***Trustees Announce New Appointments to Enlarged IFRIC***

The Trustees of the International Accounting Standards Committee (IASC) Foundation on April 3, 2008 announced the appointment of two additional members of the International Reporting Interpretations Committee (IFRIC). In November 2007 the Trustees decided to increase the number of IFRIC members from 12 to 14 in order to broaden IFRS expertise on the committee. The appointments follow a public search to fill the vacancies created. For further information, please visit [www.iasb.org](http://www.iasb.org).

### ***Trustees Launch Constitution Review and Announce Conclusions of Meeting in March 2008***

The Trustees of the International Accounting Standards Committee (IASC) Foundation, the oversight body of the International Accounting Standards Board

(IASB) on April 8, 2008 announced the conclusions reached at their recent meeting held in London on March 17 & 18, 2008.

At the meeting, the Trustees agreed on the process for the second five-yearly Constitution Review and completed proposals for immediate consultation on the creation of a Monitoring Group and the size and composition of the IASB. They also approved the text of a report on their 2007 oversight activities, created a special committee of Trustees to consider the future of the Standards Advisory Council, and approved the 2007 financial statements of the IASC Foundation. For further information, please visit [www.iasb.org](http://www.iasb.org).

### ***ASBJ and IASB Hold Seventh Meeting Aiming Towards Goal of Convergence in Accounting Standards***

The Accounting Standards Board of Japan (ASBJ) and the International Accounting Standards Board (IASB) held their second meeting in Tokyo since the announcement of the initiative to accelerate convergence between Japanese Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRSs), known as the '**Tokyo Agreement**' in August 2007. This was the seventh meeting between the two boards. The two day meeting was held on April 8 & 9, 2008. At the beginning of this meeting, representatives of the ASBJ explained the progress of the items listed in its project plan issued in December 2007 based on the Tokyo Agreement. The boards confirmed that the convergence project to eliminate major differences between Japanese GAAP and current IFRSs (as defined by the July 2005 CESR assessment of equivalence) by the end of 2008 is progressing in line with the project plan. For further information, please visit [www.iasb.org](http://www.iasb.org).

## **MALAYSIAN INSTITUTE OF ACCOUNTANTS**

### ***Accountancy & Business Education Fair (ABEF) 2008***

The Malaysian Institute of Accountants (MIA) will be organising the *Accountancy & Business Education Fair (ABEF) 2008* on July 26 & 27, 2008 at the Sunway Pyramid Convention Centre. The MICPA will be participating in the fair as part of the accountancy pavilion.

### ***Regional Conference 2008***

The Malaysian Institute of Accountants (MIA) will be organising its Regional Conference 2008 on August 18-19, 2008 at Shangri-La's Tanjung Aru Resort, Kota Kinabalu. The main objective of the conference is to showcase the latest business trends and opportunities, regional economic developments, management best practices and standards, professional development aspects and other value added information, while providing an excellence platform for networking and socialising. For further information on the Conference, please contact Lim Chia Lee at Tel: 03-2279 9336 or Hani at 03-2279 9324 (Sponsorship & Exhibition).

## **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA**

### ***2008 National Conference on Internal Auditing***

The Institute of Internal Auditors Malaysia will be organising its *2008 National Conference on Internal Auditing* with the theme "*Great Expectations – Future and Beyond*" on July 28 & 29, 2008 at the Kuala Lumpur Convention Centre.

The MICPA is a supporting organisation of the Conference and MICPA members who register for the Conference will be able to enjoy a preferential rate of registration fee for the two day conference. For further information please visit [www.iam.com.my](http://www.iam.com.my)

## THE MALAYSIAN INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS

### **MAICSA Annual Conference 2008**

MAICSA will be organising its *Annual Conference 2008* with the theme *Corporate and Regulatory Updates 2008* on July 7 & 8, 2008 at Nikko Hotel Kuala Lumpur. The MICPA is a supporting organisation of the Conference and MICPA members who register for the Conference will be able to enjoy a preferential rate of registration fee of RM1,180 for the two day conference and early birds who register and pay before May 31, 2008 will enjoy a registration fee of RM1,060.

For further information on the conference, please contact Ms Syahida Ahmad Imran, Training Manager at MAICSA on Tel: 03-2282 9276 Ext 606 or e-mail: [syahida@maicsa.org.my](mailto:syahida@maicsa.org.my).

*CPA e-Newsline is prepared by MICPA's Public Affairs & Communications Department. Contact Ms Vicky Rajaretnam at Tel: 03-2698 9622 or e-mail [vic.pr@micpa.com.my](mailto:vic.pr@micpa.com.my) for further information.*

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