

August 2010

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.

Announcements

Presentation of 2010 MICPA Excellence Awards, Examination Certificates, Prizes, Membership & Practising Certificates

The presentation of the 2010 MICPA Excellence Awards, Examination Certificates, Prizes, Membership & Practising Certificates will be held on Saturday, October 30, 2010 at 10:00 a.m. at Seri Pacific Hotel Kuala Lumpur. It is also the occasion for the presentation of Excellence Awards for Best Accounting Graduates and The Most Outstanding CPA Student Award.

For further information, please contact the Institute's Public Affairs & Communications Manager on Tel: 03-2698 9622 or e-mail: vic.pr@micpa.com.my.

Follow Us on Twitter and Find Us on Facebook

The President of the Institute, YBhg Dato' Johan Raslan launched MICPA on Facebook and Twitter during the Institute's 52nd Annual Dinner. Please click on the following links to:

Follow us on Twitter:

<http://twitter.com/CPAMalaysia>

and

Find us on Facebook:

<http://www.facebook.com/home.php?#!/pages/The-Malaysian-Institute-of-Certified-Public-Accountants/140858902595956?ref=ts>

MICPA Education & Training

Membership to ICAA

As you are aware, The Institute of Chartered Accountants in Australia (ICAA) and The Malaysian Institute of Certified Public Accountants (MICPA) signed a Memorandum of Understanding (MoU) in February 2009.

The MoU includes the mutual recognition of accounting qualifications. In this regard, we are pleased to announce and inform that members of MICPA are now eligible to apply for membership of The Institute of Chartered Accountants in Australia (ICAA). The membership arrangements will further increase the mobility and open the door to numerous professional opportunities.

To apply for membership to ICAA, MICPA members are required to:

- be a MICPA member in good standing;
- have successfully completed the MICPA's professional programme introduced prior to the Revised MICPA Programme; and
- pass an Online Ethics Module within 3 months of application.

For further information on the reciprocal membership, kindly click on the links provided below:

[Frequently Asked Questions](#)

[MICPA to ICAA Flowchart](#)

[Application Form](#)

Revised MICPA Programme

- Tuition Provider: Sunway-TES

We are pleased to inform that the Institute has appointed Sunway-TES as the sole tuition provider to provide tuition for the Revised MICPA Programme. For further information, please contact Sunway-TES on Tel: 03-7491 8622 / 7491 8623.

Pathways Route to ICAEW Membership

The MICPA qualification was recognised by The Institute of Chartered Accountants of England and Wales (ICAEW) in 2004. ICAEW undertook further assessment of the MICPA qualification in comparison with the ACA qualification introduced in 2007 and granted further exemptions to MICPA members in January 2009.

We are pleased to inform members that the Council of ICAEW has agreed to extend the ***Pathways to Membership Scheme to MICPA members with effect from January 1, 2010.***

The Pathways to ICAEW membership further endorses the close co-operation between the two Institutes in the education and training of professional accountants. For further information on the Pathways route, please click [here](#).

Activities of the Institute

Schedule of MICPA Events for 2010

We are pleased to inform that the schedule of events for 2010 has been made available on the MICPA website under Events/CPD in the Homepage. For further information, please click [here](#).

MICPA Participates in Professional Career Talks

The Institute continues to embark on an aggressive marketing strategy to position the Revised MICPA Programme and CPA Malaysia qualification. In this regard, 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.

The Institute made presentations to the following Universities:

- Universiti Utara Malaysia on Tuesday, August 17, 2010
- Multimedia University, Cyberjaya Campus on Monday, August 23, 2010

- Universiti Teknologi MARA, Kampus Bandaraya Melaka on Tuesday, August 24, 2010;
- Swinburne University of Technology on Wednesday, August 25, 2010; and
- Curtin University, Sarawak Campus on Friday, August 27, 2010.

The Institute would like to thank our Student Ambassador, Ms Teh Suet Ghoon who shared her experience with the students at Multimedia University, Cyberjaya Campus.

Members' Firms Updates

- PricewaterhouseCoopers

The Institute participated in the Interns' Reception at PricewaterhouseCoopers on Tuesday, August 10, 2010 to promote the Revised MICPA Programme.

- SJ Grant Thornton

The Institute made a courtesy visit to SJ Grant Thornton on Thursday, August 26, 2010. The Vice-President, Mr Ken Pushpanathan briefed those in attendance including YBhg Dato' NK Jasani, Managing Partner, Mr Desmond Tan, Partner, Audit & Assurance and Ms Sharon Sung, Executive Director, Technical & Training on the recent developments at the Institute.

Career Talks at Secondary Schools

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

The Institute has presented a talk on a *Career in Accountancy* to:

- 80 students of SMK La Salle Petaling Jaya on August 9, 2010;
- 80 students of SMK Seri Sentosa on August 11, 2010; and
- 250 students of Chong Hwa Independent High School on August 20, 2010.

Streams of Training

The MICPA provides for two streams of training. The MICPA students may undertake their training in accounting firms or in Approved Training Organisations (ATOs) in commerce, industry or the public sector.

To date, over 480 members' firms and 77 ATOs are registered with the Institute where students can undertake their training. For further information, please visit the MICPA website www.micpa.com.my and go to List of CPA Firms in the Homepage.

Job Opportunities on MICPA Website

As part of the Institute's service to members, Members' Firms and Approved Training Organisations of the Institute who wish to advertise any job opportunities in their respective firms are welcome to send in the job vacancy to the Institute.

The opening will be posted on the MICPA website for one (1) month from the date of posting. For further information, please contact the Public Affairs & Communications Manager on Tel: 03-2698 9622 or email: vic.pr@micpa.com.my.

MICPA Technical Updates

COMPANIES COMMISSION OF MALAYSIA (SSM)

Deadline for Lodgement of Annual Return

Further to Circular No. TEC/050/08/2010W dated August 5, 2010, members are informed that the Companies Commission of Malaysia (SSM) has announced that the deadline for lodgement of annual return without being imposed of a late lodgement fee for companies which held their annual general meeting on June 30, 2010 as follows:

- SSM's offices that close on Saturday and Sunday August 9, 2010 (Monday)

For further information, please refer to the Circular which can be downloaded from the MICPA's website at www.micpa.com.my in the Members' Area.

INLAND REVENUE BOARD (IRB)

Minutes of Meeting of Working Group with Accounting Bodies – Desire Bill. 2/2010

Further to Circular No. TEC/051/08/2010W dated August, 17 2010, members are informed that a meeting was held between the IRB and representatives of the MICPA, MIA, CTIM and MATA on July 20, 2010 to discuss issues on general filing and e-filing.

Some of the issues discussed at the meeting include the following:

- Missing forms
- Unable to request for certificate of acknowledgements
- Status of client to host application
- STD audit partnership
- SME – exemption from furnishing estimate of tax payable
- Penalty under Section 112 (3) of the Income Tax Act, 1967
- **Grace period for filing of tax return forms via postal service for calendar year 2011.**

The **grace period** for submission of hardcopy of tax return forms will be **reduced** from 7 days to **3 days** for taxpayers whose deadlines for filing of their tax return forms fall in the calendar year 2011. The 3-day grace period is applicable to tax return forms which are submitted **via postal service only**.

Members are informed that the minutes of the above-mentioned meeting (Desire Bil. 2/2010) is now available on the MICPA's website at www.micpa.com.my in the Members' Area.

MICPA Statement – Model Insurance Financial Statements

Further to Circular No. TEC/052/08/2010W dated August, 25 2010 we are pleased to inform members that the Council has approved the publication of the MICPA Statement, *Model Insurance Berhad – Model Insurance Financial Statements* for members' guidance.

The Statement contains a set of specimen financial statements prepared in accordance with approved accounting standards issued and pronouncements announced by the Malaysian Accounting Standards Board (MASB) up to October 1, 2009, and the disclosure requirements under the Companies Act, 1965 and the Listing Requirements of Bursa Malaysia Bhd.

The presentation of the Model Insurance Financial Statements is illustrative only, and should be sufficiently illustrative for most entities engaged principally in the underwriting of life insurance and general insurance business. The specimen financial statements are not an exhaustive illustration of all the disclosure requirements, but as many as possible of the requirements of the approved accounting standards, the Companies Act, 1965 and the Listing Requirements of Bursa Malaysia have been incorporated to present a realistic set of financial statements under practical circumstances.

Bank Negara Malaysia has made reference to the Model Insurance Financial Statements in the revised GPI 15, *Guidelines on Financial Reporting for Insurers*, issued on July 22, 2010.

The specimen financial statements are now available on the MICPA website www.micpa.com.my under Members' Handbook in the Members' Area.

3 Days Grace Period for Submission of Hardcopy of Tax Return Forms in Calendar Year 2011

Further to Circular No. TEC/053/08/2010W dated August, 30, 2010 we are pleased to inform members that with reference to item 3.6.4 of the minutes of the Working Group Meeting with Accounting Bodies (Desire Bil. 2/2010) held on July 20, 2010, please be informed that the Inland Revenue Board (IRB) has issued a letter to inform the Institute that the **grace period** for submission of hardcopy of tax return forms via postal service or by hand will be **reduced** from 7 days **to 3 days** for taxpayers whose deadlines for filing of their tax return forms fall in the calendar year 2011.

The 3-day grace period will be applicable to submission of Forms BE, B, M, E, P, TP, TJ and TF for year of assessment 2010 and submission of Forms C, R, C1, TA, TC and TR in calendar year 2011 (where the **deadlines to submit the tax return forms fall in the calendar year 2011**) as follows:

Year of Assessment	Financial Year Ended	Grace Period Granted Until
2010	May 31, 2010	January 7, 2011*
2010	June 30, 2010	February 3, 2011
2010	December 31, 2010	August 3, 2011
2011	May 31, 2011	January 3, 2012

* Filing programme for year 2010 is referred.

The above grace period is also applicable to the payment of the balance of tax payable under Section 103(1) of the Income Tax Act, 1967, payment of debt due to the Government under the Finance Act 2007 (Act 683) and Finance Act 2009 (Act 693).

Notwithstanding the above, the 3-day grace period is not applicable to electronic forms which are submitted via e-Filing system.

For further information, please refer to the Circular which can be downloaded from the MICPA's website at www.micpa.com.my in the Members' Area.

MALAYSIAN ACCOUNTING STANDARDS BOARD (MASB)

MASB Announces Deferment of IC Interpretation 15 Agreements for the Construction of Real Estate

In a press release dated August 30, 2010, the MASB has published a notice of deferment of IC Interpretation 15 Agreements for the Construction of Real Estate (IC 15) from July 1, 2010 to January 1, 2012.

IC 15 is a word-for-word reproduction of IFRIC 15 except for the effective date. IFRIC 15 was issued by the International Accounting Standards Board (IASB) in July 2008 with an effective date of January 1, 2009.

The reason for the deferment is to allow stakeholders in Malaysia, to continue to deliberate its implementation and to provide opportunity to give feedback via MASB on a proposed new Standard on Revenue from Contracts with Customers, that is anticipated to subsume the requirements of IFRIC 15 upon issuance, expected to be in mid 2011.

For further information, please visit www.masb.org.my.

UNIVERSITI KEBANGSAAN MALAYSIA (UKM)

2010 Tuanku Ja'afar Law Conference

Members are informed that Universiti Kebangsaan Malaysia (UKM) is organising the 2010 Tuanku Ja'afar Law Conference (TJLC) in association with the Companies Commission of Malaysia (SSM) on October 19 – 20, 2010 at Menara SSM @ Sentral, Kuala Lumpur.

The 2010 TJLC will deliberate on the subjects of corporate governance and corporate responsibility consistent with the recent developments in the 21st century business environment.

For further information, please refer to the Circular which can be downloaded from the MICPA's website at www.micpa.com.my in the Members' Area.

Members Updates

Membership Data Update

Members are duly 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: +603-2698 9403. You may also send an e-mail to membership@micpa.com.my for the change of correspondence and e-mail address.

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 or call +603-2698 9622.

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, login as a Member, click on Members Update on the Left-hand Menu and go to Section F to update your CPD records.

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.

Continuing Professional Development (CPD) Programmes

Deferred Taxation: Computation to Disclosure (FRS 112)

The MICPA is organising a one-day Workshop on *Deferred Taxation: Computation to Disclosure (FRS 112)* on September 2, 2010 at the Concorde Hotel Kuala Lumpur.

The workshop will introduce the fundamental accounting principles for future tax consequences in accordance with FRS 112 and will provide a step-by-step guidance chart to illustrate the rules in constructing a balance sheet liability computational schedule. Participants will gain a good understanding of the basic principles as well as working knowledge in the recognition measurement, presentation and disclosure of deferred taxation.

The workshop will be led by Mr Danny Tan Boon Woon who has over 26 years of working experience in public practice and commerce and industry. For further information, please click [here](#).

Accounting for Construction, Property Development and Real Estate Activities

The MICPA is organising a one-day Workshop on *Accounting for Construction, Property Development and Real Estate Activities (FRS 111, FRS 123, FRS 201 and IC Interpretation 15)* on September 23, 2010 at Seri Pacific Hotel Kuala Lumpur.

The workshop aims to discuss the important aspects of the FRSs and IC Interpretation and to highlight the major areas of difficulty in measuring and recognising revenue and costs associated with construction contracts and property development/ real estate activities.

The workshop will be conducted by Ms Lim Geok Heng, a technical and training consultant at Evo, Training & Consulting and has over 30 years experience. For further information, please click [here](#).

A Practical Guide to Auditing - “No-Frills Two-Day Workshop

The MICPA is organising a two-day “No-Frills” Workshop on *A Practical Guide to Auditing* on September 27-28, 2010 at MICPA Training Room, Kuala Lumpur.

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 be led by Mr Hoh Yoon Hoong, a financial auditor by profession with more than 15 years of industry experience. He is currently an Executive Director in the Assurance & Advisory Business Services (“AABS”) Division and is the AABS Coordinator for Japanese Business Services in Ernst & Young Malaysia.

Each participant will receive a complimentary copy of the *MICPA Audit Guide for Practitioners* worth RM350.00. For further information, please click [here](#).

Goods and Services Tax Framework and Implementation

The MICPA is organising a one-day Seminar on *Goods and Services Tax Framework and Implementation* on September 30, 2010 at the Legend Hotel Kuala Lumpur.

The seminar aims to familiarise participants on the GST regulatory framework and practical concerns surrounding its implementation. Participants will gain an understanding of the compliance mechanisms of the framework and will be guided through an illustrative case study of GST in practice.

The seminar will be led by Mr Subromaniam Tholasy, Deputy Director of Customs of the Royal Malaysian Customs and attached to the GST Unit Headquarters, Putrajaya and Mr Peter Devlin, Executive Director, GST Team of Deloitte Malaysia. For further information, please contact the Institute’s Assistant Manager, Education and Training on Tel: 03-2698 9622 or email: victor.edu@micpa.com.my.

News from Regulatory Bodies

BANK NEGARA MALAYSIA (BNM)

Announcements

Bank Negara Malaysia has announced the following:

- Newly published: Guidelines on Financial Reporting for Insurers is now available on BNM website:

<http://www.bnm.gov.my/index.php?ch=18&pg=55&ac=584#insurance>

- Newly published: Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements is now available on BNM website:

<http://www.bnm.gov.my/index.php?ch=18&pg=55&ac=584#banking>

Liberalisation of the Foreign Exchange Administration Rules

As part of Bank Negara Malaysia's continued effort to enhance flexibility of the economy, the Bank wishes to announce the further liberalisation of administrative rules on foreign exchange transactions. This aims to promote greater efficiency in the conduct of international trade and a conducive business environment in Malaysia so as to strengthen the linkages with the regional and global economies.

Detailed information on the foreign exchange administration liberalisation can be downloaded at <http://www.bnm.gov.my/fxadmin>.

For further information and enquiries, please contact the BNMTELELINK as follows:

Tel: 1 300 88 5465 Fax: (603) 2174 1515 Email: bnmtelelink@bnm.gov.my

Resolutions of Shariah Advisory Council Bank Negara Malaysia

Bank Negara Malaysia wishes to inform that the Shariah Advisory Council (SAC) of Bank Negara Malaysia, in its 102nd meeting held on 22nd June 2010, had decided the following:-

- **Application of *Wa'd* (Promise) in Forward Currency Transaction**
Islamic financial institutions are allowed to enter into forward foreign currency transaction for hedging purposes based on unilateral *wa'd* (promise) that carries binding effect on the promisor. Nevertheless, no consideration (or fee) is allowed to be charged on the promisee in view that upfront cash payment for forward currency transaction would lead to a bilateral *wa'd* which is not allowed by Shariah. This is in line with the view of the majority of ulama' who opines that unilateral binding *wa'd* without any consideration is permissible in a forward currency transaction.
- **Takaful Benefits Payable From Participants' Risk Fund**
The SAC resolved that the payment of takaful benefits from Participants' Risk Fund (which pools participants' *tabarru'* (donation) contributions to meet claims by participants), can be made contingent upon specific events beyond those arising from a defined financial loss or a misfortune. This is allowed subject to the agreement by the contracting parties i.e. the participants.

The decision is made in line with the feature of the takaful contract which is established based on concept of *tabarru'* and *ta'awuni* amongst the participants. These two concepts allow participants to agree on the events leading to payment of the takaful benefits. The terms and conditions outlining the respective events must be made transparent to all the contracting parties in the takaful contract.

Thus, with the agreement from the participants, the scope of events prompting payment of takaful benefits from the Participants' Risk Fund is not only limited to death, disability or calamity, but can also be extended to cover attainment of the contracted mandate. The features of the takaful product shall be consistent with the principles of Shariah and meet the requirements issued by Bank Negara Malaysia.

For further information on the above news, please visit www.bnm.gov.my.

SECURITIES COMMISSION MALAYSIA (SC)

Wikipedia Founder Jimmy Wales to Address the World Capital Markets Symposium 2010

Jimmy Wales, the founder of Wikipedia, will address the World Capital Markets Symposium (WCMS) in Kuala Lumpur on September 27 – 28, 2010, marking his speaking debut in Malaysia.

Wales, who founded the free, multi-lingual virtual encyclopedia in 2001, will join policy-makers and financial industry experts in sharing their thoughts at the Symposium, with the theme "*Transforming Capital Markets: Leadership, Change and Governance*".

The WCMS, an initiative by the Securities Commission Malaysia (SC), brings together influential opinion leaders, policy makers and market players to examine the strategic role of leadership in achieving a sustainable and more balanced growth through a more inclusive transformation process to make the financial markets and systems more resilient to the future crises.

Wikipedia is the outcome of Wales' vision that every single person on the planet is given full access to the sum of all human knowledge. Showing great foresight and leadership, he is one of the most prolific members of the current generation of thinkers who have helped shape the evolution of the World Wide Web as a participatory and truly democratic platform.

As a keynote speaker at the WCMS, Wales will share his vision, perspectives and insights by drawing from lessons of Wikipedia and on the democratization of information and knowledge and how to use or impart them responsibly especially in the fast-evolving financial and capital markets

Securities Commission, Bank Negara Malaysia and Bursa Malaysia Introduce e-share Payment

The Securities Commission Malaysia (SC), Bank Negara Malaysia and Bursa Malaysia Bhd have introduced the Electronic Share Payment facility for share transactions in a further move to promote the use of e-payments in the stock market.

Together with the e-Dividend initiative launched in April this year, the e-Share payment initiative marks another effort towards enhancing efficiency in the payment and settlement systems within the capital market. The two initiatives were announced in the 2010 Budget.

With e-Share payment, share sales proceeds can now be paid by the stockbroker directly into the investors bank accounts. Investors enjoy faster access to funds as the monies are made available in their bank account on the same day.

For share purchases, investors can initiate payments to their stockbrokers via electronic channels or they may choose to save time and enjoy the convenience of auto-debit by authorising their banker to debit their designated bank account directly.

The e-Share payment facility does away with the need to deposit and collect cheques, and eliminates issues of misplaced, lost or expired cheques. Investors can subscribe to the e-Share payment facility with their respective brokers. The service is provided by all the stockbrokers at no charge.

The e-Share payment initiative is jointly undertaken by the SC, Bank Negara Malaysia, Bursa Malaysia, the Association of Stockbroking Companies Malaysia, the Association of Banks Malaysia and Malaysian Electronic Payment System.

For further information on the above news, please visit www.sc.com.my.

BURSA MALAYSIA BERHAD

Bursa Suq Al-Sila' Receives Islamic Innovation Award by MOSTI

The Ministry of Science, Technology and Innovation (MOSTI) conferred the inaugural 'Islamic Innovation Award' to Bursa Suq Al-Sila' for being the first Shari'ah compliant trading platform to facilitate Islamic financing worldwide. Under the Muamalat Financial Management System Innovative Product category, the award was given by MOSTI to this commodity financing platform in conjunction with the Islamic Innovation Carnival (IIC). The award was presented by the Deputy Prime Minister of Malaysia, YB Tan Sri Muhyiddin Yassin.

Appointment of New Non-Executive and Public Interest Director

Bursa Malaysia Berhad announced the appointment of Datuk Dr. Syed Muhamad Syed Abdul Kadir as a Non-Executive and Public Interest Director to its Board of Directors line up, effective August 5, 2010.

The Minister of Finance appointed Datuk Dr. Syed Muhamad Syed Abdul Kadir as a Public Interest Director of Bursa Malaysia Berhad pursuant to Section 10 of the Capital Markets and Services Act 2007.

Appointment of Global Head of Securities Markets

Bursa Malaysia announced the appointment of Mr Uday Jayaram as its Global Head of Securities Markets, effective August 9, 2010. In this role, Uday will have responsibility for developing the Exchange's business strategies for the equities market as well as leading product innovation and development towards positioning Bursa Malaysia as an investment and listing destination of choice. His expertise and his strong global experience with global institutions will benefit the Exchange greatly. Uday brings with him over 15 years experience from the financial and investment services.

Yayasan Bursa Malaysia Gives Scholarships Worth RM264,000 to Six Undergraduates

Bursa Malaysia presented academic scholarships valued at RM264,000 to six deserving undergraduates through its community investment arm, the Yayasan Bursa Malaysia recently. The scholarships, which will help the recipients in realising their academic aspirations, are in line with the Exchange's Corporate Social Responsibility (CSR) objective of developing a continuous stream of talents for the capital market in the long term.

The selection process was stringent and the candidates were assessed based on their excellent academic achievements in pre-University studies as well as extra-curricular activities, including demonstration of good communication skills and strong leadership capabilities.

The Yayasan Bursa Malaysia scholarship scheme had benefited 19 students since its inception in 2006. Out of that, five of the scholarship holders have graduated and joined Bursa Malaysia's workforce that provides them an opportunity to have a first-hand working experience at the Exchange.

Bursa Malaysia Derivatives Talk Futures Road-show Offers Insights on Futures Trading to the Public

Bursa Malaysia Derivatives has embarked on a nationwide educational road-show called *Talk Futures* that is primarily aimed to inform and educate Malaysian retail investors on equity, commodity and financial futures trading.

The Talk Futures road-show, which will run until year-end, currently features nine futures brokers who will share their knowledge on futures trading which includes trading strategies and tools that will assist traders in making trading decisions.

Islamic Development Bank Lists Inaugural Ringgit Sukuk on Bursa Malaysia

The Islamic Development Bank (IDB) has listed its RM1.0 billion sukuk Medium Term Note (MTN) Programme on Bursa Malaysia, marking the first multilateral development bank to list its Ringgit sukuk MTN Programme on the Exchange. The sukuk was issued via IDB's special purpose vehicle, Tadamon Services Berhad and it is the inaugural sukuk by IDB to be issued in local currency.

This RM1.0 billion sukuk MTN Programme has a tenure of 10 years and is rated AAA by Standard & Poor's. The proceeds raised from sukuk issued under this MTN Programme will be used for general corporate purposes relating to IDB's business activities.

For further information on the above news, please visit www.bursamalaysia.com.

News from IFAC and IASB

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

IAESB Releases Paper on Education Assessment Practices

The International Accounting Education Standards Board (IAESB), an independent standard-setting board supported by the IFAC, has released an International Education Information Paper to help professional organisations conduct written examinations to assess the capabilities and competence of candidates for qualification.

The information paper is intended to help member bodies implement International Education Standard (IES) 6, Assessment of Professional Capabilities and Competence, issued in October 2003, and covers the many policies and procedures to develop, administer and grade these written examinations. The paper is especially useful to developing organisations that need to make decisions on assessment practices for their education programs.

The paper provides an overview of the policies concerned with the development and administration of examinations, including "high stakes" examinations that lead to qualification as a member of a professional organisation. It also includes examples of the processes and procedures that member bodies use to deliver reliable and valid assessments, including appropriate elements of quality control.

The International Education Information Paper can be found online at <http://web.ifac.org/publications/international-accounting-education-standards-board/adoption-implementation-r>.

A4S and GRI Announces Formation of the IIRC

The Prince's Accounting for Sustainability Project (A4S) and the Global Reporting Initiative (GRI) have announced the formation of the International Integrated Reporting Committee (IIRC). The IIRC brings together a cross section of representatives from the corporate, accounting, securities, regulatory, NGO, and standard-setting sectors.

The objective of the IIRC is to create a globally accepted framework for accounting for sustainability that brings together financial, environmental, social, and governance information in a clear, concise, consistent, and comparable format. The intention is to help with the development of more comprehensive and comprehensible information about an organisation's total performance, prospective as well as retrospective, to meet the needs of the emerging, more sustainable, global economic model.

For further information regarding the IIRC, please see www.integratedreporting.org.

Two IFAC Nominees Selected as Members of IFRS SME Implementation Group

The IFAC has welcomed the announcement by the International Financial Reporting Standards (IFRS) Foundation of the membership of the newly-created SME Implementation Group (SME IG). IFAC is pleased to note the appointment to the SME IG of two of its nominees - Robin Jarvis and Ricardo Rodil.

The group's mission is to support the adoption and implementation of the IFRS for Small and Medium-sized Entities (IFRS for SMEs) around the world. As such, it will develop non-mandatory guidance for implementing the IFRS for SMEs in the form of questions and answers that will be made publicly available on a timely basis and make recommendations to the International Accounting Standards Board if and when needed regarding amendments to the IFRS for SMEs. The members of the group will serve a renewable term of two years from July 2010.

IAESB Releases 2010 Handbook of International Education Pronouncements

The IAESB of the IFAC has released the 2010 edition of its *Handbook of International Education Pronouncements*.

The 2010 Education Handbook contains the IAESB's suite of eight International Education Standards (IESs), including the *Framework for International Education Standards for Professional Accountants* (the Framework), as well as three International Education Practice Statements.

The handbook has been updated to include the new Framework document, a revised glossary that includes new terms from the Framework, and minor editorial corrections.

The new Framework, which uses a more concise and simplified structure so that first-time readers can readily understand the content, sets out the underlying educational concepts, which the IAESB uses in its publications. These concepts will promote greater consistency in IAESB publications and help make the standard-setting process more efficient and effective. The new Framework replaces the previously existing *Framework for International Education Pronouncements* and the *Introduction to the International Education Standards* documents, which were published in October 2003.

For further information on the above IFAC news, please visit www.ifac.org.

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

IFRS Foundation Appoints Members of the SME Implementation Group

The IFRS Foundation, the body responsible for the adoption of International Financial Reporting Standards (IFRSs) and the oversight of the International Accounting Standards Board (IASB), have announced the membership of the newly created SME Implementation Group.

The mission of the Group is to support the international adoption of the IFRS for Small and Medium-Sized Entities (IFRS for SMEs) and to monitor its implementation. The Group has two main responsibilities:

- to develop non-mandatory guidance for implementing the IFRS for SMEs in the form of questions and answers that will be made publicly available on a timely basis; and
- to make recommendations to the IASB if and when needed regarding amendments to the IFRS for SMEs.

The 21 members of the Group were selected on the basis of their knowledge and experience in the financial reporting of SMEs. The members of the Group will serve a renewable term of two years from July 2010

IASB and US FASB Publish Proposals to Improve the Financial Reporting of Leases

The IASB and the US Financial Accounting Standards Board (FASB) have published for public comment joint proposals to improve the financial reporting of lease contracts. The proposals are one of the main projects included in the boards' Memorandum of Understanding. The proposals, if adopted, will greatly improve the financial reporting information available to investors about the financial effects of lease contracts.

The accounting under existing requirements depends on the classification of a lease. Classification as an operating lease results in the lessee not recording any assets or liabilities in the statement of financial position (balance sheet) under either International Financial Reporting Standards or US standards (generally accepted accounting principles). This results in many investors having to adjust the financial statements (using disclosures and other available information) to estimate the effects of lessees' operating leases for the purpose of investment analysis.

The proposals would result in a consistent approach to lease accounting for both lessees and lessors—a 'right-of-use' approach. Among other changes, this approach would result in the liability for payments arising under the lease contract and the right to use the underlying asset being included in the lessee's statement of financial position, thus providing more complete and useful information to investors and other users of financial statements.

The boards developed the proposals after considering responses to their discussion paper, *Leases: Preliminary Views*, published in March 2009. In developing the proposals, the boards also considered extensive input from constituents, including more than 300 comment letters.

The proposals are set out in the exposure draft *Leases*, which is open for comment until December 15, 2010 and can be accessed via the 'Comment on a Proposal' section of www.ifrs.org or on www.fasb.org. During the exposure draft's comment

period the boards will undertake further outreach activities, including public round-table meetings, to ensure that the views of all interested parties are taken into consideration before the new standard is completed.

IFRS Taxonomy 2010 Updated for Latest Annual Improvements to IFRSs

The IFRS Foundation has released the first interim release for the International Financial Reporting Standards (IFRS) Taxonomy 2010, which is a translation of IFRSs as issued on January 1, 2010 into XBRL (eXtensible Business Reporting Language). This IFRS Taxonomy interim release reflects *Improvements to IFRSs* for the 2008-2010 project cycle, which was published in May 2010 as part of the IASB's annual improvements process.

IFRS Taxonomy interim releases contain additional taxonomy items that reflect new IFRSs as well as improvements to IFRSs published by the IASB.

Until now, the IFRS Foundation has released a single, core IFRS Taxonomy each year, following the publication of the IFRS Bound Volume. As a result, entities wishing to report using new IFRSs and the IFRS Taxonomy were required to create their own taxonomy items, or to wait until the next annual Taxonomy became available.

The decision to issue IFRS Taxonomy interim releases will support the early adoption of IFRSs, by providing taxonomy items earlier for reporting electronically using the latest IFRSs. It will also eliminate the need for entities to create their own taxonomy items.

For further information on the above IASB news, please visit www.iasb.org.

News from Professional Bodies

MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA)

Accountants Sustaining Value Creation

The 18th World Congress of Accountants hosted by the Malaysian Institute of Accountants and IFAC will be held from November 8 – 11, 2010. The congress will offer more than thirty panel discussions and speakers from The World Bank, Transparency international, the Financial Stability Board, the European Commission, IFIAR and the IASB, amongst others. Thousands of delegates representing the profession from around the world are expected to attend. Register now! For further information, please click [here](#).

THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA

2010 National Conference on Internal Auditing

The Institute of Internal Auditors Malaysia is proud to host the *2010 National Conference on Internal Auditing* with the theme "New Directions for the New Decade" which will be held from October 4 - 5, 2010 at the Kuala Lumpur Convention Centre (KLCC). 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 further information, please click [here](#).

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

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