

Crafting Opportunities to Soar



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57th Annual General Meeting of MICPA, Roof Garden Executive Lounge, RG Floor Sime Darby Convention Centre Jalan Bukit Kiara, Kuala Lumpur Saturday, June 13, 2015 at 10:00 a.m.

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NOTICE OF 57TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty Seventh Annual General Meeting of the Institute will be held at Roof Garden Executive Lounge, RG Floor, Sime Darby Convention Centre, Jalan Bukit Kiara, Kuala Lumpur, on Saturday, June 13, 2015 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, 2014.
2. To elect eleven Council members from the following nominees:

Goh Lee Hwa

Khaw Hock Hoe

Ong Chee Wai

Pushpanathan A/L S A Kanagarayar

Rozaini bin Mohd Sani

Tan Chin Hock

Tang Seng Choon

Teh Chee Ghee, Dr

Veerinderjeet Singh, Dr

Yeoh Siew Ming

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)

Secretary

Kuala Lumpur

May 22, 2015

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

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

Pursuant to bye-law 6, these Council members are deemed to be nominated for re-election except for Dato' Yeo How who has signified in writing that he does not desire to offer himself for re-election.

ii. The following nominations have been received for election to the Council in accordance with bye-law 7:

Rozaini bin Mohd Sani

Tang Seng Choon

Teh Chee Ghee, Dr

Yeoh Siew Ming

iii. Khaw Hock Hoe who was appointed on March 22, 2014 to fill casual vacancy in the Council shall retire at the Annual General Meeting in accordance with bye-law 13.

Pursuant to bye-law 6, the Council member is deemed to be nominated for re-election.

iv. 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:

Khoo Pek Ling, Datin

Leong Kok Tong

2. The following members have resigned as a member of the Council on May 9, 2015:

Nurmazilah binti Mahzan, Dr

Tan Bun Poo

OBJECTS, VISION AND MISSION

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.



Dato' Ab Halim bin Mohyiddin | Abdul Halim bin Md Lassim | Dato' Ahmad Fuaad bin Mohd Kenali | Beh Tok Koay | Dato' Abdul Rauf bin Rashid (President) | Tan Theng Hooi (Vice-President) | Datin Hjh Fadilah bte Saad | Dato' Gan Ah Tee | Goh Lee Hwa | Khaw Hock Hoe



Lee Tuck Heng | Lim Thiam Kee | Loh Lay Choon | Dato' Mohammad Faiz bin Mohammad Azmi | Ng Gan Hooi | Ng Kim Tuck | Ong Chee Wai | Poon Yew Hoe | Pushpanathan a/l S A Kanagarayar



Sukanta K Dutt | Tan Chin Hock | Teo Swee Chua | Thong Foo Vung | Dr Veerinderjeet Singh | Venkatramanan Viswanathan | Yong Yoon Shing

Not in picture: Datuk Robert Yong Kuen Loke , Dato' Yeo How

Attendance at Council Meetings

President

Dato' Abdul Rauf bin Rashid (2011) Kuala Lumpur 6

Vice-President

Tan Theng Hooi (2009) Kuala Lumpur 6

Members

●■	Dato' Ab Halim bin Mohyiddin	(1987)	Selangor	5
■	Abdul Halim bin Md Lassim	(2006)	Selangor	3 (LOA – 1)
■	Dato' Ahmad Fuaad bin Mohd Kenali	(2013)	Selangor	4
●	Beh Tok Koay	(1989)	Selangor	4 (LOA – 2)
■	Datin HjH Fadzilah bte Saad	(1987)	Selangor	6
	Dato' Gan Ah Tee	(2008)	Kuala Lumpur	5 (LOA – 1)
	Goh Lee Hwa	(2006)	Kuala Lumpur	5
	Khaw Hock Hoe	(2014)	Selangor	5 (LOA – 1)
	Lee Tuck Heng	(2007)	Kuala Lumpur	3 (LOA – 3)
	Lim Thiam Kee	(2002)	Kuala Lumpur	6
	Loh Lay Choon	(2004)	Kuala Lumpur	3 (LOA – 2)
	Dato' Mohammad Faiz bin Mohammad Azmi	(2012)	Kuala Lumpur	4 (LOA – 2)
	Ng Gan Hooi	(2012)	Kuala Lumpur	3 (LOA – 2)
	Ng Kim Tuck	(2005)	Kuala Lumpur	4 (LOA – 1)
■	Dr Nurmazilah binti Mahzan (<i>Resigned on May 9, 2015</i>)	(2013)	Kuala Lumpur	2 (LOA – 1)
	Ong Chee Wai	(2012)	Kuala Lumpur	4 (LOA – 2)
	Poon Yew Hoe	(1998)	Kuala Lumpur	5
●■	Pushpanathan a/l S A Kanagarayar	(2001)	Kuala Lumpur	6
	Sukanta K Dutt	(1999)	Kuala Lumpur	3 (LOA – 2)
	Tan Bun Poo (<i>Resigned on May 9, 2015</i>)	(2007)	Kuala Lumpur	2 (LOA – 1)
	Tan Chin Hock	(2002)	Kuala Lumpur	5
	Teo Swee Chua	(2010)	Kuala Lumpur	3/(LOA – 1)
	Thong Foo Vung	(2012)	Selangor	5 (LOA – 1)
	Dr Veerinderjeet Singh	(2004)	Kuala Lumpur	5 (LOA – 1)
	Venkatramanan Viswanathan	(1986)	Melaka	5
■	Dato' Yeo How	(2003)	Singapore	0
■	Datuk Robert Yong Kuen Loke	(1998)	Selangor	0 (LOA – 4)
	Yong Yoon Shing	(2010)	Kuala Lumpur	4 (LOA – 2)

Secretary

Foo Yoke Pin

Registered Office

No. 15, Jalan Medan Tuanku
50300 Kuala Lumpur

Auditors

Khoo Pek Ling, Datin

Leong Kok Tong

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

EXECUTIVE COMMITTEE

No of meetings: **6**

	Attendance
Dato' Abdul Rauf bin Rashid (<i>Chairman</i>)	6
Tan Theng Hooi	6
Dato' Ab Halim bin Mohyiddin	2
Beh Tok Koay	5 (LOA – 1)
Dato' Gan Ah Tee	4 (LOA – 1)
Dato' Mohammad Faiz bin Mohammad Azmi	0 (LOA – 2)
Poon Yew Hoe	5
Pushpanathan a/l S A Kanagarayar	5 (LOA – 1)
Dr Veerinderjeet Singh	5
Datuk Robert Yong Kuen Loke	3 (LOA – 3)

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 co-ordinate 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 co-ordinate 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 the 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.

ACCOUNTING & AUDITING TECHNICAL COMMITTEE

No of meetings: **10**

	Attendance
Sukanta K Dutt (<i>Chairman</i>)	6 (LOA – 3)
Ng Kim Tuck (<i>Alternate Chairman</i>)	9
Loh Lay Choon	2 (LOA – 3)
Dato' Mohammad Faiz bin Mohammad Azmi	0 (LOA – 1)
Dr Nurmazilah binti Mahzan (<i>Resigned on May 9, 2015</i>)	1 (LOA – 1)
Tan Bun Poo (<i>Resigned on May 9, 2015</i>)	1 (LOA – 1)
Teo Swee Chua	3
Thong Foo Vung	4
Venkatramanan Viswanathan	6 (LOA – 1)
Dato' Yeo How	0

Co-opted Members

Audrey Chan	7 (LOA – 1)
Chia Kum Cheng	0
Stephen Khoo	3 (LOA – 1)
Lee Hin Kan	9
Ooi Chee Kun	4
Oong Kee Leong, Stephen	5 (LOA – 1)
Siew Kah Toong, David	4 (LOA – 1)
Siew Kar Wai	4

WORKING GROUP ON NEW & REVISED STANDARDS ON AUDITOR REPORTING

No of Working Group Meetings : **2**

No of Joint Meeting with MIA : **1**

	Attendance
Sukanta Dutt (<i>Chairman</i>)	3
Dr Nurmazilah binti Mahzan (<i>Resigned on May 9, 2015</i>)	1
Teo Swee Chua	2 (LOA – 1)
Thong Foo Vung	2
Monohar Benjamin	2
Ooi Chee Kun	3
Oong Kee Lung, Stephen	2
Siew Kah Toong, David	2
Tang Seng Choon	2 (LOA – 1)

MASB WORKING GROUPS

No of meetings: **3**

	Attendance
Khaw Hock Hoe (<i>Appointed on January 20, 2015</i>)	0
Co-opted Members	
Chia Kum Cheng	0
Chong Chen Kian (<i>Resigned on January 20, 2015</i>)	0
Ooi Chee Kun	0

MIA FINANCIAL REPORTING STANDARDS IMPLEMENTATION COMMITTEE (FRSIC)

No of meetings: **4**

	Attendance
Ng Kim Tuck	4

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: **1**

	Attendance
Dato' Ahmad Fuaad bin Mohd Kenali (<i>Chairman</i>)	1
Poon Yew Hoe (<i>Alternate Chairman</i>)	0
Abdul Halim bin Md Lassim	1
Datin Hjh Fadzilah bte Saad	0
Ng Gan Hooi	0
Datuk Robert Yong Kuen Loke	0
Co-opted Members	
Christine Cho Oi Kwan	0
Ben Lee Keen Pong	1
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 the 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: **2**

	Attendance
Dato' Mohammad Faiz bin Mohammad Azmi (<i>Chairman</i>)	2
Dato' Yeo How (<i>Alternate Chairman</i>) (<i>Appointed on August 20, 2014</i>)	(LOA – 2)
Tan Theng Hooi (<i>Alternate Chairman</i>) (<i>Retired on August 20, 2014</i>)	1
Sukanta K Dutt	1 (LOA – 1)
Teo Swee Chua (<i>Appointed on August 20, 2014</i>)	0
Dr Veerinderjeet Singh (<i>Retired on August 20, 2014</i>)	2
Lay Persons	
Prof Hj Abdul Manap Said (<i>Resigned on September 13, 2014</i>)	0
Chua See Hua	2
Prof Dr Rozainun Hj Abd Aziz (<i>Appointed on September 13, 2014</i>)	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: **1**

	Attendance
Dato' Ab Halim bin Mohyiddin (<i>Chairman</i>)	0
Tan Theng Hooi (<i>Alternate Chairman</i>)	1
Dato' Ahmad Fuaad bin Mohd Kenali	0
Khaw Hock Hoe	1
Ng Gan Hooi	1
Dr Nurmazilah binti Mahzan (<i>Resigned on May 9, 2015</i>)	0
Ong Chee Wai	0
Pushpanathan a/l S A Kanagarayar	1

Co-Opted Members

Dr Amirul Shah Md Shahbudin	1
Dr Anbalagan Krishnan	0
Prof Dr Arfah Salleh	(LOA – 1)
Dr Chee Hong Kok	1
Prof Dr Ibrahim Kamal Abdul Rahman	0
Prof Dr Mahamad bin Tayib	0
Prof Dr Mazlina Mat Zain	0
Asst Prof Ng Kean Kok	1
Asso Prof Dr Nor Aziah Abdul Manap	0
Asso Prof Dr Suhaiza Ismail	0
Prof Dr Takiah Mohd Iskandar	0
Dr Teh Chee Ghee	1
Joyce Tjoa	0
Dr Zarina Zakaria	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: **2**

	Attendance
Dr Veerinderjeet Singh (<i>Chairman</i>)	1
Beh Tok Koay (<i>Alternate Chairman</i>)	1 (LOA – 1)
Abdul Rauf bin Rashid (<i>Retired on June 23, 2014</i>)	0
Abdul Halim bin Md Lassim (<i>Appointed on June 23, 2014</i>)	1
Goh Lee Hwa	2
Lee Tuck Heng	0 (LOA – 1)
Sukanta K Dutt	0 (LOA – 1)
Teo Swee Chua (<i>Retired on June 23, 2014</i>)	1
Thong Foo Vung	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 examination is opened.
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 COMMITTEENo of meetings: **9**

	Attendance
Loh Lay Choon (<i>Chairman</i>)	7 (LOA – 1)
Ng Kim Tuck (<i>Alternate Chairman</i>)	9
Khaw Hock Hoe	4 (LOA – 1)
Ong Chee Wai	6 (LOA – 1)
Tan Bun Poo (<i>Resigned on May 9, 2015</i>)	1 (LOA – 1)
Tan Chin Hock	3 (LOA – 1)
Teo Swee Chua	4
Venkatramanan Viswanathan	3 (LOA – 2)
Co-Opted Members	
Chong Chen Kian (<i>Resigned on January 9, 2015</i>)	2
Chua Guan Heng, Herbert	3
Chua Wai Hong	5
Chua Lei Chooi, Florence (<i>Appointed on January 9, 2015</i>)	1
Ooi Thiam Poh, Alex	1
Siew Kah Toong, David	1 (LOA – 2)
Wong Kah Choon	1
Yeo Beng Yean	1

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 preparing and those 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. The Committee will also consider the independent auditors report issued in conjunction with the review of the selected financial statements.
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 arising out of the work undertaken by the committee within its terms of reference is justified, to authorise a member of the Committee to refer the matter to the Investigation Committee for further investigative action.

INSOLVENCY PRACTICE COMMITTEE

No of meetings: **3**

	Attendance
Dato' Gan Ah Tee (<i>Chairman</i>)	3
Lim Thiam Kee (<i>Alternate Chairman</i>)	3
Yong Yoon Shing	1

Co-Opted Members

Dato' Adam Primus Varghese Abdullah	3
Ahmad Shazli Kamarulzaman	0
Chua See Hua	1
Fazlina Pawan Teh	0
Hong Boo Kiat, Adrian	1 (LOA – 1)
Kumar Kanagasingam	3
Lim San Peen	2
Dr Lim Swee Geok	3
Lim Tian Huat	0 (LOA – 1)
Mak Kum Choon	2
Mohd Asrul bin Hisyam Mamat (<i>Appointed on November 20, 2014</i>)	2
Ng Chih Kaye	3
Ng Pyak Yeow	0
Pauline Teh Abdullah	2
Sapiah Ampo (<i>Resigned on November 20, 2014</i>)	0
Shamsol Zakri bin Zakaria	0
S Suhendran	0
Wong Chee Lin	3
Yap Wai Fun	1 (LOA – 1)

Terms of Reference:

1. To provide a forum for the exchange of ideas and discussion of issues faced by practitioners in relation to:
 - (a) the law and practice of insolvency and corporate restructuring;
 - (b) their dealings with Malaysia Department of Insolvency, Companies Commission of Malaysia and other relevant authorities; and
 - (c) making the necessary representations and/or recommendations to such authorities.
2. To prepare guidance notes on insolvency & corporate restructuring practice as and when required.
3. 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 framework of insolvency and corporate restructuring law and its practice in Malaysia.
4. To encourage and facilitate greater cooperation and communication amongst insolvency and corporate restructuring practitioners in Malaysia.
5. To deal with any other matters relating to insolvency and corporate restructuring.

INVESTIGATION COMMITTEE

No of meetings: 4

	Attendance
Pushpanathan a/l S A Kanagarayar (<i>Chairman</i>)	4
Datin Hj Fadzilah bte Saad (<i>Alternate Chairman</i>)	4
Dato' Gan Ah Tee	3 (LOA – 1)
Lee Tuck Heng	3 (LOA – 1)
Thong Foo Vung	2 (LOA – 1)

Terms of Reference:

1. 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.
2. 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.
3. To request a member to support the formal complaint during a hearing before the Disciplinary Committee.
4. 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: 4

	Attendance
Goh Lee Hwa (<i>Chairman</i>)	4
Lee Tuck Heng (<i>Alternate Chairman</i>)	3
Dato' Ab Halim bin Mohyiddin	4
Datin Hj Fadzilah bte Saad	4
Dr Nurmazilah binti Mahzan (<i>Resigned on May 9, 2015</i>)	0
Ong Chee Wai	1

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 counselling 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: **1**

	Attendance
Datuk Robert Yong Kuen Loke (<i>Chairman</i>)	1
Tan Theng Hooi (<i>Alternate Chairman</i>)	1
Abdul Halim bin Md Lassim	1
Dato' Ahmad Fuaad bin Mohd Kenali	0
Khaw Hock Hoe	1
Loh Lay Choon	0
Ng Gan Hooi	0
Tan Chin Hock	1
Yong Yoon Shing	0
Co-Opted Members	
Ahmad Faris Yahaya	0
Chia Kum Cheng	0

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: **3**

	Attendance
Lim Thiam Kee (<i>Chairman</i>)	3
Poon Yew Hoe (<i>Alternate Chairman</i>)	3
Ng Kim Tuck	2
Tan Bun Poo (<i>Resigned on May 9, 2015</i>)	1 (LOA – 1)
Venkatramanan Viswanathan	0
Yong Yoon Shing	2 (LOA – 1)
Co-Opted Members	
Abu Bakar Rajudin	1 (LOA – 1)
Ahmad Shahrul Hj Mohamad (<i>Resigned on September 23, 2014</i>)	0
Dato' Heng Ji Keng (<i>Resigned on January 24, 2015</i>)	0
Dato' Raymond Liew	1
Lim Kien Chai	1
Mohd Afrizan Husain	0
Mohd Noor Abu Bakar	1
Siew Kah Toong, David	3
Tong Siew Choo (<i>Resigned on April 29, 2015</i>)	0

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 COMMITTEENo of meetings: **2**

	Attendance
Beh Tok Koay (<i>Chairman</i>)	2
Dr Veerinderjeet Singh (<i>Alternate Chairman</i>)	2
Goh Lee Hwa	2
Lim Thiam Kee	1
Tan Chin Hock	2
Co-Opted Members	
Fo Wai Lan (<i>Appointed on March 13, 2015</i>)	1
Heather Khoo Guat Ean	1
M J Monteiro	0
Ng Kim Lian (<i>Resigned on August 29, 2014</i>)	0
Phoon Sow Cheng	2
Tai Lai Kok	0
Tang Chin Fook (<i>Resigned on August 31, 2014</i>)	0
Tong Siew Choo (<i>Resigned on April 29, 2015</i>)	1
Wan Chee Khei	0
Woon Yoke Lee	2
Yeo Eng Ping	0

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

With a diverse and dynamic accountancy landscape in our nation, we must, as a professional accounting institute, be versatile and adaptable in order to keep up with the changing tides. Over the years, the Institute has been consistent in achieving its vision of being the premier professional accounting qualification in Malaysia and is proactive in our efforts to evolve with the times and needs of the profession, leveraging on our strategic partnerships and our inherent strengths. In my first year serving as MICPA President, I am pleased to be part of the exciting initiatives being planned and carried out as reflected in our theme for this year's annual report – **“Crafting Opportunities to Soar”**.

DATO' ABDUL RAUF BIN RASHID
President

Audit Forum 2014

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>
Exchange of
Memorandum of
Agreement with
Universiti Sains
Malaysia



REACHING OUT TO CANDIDATES

For the past six years, we have been working closely with the Institute of Chartered Accountants Australia (ICAA) and have grown our joint professional accounting programme and candidate base to over 600 candidates. Setting a milestone in July 2014, ICAA amalgamated with the New Zealand Institute of Chartered Accountants to form Chartered Accountants Australia and New Zealand (CAANZ). This means we are now equipped with qualifications that are recognised in the Malaysian, Australian and New Zealand markets just by going through one set of examinations.

Malaysian undergraduates studying in Australia form a large percentage of our candidates and we continue to actively reach out to them. Upon completing their studies and returning to Malaysia to begin their careers, many make the Institute their first stop. With the merger of the Australian and New Zealand bodies, we have extended our outreach to New Zealand shores where there is a large pool of Malaysian students studying to become accountants. We are also pleased that we can now readily accept graduates from New Zealand institutions of higher learning to pursue the joint Programme.

Meanwhile in Malaysia, during the year, the Institute signed a Memorandum of Agreement (MoA) with Universiti Sains Malaysia (USM) and Universiti Teknologi MARA (UiTM) respectively. This momentous MoA signifies MICPA's commitment to advance the accounting profession in Malaysia. The MoA aims to develop accounting-related educational programmes while promoting institutional exchanges through intellectual discourse and knowledge sessions between both parties to help develop academia, training and student development.

We also continue to work directly with the university accounting clubs to promote the dual qualification and to organise more engagement activities that can widen their perspectives on the accounting profession. Through this, we hope to play our part in propelling the accountancy profession in Malaysia to the next level, in line with the Government's aspirations to grow the profession further. We hope to build on and further cement our relationships with the other premier Malaysian universities in time to come. With this in mind, we hope to sign MoA's with at least 3 more universities in 2015.

THE FUTURE OF ACCOUNTING

Malaysia aims to produce 60,000 professionally-qualified accountants as part of its goal to attain the status of a developed nation by the year 2020. The Committee to Strengthen the Accounting Profession (CSAP), in its report released in December 2014, outlined its recommendations in moving the profession forward in Malaysia. The Institute is proud to have been recognised in the Report as a key player, in particular, as the benchmark of professional qualification in Malaysia. We are supportive of the Report recommendations and look forward to playing our role in helping implement the recommendations for the overall betterment of the profession in Malaysia.

Talent acquisition is an urgent priority due to the need for more accountants in our nation. The Institute has formulated a new pathway for graduates from other disciplines to join the profession through our flagship Conversion Programme. This first-of-its-kind programme will allow degree holders from non-accounting backgrounds to join the pool of candidates that can qualify as a Certified Public Accountant and Chartered Accountant.

The Institute is proud to have been recognised as the benchmark of professional qualification in Malaysia.

Launched in the last quarter of 2014, the Conversion Programme comprises eight core accounting and business-related subjects. These subjects are foundational to equip candidates from non-accounting backgrounds with the fundamental keys to sit for the Advanced Stage Examinations that lead to the dual MICPA and CAANZ professional qualifications. The first university to partner with us to pilot the programme is Universiti Sains Malaysia (USM) and we are working hard to expand the number of centres that offer this ground-breaking programme.

Also in the pipeline is to expand new pathways to promote inclusiveness within the accounting profession at various levels through the creation of different certification levels to recognise different categories of accountants. We aim to launch this within the next two years.

The Institute's Certified Financial Accountant (CFiA) qualification is designed in such a way that its holder is equipped to build a solid career in the accounting field and it serves as a pathway to obtain the CPA qualification. As part of our initiatives to stay abreast with the profession and industry at large, the CFiA programme is also being redesigned to meet the current needs of members and industry.

ENRICHING THE ACCOUNTING COMMUNITY

Always at the forefront of the industry, the Institute is actively involved in preparing the business community and other stakeholders in Malaysia for compliance with a suite of new and revised Auditor Reporting standards introduced by the International Auditing and Assurance Standards Board (IAASB). Developed in response to calls for more informative and communicative audit reports in the public interest, it will be effective for audits of financial statements for periods ending on or after December 15, 2016.

We will be leading and participating in a joint working group set up together with the Malaysian Institute of Accountants (MIA) to address the implementation and transition to the new Standards. Over the course of the transition period, we will be holding outreach activities to keep the various stakeholders impacted by these Standards informed and prepared.

In line with the Government's move towards accrual accounting, we have also been working closely with the Jabatan Akauntan Negara Malaysia (JANM) in providing training as a means to help ease the transition. It is also timely that the Institute has forged ties with the Chartered Institute of Public Finance and Accountancy (CIPFA) and MIA through the signing of a Memorandum of Understanding (MoU). This MoU aims to strengthen Public Financial Management (PFM) through developing skills and increasing capacity within the public services in Malaysia. This MoU outlines the future co-operative relationship between the three Institutes to seek and identify areas in Malaysia's public finance system where there is the greatest scope for development through collaboration. This MoU also paves the way for our members to gain CIPFA membership.

We want to ensure the needs of our members are continually met and therefore, the Institute has set out to support the needs of our small and medium practitioners (SMP) by setting up a special department to provide advisory services in technical areas. We hope that this new unit will be able to provide a platform for the SMP community to share ideas, discuss challenges and help each other progress as firms in public practice.

As we identify the opportunities to take the Institute further, we will continue to engage regulators, Government bodies, academia, industry partners and our members to be the leading voice in technical advisory, thought leadership and professional education in the field of accounting.

APPRECIATION AND ACKNOWLEDGEMENT

Before I conclude this message, I would like to take this opportunity to thank the relevant government ministries, regulators, MIA and our industry partners for their strong support, dedication and hard work in ensuring that the profession continues to grow from strength to strength.

To my colleagues on the EXCO and Council, I thank you for your continuous support, expertise and encouragement. As we embark on a new financial year, I am confident we will be motivated and inspired by the desire to adapt and innovate to ensure the success of the Institute.

To all members and volunteers who have contributed precious time, professional knowledge and ideas, the Council and I would like to extend our sincere appreciation and gratitude. Without your active participation in the various committees and working groups of the Institute, we would not be where we are today. The Institute has definitely benefitted from your input of advice and ideas on technical matters and professional insights.

Special thanks to the Secretariat for their hard work, commitment and dedication in serving our candidates and members well. I would like to thank the Executive Director, Mr Foo Yoke Pin for his unwavering leadership and vision of taking the Institute to greater heights.

Moving into 2015 and beyond, I look forward to the Institute achieving much more to reinforce our reputation as a world class brand. I am confident that with everyone's support, we will rise to the occasion.

DATO' ABDUL RAUF BIN RASHID

President

PERFORMANCE

FINANCE

The Institute achieved a net operating surplus of RM271,700 for the year, a decrease of RM327,900 (54.7%) from RM599,600 in 2013.

Total income rose by RM198,200 or 3.8% due mainly to the increase in income generated from conducting examinations under the MICPA-CAANZ Programme and increase in new students' registration and exemption fees. The total income of the Institute increased marginally despite the higher intake of new candidates because the financial impact of 106 new candidates registered in December 2014 is only beginning to be felt in 2015.

Total expenses increased by RM526,100 or 11.7% due mainly to expenses incurred to promote and to conduct examinations under the MICPA-CAANZ Programme and higher staff costs. Additional staff were employed by the Institute to support the increase in activities organised by the Institute that benefit members and candidates and to promote the MICPA-CAANZ Programme.

Total assets increased by RM385,700 or 9.4%, due mainly to the substantial increase in fixed deposits and bank balances. Total liabilities increased by RM114,000 or 6.0% resulting mainly from the candidates' examination fees for Term 1, 2015 received in December 2014. The Institute has an accumulated fund of RM2,491,400 as at December 31, 2014 compared to an accumulated fund of RM2,219,700 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 organise more activities that will benefit members and students and intensify the publicity and communications programme in promoting the revised MICPA Programme.

FIVE-YEAR SUMMARY	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000
Total income	5,289	5,086	4,782	4,060	3,412
Total expenses	(5,017)	(4,486)	(4,217)	(3,587)	(3,186)
Net operating surplus	272	600	565	473	226
Non-current assets	37	171	327	227	70
Current assets	4,458	3,938	3,315	2,643	1,727
Non-current liabilities	-	(135)	(281)	(225)	(225)
Current liabilities	(2,003)	(1,754)	(1,741)	(1,590)	(990)
Total net assets	2,492	2,220	1,620	1,055	582
Accumulated Fund	2,492	2,220	1,620	1,055	582

RM385,700
Total assets increased

RM2,491,400
Accumulated Fund

MEMBERSHIP

Members of the Institute consist of four classes of members who are admitted in accordance with the Institute's Articles of Association and Bye-laws. These classes are Certified Public Accountants (CPA), Provisional Members, Certified Financial Accountants (CFiA) and Associate Members. As of December 31, 2014, the number of members stood at 3,128.

MEMBERSHIP STATISTICS	As at December 31		Net Increase/ (Decrease)
	2014	2013	
Certified Public Accountants	3,032	3,045	(13)
Provisional Members	33	33	–
Certified Financial Accountants	63	66	(3)
Total	3,128	3,144	(16)

CERTIFIED PUBLIC ACCOUNTANT (CPA)

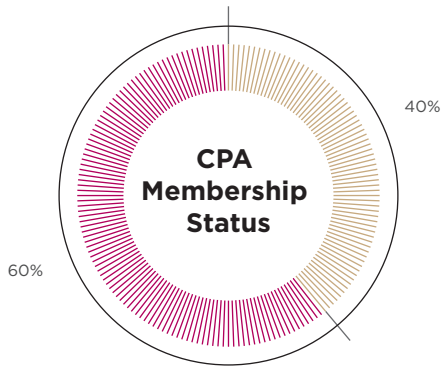
As of December 31, 2014, the total of CPA members stood at 3,032. After taking into account members who had resigned or were excluded from membership due to failure to pay the annual subscription or practising certificate fees, a net decrease of 13 members was recorded.

40 new admissions were recorded during the year, and of this number, 35 members were admitted under Bye-law 34(1)(a) to (d), having completed the Institute's examinations and fulfilled the required practical experience requirements. 5 more members were admitted under Bye-law 34(1)(f) as they are full members of approved foreign accounting bodies and have been granted exemption from the examination on the basis of having adequate working experience in the relevant fields in Malaysia after qualifying as an accountant.

As of December 31, 2014, 40% of our members were working in public practice firms, out of which 13% were members holding practising certificates. 48% of members were employed in the business community while 1% was in the public sector. Retired members accounted for 11% of the total CPA membership. There was no significant change in the membership profile as compared to 2013.

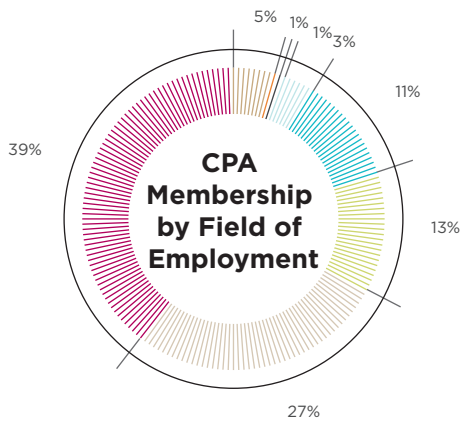
A total of 21 female members were admitted during the year, constituting 47% of total new admissions. This shows that the proportion of female members has increased from 39% in 2013 to 40% at the end of 2014.

CPA MEMBERSHIP STATISTICS	As at December 31		Net Increase/ (Decrease)
	2014	2013	
In Practice	396	406	(10)
Not In Practice	2,636	2,639	(3)
Total	3,032	3,045	(13)



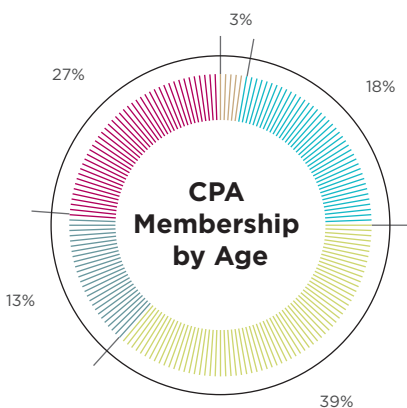
CPA MEMBERSHIP STATUS

Female	40%	1,201
Male	60%	1,831
Total	100%	3,032



CPA MEMBERSHIP BY FIELD OF EMPLOYMENT

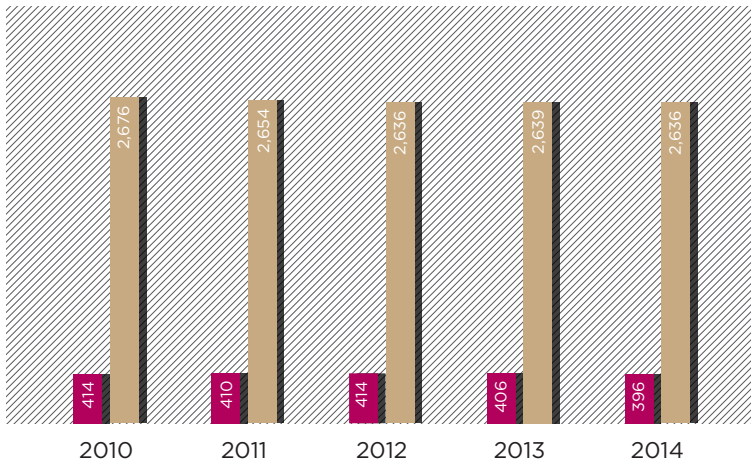
Financial Institutions	5%	144
Public Sector	1%	16
Education	1%	22
Consultancy and Others	3%	94
Retired	11%	337
Public Practice	13%	396
Employees of Accounting Firms	27%	830
Commerce and Industry	39%	1,193
Total	100%	3,032



CPA MEMBERSHIP BY AGE

21-30	3%	99
31-40	18%	540
41-50	39%	1,190
51-55	13%	383
56 & above	27%	820
Total	100%	3,032

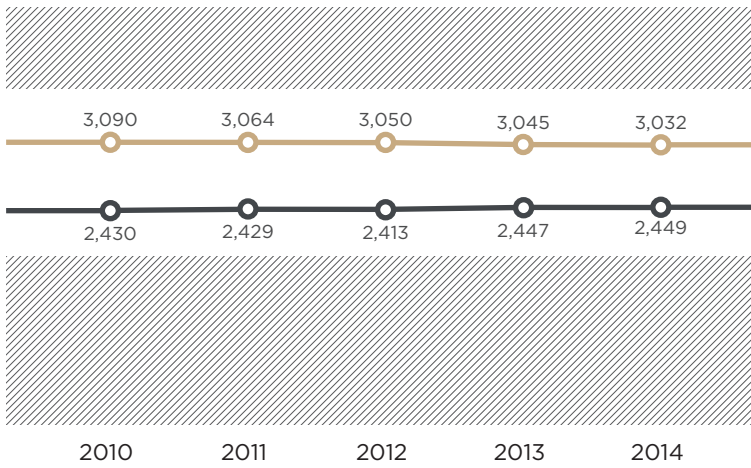
CPA MEMBERSHIP STATISTICS as at December 31, 2014



Members in Practice



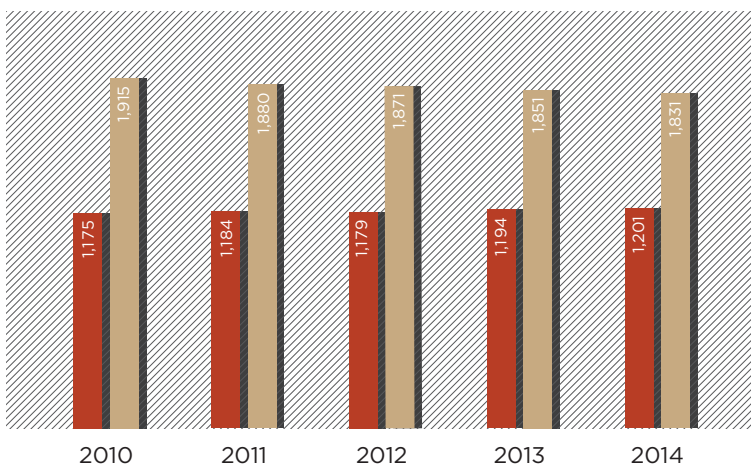
Members Not in Practice



Total CPA Membership



CPA Graduate Members



Female



Male

PERFORMANCE

PROVISIONAL MEMBERS

There were no new provisional members admitted during the year. Provisional members are graduate members who have completed the Institute's examinations but have yet to fulfill the practical experience requirement for admission as full members.

These members are eligible to enjoy a full range of the Institute's membership services and 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 ACCOUNTANT (CFIA)

There were no new CFiA admitted during the year. After accounting for CFiA members who were excluded from membership for failure to pay the annual subscription, a net decrease of 3 members was recorded. This brings the total CFiA membership to 63 members as at December 31, 2014.

These members are mainly senior lecturers from the accounting departments of local public and private universities. Admitted under the Institute's special provisions for admission as CFiA, they 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 reserved to CPA members. CFiA members are entitled to access the full range of services provided by the Institute to members.

SERVICES TO MEMBERS

The overriding goal of the Institute is to ensure that members maintain high standards of professionalism and technical excellence in the performance of their work and services. Members are provided with technical updates and guidance on all aspects which are made available on the Institute's website. The website serves as an important platform for members to gain access to the Institute's technical resources and its wide range of services.

In 2014, a number of activities were carried out to meet the interests and professional development needs of the different segments of membership. Continuing Professional Development (CPD) courses on a broad scope of topics were organised throughout the year to keep members abreast of current changes in today's highly competitive global economic environment. Topics covered areas in accounting, auditing and assurance and taxation.

These activities were supported by a network of Committees comprising members and volunteers from different fields of specialisation. The sharing of ideas, expertise and experiences are vital to enhance the quality of the Institute's technical output and solutions to issues of professional interest. Ad-hoc task forces were also appointed to address emerging issues of concern.

The Institute constantly undertakes initiatives to improve services provided to members to meet the needs of the different segments of membership.

CONTINUING PROFESSIONAL DEVELOPMENT

Operating in an environment of rapid change, it is essential for professional accountants to continuously update their technical and professional skills and knowledge based on the latest developments within the industry. To serve the best interests of the public, clients and employers, investing in a planned programme of continuing professional development is one of the best ways for MICPA members to update themselves.

To assist members in meeting their CPD requirements, the Institute organises a wide range of CPD programmes throughout the year. The areas covered are predominantly accounting-related topics that cover the understanding and application of newly issued or updated financial reporting standards as well as various taxation topics.

The Institute also conducted a series of in-house training programmes on specialised topics as these ad-hoc programmes were organised upon request by satisfied participants from the Institute's public training programmes.

In the fifth iteration of our joint audit forum with the Institute of Chartered Accountants Australia (ICAA), the Institutes focused on the issue of professional scepticism



^
Audit Forum 2014

in an audit. The forum was designed to assist practitioners in identifying a practical approach to enhance the exercise of professional scepticism in an audit of financial statements and to reflect this in audit documentation as there have been concerns raised by audit inspectors on how professional scepticism is applied in practice.

The Institute also organised a joint forum with ICAA especially for academicians entitled “*Bridging the Gap Between Accounting Research and Professional Practice*” by Professor James Guthrie. The forum was well attended by academicians from 12 universities in Malaysia to discuss the objectives and outcome of academic research to identifiable and measureable improvements in the practice of accountancy in Malaysia.

PUBLIC PRACTICE

The Public Practice Committee’s role is to identify the professional development needs of members in public practice, especially that of the small- and medium-sized practices. The Committee also functions as a forum for consultation and discussion of issues relevant to the members in practice.

The *Audit Guide for Practitioners* which was first published at the end of 2006 and subsequently revised in 2008 and 2011 is currently being updated to reflect the approved standards on auditing and other pronouncements adopted or issued by the Institute as at December 31, 2014. This guide is intended to provide guidance on the performance of audits of financial statements in accordance with the approved auditing standards in Malaysia and to maintain quality control of audit work.

During the year, four 2-day workshops on the usage of the *Audit Guide for Practitioners* were conducted, comprising two workshops each on *Basic Practical Guide to Auditing* and *Advanced Practical Guide to Auditing*. The objective of the workshops 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.

The Committee organised a roundtable dialogue with several small- and medium practitioners in November 2014 with the objective of identifying issues faced by practitioners. The Committee would weigh various issues identified and assist the practitioners in resolving them.

The Technical Reference Panel, which provides free advisory services to members, receives enquiries throughout the year. The enquiries received largely pertained to the

application of the new and updated Malaysian Financial Reporting Standards and Financial Reporting Standards, Bursa Malaysia Listing Requirements clarified International Standards of Auditing, tax legislations and company law.

COMMERCE AND INDUSTRY

The Commerce and Industry Committee is responsible for undertaking activities that are relevant to the segment of members in commerce and industry as they constitute almost half of the total membership. This includes organising CPD programmes in areas of interest to these members.

This year, the Institute collaborated with ICAA on a forum to discuss risk management. The forum attracted participants consisting of many senior members who are in charge of risk management and corporate governance issues. During the forum, discussions surrounded the influence of corporate culture and a strategic approach in the successful adoption of risk management frameworks in organisations. Participants were also briefed on global anti-bribery enforcement trends as well as the impact of the potential introduction of a corporate liability provision in Malaysia.

GOVERNMENT RELATIONS

The Institute maintains a consultative relationship with the Government and regulatory bodies to reinforce the Institute’s leadership roles on professional and business issues. At a time when there have been significant policy measures and changes introduced to the securities law, taxation laws and other business legislations implemented by the Government as a means to improve the efficiency of the public service delivery system and strengthen the nation’s economy and capital market, the role the Institute plays in this area remains crucial.

Some of our on-going activities in this area include making submissions and representations to the Ministry of Finance, Securities Commission (SC), Suruhanjaya Syarikat Malaysia (SSM), the Inland Revenue Board (IRB) and other Government departments. We are constantly proposing and providing views in response to the proposed legislative reforms which represent crucial insights into the profession and the business entity it serves. We also channel members’ concerns on regulatory guidelines relating to the operation of capital market, governance of companies, income tax system and the listing requirements.

PERFORMANCE

The Institute is actively engaged in dialogue sessions held by the Government with the private sector such as the annual dialogue with the Ministry of Domestic Trade and Consumerism, the annual dialogue with the SSM, half yearly meetings with the Customs-Private Sector Consultative Panel, regular dialogues with the IRB and technical meetings with the SC and Bursa Malaysia. The Institute shares a strong voice on implementation issues which arise from new or proposed changes to the rules and regulations affecting the capital market.

The Institute regularly participates in discussions with the Audit Oversight Board (AOB) on key aspects, observations and other matters related to the oversight activities. These discussions, through the enforcement of professional standards adopted by the Institute, are central to aiding the Institute in setting a standard quality in auditing across the board. Regular dialogue and discussion sessions are held with the AOB on issues and challenges faced by the audit industry.

The Institute was involved in the setting up of a high-level Committee to Strengthen the Accounting Profession in Malaysia (CSAP). CSAP was formed in May 2013 by the Ministry of Finance with the purpose of reviewing the state of the accounting profession in Malaysia and to recommend initiatives that need to be taken to develop a strong profession by the year 2020. The CSAP report was released in December 2014, containing its findings and recommendations. The Institute subsequently reviewed and provided its collective feedback to the SC.

The Institute continues its close working ties with Talent Corporation Malaysia Berhad (TalentCorp) to upskill accountants in Malaysia, as well as in reaching out to Malaysians studying locally and abroad. Our partnership on the PAR Excellence Programme - an upskilling programme to encourage aspiring accountants to pursue a professional accounting qualification, has seen a large group of accounting undergraduates being sponsored to begin the MICPA-CAANZ Programme in their final year of their accounting degree programme. These students are fully-sponsored to complete 2 out of the 5 modules of the MICPA-CAANZ Programme before they graduate, giving them a headstart in their professional qualification. The Institute also participated in accounting and finance sector-focused career fairs organised by TalentCorp.

During the year, the Institute participated in courtesy visits to the Accountant General of Malaysia and the Chief Executive Officer of SSM. These visits promote the sharing and exchange of knowledge on current developments and changes in the accounting industry and business landscape. The visit also allowed the Institute to provide

briefings on the current programmes offered by MICPA and its core activities, particularly the CPA education and training programmes.

TECHNICAL ACTIVITIES

Technical activities represent a core element of the Institute's work programme. Thus, it is of utmost importance that high professional and technical standards are consistently maintained in order to continuously uphold public confidence in the work performed by our members. To accomplish this, the Institute supports 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) are regularly reviewed by the Institute. These pronouncements 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). Through due process, the Institute has substantially adopted 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 contributes to the Malaysian Accounting Standards Board's (MASB) standard-setting process. During the consultation process, the Institute expresses its views on proposed new standards and discussion documents. Where interpretation issues are encountered, the Institute makes representations to the MASB. Members of the Institute are expected to comply with the standards issued by the MASB.

The Institute works closely with the Malaysian Institute of Accountants (MIA) in the course of carrying out its technical activities. This includes the Institute's participation and contribution in the MIA's Financial Reporting Standards Implementation Committee (FRSIC) which provides assistance on potential implementation issues, grey areas and matters of common interest relating to the Malaysian Financial Reporting Standards (MFRS)/Financial Reporting Standards (FRS) or provisions of companies' legislation in Malaysia. Particular attention is focused where unsatisfactory or divergences of interpretations have developed or seem likely to develop. After due process, implementation guidance in the form of a FRSIC consensus is issued, which should be regarded as best practice and read in conjunction with the relevant MFRS/FRS.

ACCOUNTING AND AUDITING STANDARDS

The Accounting and Auditing Technical Committee (AATC) holds the 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 taskforces appointed to undertake specific projects.

In anticipation of the issuance of a suite of new and revised auditing standards by the IAASB that have a major impact on auditor reporting, the AATC established a Working Group in late 2014 with the aim of preparing the business community and other stakeholders in Malaysia for the changes that they need to implement to comply with these new requirements. This group is a contributor in a joint working group set up together with the MIA to address the implementation of, and transition to the new standards.

During the year, the AATC issued one IFAC Pronouncement, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information International Framework for Assurance Engagements and Related Conforming Amendments* for members' guidance and compliance.

On the local front, the MASB issued:

- (a) Three (3) new MFRSs and twelve (12) amendments to MFRSs under the MFRS Framework;
- (b) Two (2) new FRSs and ten (10) amendments to FRSs under the FRS Framework;
- (c) New MFRS Glossary in Bahasa Malaysia;
- (d) Annual Improvements to MFRSs 2012-2014 Cycle; and
- (e) Annual Improvements to FRSs 2012-2014 Cycle

The new MFRSs and amendments to MFRSs under the MFRS Framework and the new FRSs and amendments to FRSs under the FRS Framework are listed in the "Technical Pronouncements" section of this report.

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 Transitioning Entities (TEs). TEs were initially allowed to defer adoption of the MFRS Framework for two (2) years, and have the option of either applying the MFRS Framework or the FRS Framework for annual periods beginning on or after January 1, 2012. With the announcement by the MASB in August 2013 to extend the transitional period for TEs by another year, the adoption of the MFRS Framework will then become mandatory for all companies for annual periods beginning on or after January 1, 2015.

Included among the new MFRSs and amendments to MFRSs issued by the MASB during the year were MFRS 15, *Revenue from Contracts with Customers* and *Agriculture: Bearer Plants* (Amendments to MFRS 116 and MFRS 141) – "*Bearer Plants Amendments*".

MFRS 15 and the *Bearer Plants Amendments* will come to effect for annual periods beginning on or after January 1, 2017 and January 1, 2016 respectively.

Following the issuance of the new MFRS 15 and the *Bearer Plants Amendments*, the MASB announced that the effective date of the MFRS Framework for TEs shall be for annual periods beginning on or after January 1, 2017.

TEs are 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 of such TEs.

Additionally, the MASB sought comments on six (6) exposure drafts and two (2) discussion papers issued by the IASB. The Institute has officially responded to all the IASB exposure drafts and discussion papers.

During the year, the Accountant General's Department of Malaysia (AG Department) continued to issue exposure drafts which are based on the International Public Sector Accounting Standards (IPSASs) published by the International Public Sector Accounting Standards Board (IPSASB) of IFAC. Upon finalising, they will be adopted as the Malaysian Public Sector Accounting Standards (MPSASs) in Malaysia. The AATC has reviewed and provided feedback for six (6) exposure drafts issued by the AG Department.

Feedback and comments were also submitted to Bursa Malaysia on its *Proposed Amendments Relating to Post-Listing Disclosure Obligations for Mineral, Oil and Gas Listed Issuers; and Special Purpose Acquisition Companies* and its Consultation Paper No. 4/2014, *Proposed Review of the Ace Market Listing Requirements and Proposed Amendments to the Main and ACE Market Listing Requirements Arising from the Financial Services Act 2013*.

Through its independent standard-setting boards, IFAC released exposure drafts to continue its objective to serve public interest by setting high-quality standards and other pronouncements for professional accountants worldwide. Throughout the year, the Institute has officially submitted its comments to six (6) exposure drafts and a Consultation Paper issued by three of IFAC's standard-setting boards; the IAASB, the IPSASB and the International Ethics Standards Board for Accountants (IESBA).

PERFORMANCE

The Institute was also invited by the Climate Disclosure Standards Board (CDSB), a consortium of business and environmental organisations formed at the World Economic Forum's annual meeting in 2007, to submit comments to its two (2) CDSB Framework Consultation Drafts - *Promoting and Advancing Disclosure of Environmental Information* and *Promoting and Advancing Disclosure of Environmental Information in Mainstream Reports*. CDSB is committed to developing the global corporate reporting model so that it takes account of the environmental impacts of corporate activity and builds trust in information that drives the world's capital markets. The CDSB Framework serves as guidance on reporting environmental information.

Reviews of the exposure drafts, discussion and consultation papers and providing feedback to the respective organisations were carried out by selected working groups.

COMPANY AND SECURITIES LAW

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 in accordance with the CA 1965. The Forum comprises ten members including the Institute. During the year under review, representatives from the Institute attended one CPCF meeting on April 27, 2015. The SSM has established a Technical Committee under the CPCF, which consists of CPCF members and representatives from various divisions of the SSM. This Committee aims to promote, encourage and support the exchange of views and information on matters and issues in areas affecting the company secretarial and administrative matters. It also aims to promote the highest standards or best practices within the profession, especially towards the practice of good corporate governance.

The CPCF Technical Committee reports to the CPCF on matters discussed and resolved from time to time and also refers any unresolved issues to the CPCF for consideration. It is also the Committee's role to 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 proposed New Companies Bill which was released as an Exposure Draft for public consultation on July 2, 2013 by SSM was redrafted to incorporate various stakeholders' feedback and is currently pending reading in the Parliament. Once gazetted, the New Companies Bill will replace the existing Companies Act, 1965 (CA).

The SC is continuously introducing measures and development initiatives to enhance the framework for the enforcement of securities law allowing 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 a more facilitative environment for the 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 2016. The AOB that was established pursuant to the Securities Commission Amendment Act 2010 took effect on April 1, 2010. The AOB assists the SC in regulating auditors of public-interest entities to promote investor protection and reliability of audited financial statements of the entities. The Institute has participated in various dialogues organised by AOB.

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

INSOLVENCY

The Insolvency Practice Committee (IPC) consists of representatives from all interest groups including the Institute's members in practice, the Bar Council, the Association of Banks in Malaysia, SSM 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 under review, the Committee together with MIA's Insolvency Practice Committee, the Insolvency Practitioners Association of Malaysia (IPAM) and the MDI had a meeting with the Director General (DG), National Housing Development of the Ministry of Urban Wellbeing, Housing and Local Government. The meeting provided the Committee a platform to highlight to the DG the implications on liquidators and provisional liquidators arising from the amendment to the interpretation of "housing developer" of the *Housing Development (Control and Licensing) Act 1966* 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 also held meetings to discuss on MIA's "Proposed Pathway to Become Liquidators and Syllabus Outline for Insolvency Examination". As a special interest group, the IPC continues to be a member of the International Association of Restructuring, Insolvency and Bankruptcy Professional (INSOL). INSOL has issued 30 Technical Papers Series since January 2007. The affiliation with INSOL provides opportunities for members engaged in insolvency practice to keep updated with global changes and developments in insolvency law and practices. The INSOL journal and technical series serves as a useful reference on significant insolvency issues and developments.

TAXATION

As the key liaison body between the Institute and the Government on taxation matters, the Tax Practice Committee makes regular representation 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 works closely with the MIA and the Chartered Tax Institute of Malaysia (CTIM) in making submissions to the IRB concerning practical issues encountered by members in the application of tax legislation as well as the rules and regulations issued by the IRB.

Several dialogue sessions were held with the IRB to seek clarification and practical solutions to issues that were raised during the year. The IRB has also formed a Working Group between the professional bodies and the IRB to resolve issues that may arise from time to time. During the year, two meetings were held by the Working Group to resolve issues relating to submission of tax return forms and other operational 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 with respect to provisions in the tax laws as well as the policies and procedures that should be applied. The Public Rulings serve as a guide to both taxpayers and the IRB officers in the application of the law.

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

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

Standard	Title
MFRS 4	Insurance Contracts
MFRS 15	Revenue from Contracts with Customers
IC 15	Agreements for the Construction of Real Estate

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

Standard	Title
MFRS 2	Share-based Payment
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 6	Exploration for and Evaluation of Mineral Resources
MFRS 102	Inventories
MFRS 111	Construction Contracts
MFRS 116	Property, Plant and Equipment
MFRS 117	Leases
MFRS 119	Employee Benefits
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 136	Impairment of Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instruments: Recognition and Measurement (for Non-Financial Institutions)
MFRS 140	Investment Property
IC 12	Service Concession Arrangements

Since 4 June 2013, the IRB has issued guidelines for MFRS 5, MFRS 123 and MFRS 140.

The Committee also represented the Institute at the half-yearly meetings of the Customs-Private Sector Consultative Panel. The Institute were also invited by the Royal Malaysian Customs to attend "Hari Kastam Sedunia".

The Goods and Services Tax Working Group (GST-WG) was set up by the Committee with support from several large accounting firms as well as small and medium practices. The GST-WG continues to assist the Institute's members to be GST compliant and administratively ready for its implementation. During the year under review, the GST-WG considered and addressed practical and technical



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Anugerah Presiden 2014

issues raised by members relating to GST, made representations or recommendations to Authorities on GST matters as well as broadcast GST updates on the Institute's website.

The Committee is also 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 related information on doing business in Malaysia. It also provides a summary of recent tax cases and an index of current amendments to the Income Tax Act and related legislation. The publication is undertaken with the technical support from six large accounting firms.

The Committee is also responsible for the publication of the annual budget commentary which is undertaken on a joint venture basis by the Institute, MIA and CTIM. A total of 107,601 copies of the 2015 Budget Commentary and Tax Information were printed. Apart from the 32,204 copies sent to members of the three Institutes as part of the membership service rendered and to the recipients of complimentary copies, a total sales volume of 75,085 was achieved. The success of the project was the result of teamwork between the three joint-venture partners and contributions from the editorial board consisting of more than 90 members drawn from nine large accounting firms.

COMMUNICATIONS AND PUBLIC RELATIONS

The Institute's consistent branding activities have continued to strengthen and build upon its current brand reputation. The Marketing and Public Relations team continues to reiterate the significance of MICPA's brand name – CPA Malaysia, with its focus on the professional opportunities and achievements associated with MICPA.

The Institute has always placed an emphasis on quality over quantity and we continue to hold true to this. Much effort is taken to ensure the medium used for communications continue to appeal to candidates and potential candidates of MICPA, not only in terms of content but also aesthetically. The clean, clear and easy-to-understand information presented in our brochures are attractive to our target readers with a simple understanding of the joint Programme.

We have also capitalised on the strength of social media by tapping into Facebook, Twitter and YouTube with regular postings, videos and updates. In the past year, the Institute has seen strong growth in its social media outreach. Facebook page Likes increased by 45% which has translated to over 6,000 page Likes to-date. This gives an indication that our social media content is interesting and relevant to social media users.

Since the amalgamation of ICAA and NZICA to form CAANZ was finalised in January 2015, MICPA embarked on an exercise to update collaterals including communications content, materials and media that carried the ICAA name, qualification and logo. This was to ensure that everything is aligned to the changes undergone by our Programme partner.

The Institute also decided to utilise New Straits Times' (NST) education supplement – Excellence in Education to advertise the joint Programme and activities on a monthly basis. The articles focus on the Institute, student activities and initiatives aimed to develop the accounting profession. Content featured has also evolved to feature more stories on successful candidates and members as this can help potential candidates better relate to the joint Programme and its benefits.

MICPA 56TH ANNUAL DINNER

MICPA celebrated its 56th year in the industry on June 20, 2014 at the Sheraton Imperial Kuala Lumpur Hotel. It was a privilege for the Institute to have YB Senator Dato' Sri Abdul Wahid Omar, Minister in the Prime Minister's Office as Guest of Honour.

YB Senator Dato' Sri Abdul Wahid Omar addressed a crowd of almost 400 invited guests, speaking passionately on the importance of an accountant's role in this current era of economic growth and expansion. He highlighted the Government's efforts to broaden and to strengthen the accounting profession and industry; and how the Government aims to further enhance its collaboration with MICPA and other professional bodies to establish a centre for professional accountancy at UiTM.

Following tradition, the Institute also awarded the Anugerah Presiden that night. This year's recipient was Encik Abdul Jabbar Bin Abdul Majid who was the Institute's President from 1996 to 1998 and Council member for 29 years.

Encik Jabbar had an outstanding career with positions held at Bank Pertanian Malaysia (now known as Agrobank) and Peat Marwick Desa Megat (now known as KPMG). His career at KPMG began in 1977 and in 1979 he was admitted as a Partner. Encik Jabbar was then appointed as a Deputy Senior Partner in 1990 and subsequently elected as Senior Partner in 1995 where he served until his retirement in 2000. He was also an Adjunct Professor at the International Islamic University of Malaysia (IIUM) in 1985. After his retirement, Encik Jabbar was appointed by the then Minister of Finance, Y.B. Tun Daim Zainuddin as Executive Chairman of The Kuala Lumpur Options and Financial Futures Exchange (KLOFFE) for two years. He served on various boards and still continues to do so till today. Apart from his illustrious career, Encik Jabbar also does his part for charity through Persatuan Al-Hunafa, a non-profit organisation dedicated to Islamic education and is a welfare centre to those in need.

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MICPA 56th Annual Dinner



>
MICPA Excellence Awards

MICPA EXCELLENCE AWARDS

MICPA and ICAA celebrated its high achievers at the annual Excellence Awards ceremony on September 18, 2014. The night saw candidates who achieved excellent results honoured for their achievements in the Advanced Stage Examinations.

The Excellence Awards was officiated by Datuk Oh Chong Peng, MICPA's Past President, and joining him on stage to present these awards was MICPA's current President, Dato' Abdul Rauf Rashid and Mr Lee White, CEO of ICAA. Also in attendance were more than 140 guests including proud parents, employers, lecturers and friends of the award recipients, MICPA Council members and representatives from ICAA.

Awards that were presented that night included the Best Accounting Graduates, Gold Medal Winners, Certificates of Merit, Examination Certificates for the 2013/2014 Joint Programme graduates but the highlight of the night was The Most Outstanding CPA Student award.

The Excellence Award for The Most Outstanding CPA Student 2013 was bestowed upon Miss Tah Eve Lynn who is currently employed by PwC Malaysia. Miss Tah was recognised for successfully completing the professional examinations and for possessing the following leading attributes – excellent performance in the MICPA professional exams, exemplary career development and outstanding personality. Miss Tah enrolled for the Programme in 2011 and went on to complete the MICPA-ICAA examinations within two years. She also received a Gold Medal for her sterling performance in the Ethics and Business Application module at the Excellence Awards.

There were 11 top accounting graduates that were honoured as Best Accounting Graduates from Universiti Malaya (UM), Universiti Teknologi MARA (UiTM), Universiti Utara Malaysia (UUM), Universiti Sains Malaysia (USM), Multimedia University (MMU), Universiti Kebangsaan Malaysia (UKM), Curtin University Miri, Monash University Malaysia, Universiti Tenaga Nasional (UNITEN), International Islamic University of Malaysia (IIUM) and Universiti Putra Malaysia (UPM).



> MICPA 55th Commemorative Lecture & Luncheon

v Graduan Recruitment Drive in Australia



Mr Lee White presented Examination Certificates to 45 graduating candidates of the Programme and 12 Certificates of Merit to candidates with outstanding performance in a module examination. A total of eight Gold Medals were presented to candidates who obtained high distinctions in the Programme for Term 2 and 3, 2013 Examinations and Term 1, 2014 Examinations.

MICPA 55TH COMMEMORATIVE LECTURE & LUNCHEON

MICPA hosted its 55th Commemorative Lecture & Luncheon on December 18, 2014 at the Shangri-La Hotel Kuala Lumpur. An annual affair since 1988, the Commemorative Lecture is an opportunity for those in attendance to listen, discuss and learn about some of the hottest topics that are currently making its rounds within the industry. The event was graced by YBhg. Datuk Dr Rebecca Fatima Sta Maria, Secretary-General, Ministry of International Trade and Industry (MITI), who also delivered the lecture, "Does ASEAN Matter?"

The Institute took the opportunity to officiate an earlier signing ceremony between the Institute and USM with an exchange of the signed Memorandum of Agreement (MoA). The exchange of MoAs between MICPA President, Dato' Abdul Rauf Rashid and Professor Fauziah Mohamad Taib, Dean, School of Management, USM was witnessed by YBhg. Datuk Dr Rebecca Fatima Sta Maria.

The MoA aims to develop accounting-related educational programmes while promoting institutional exchanges through intellectual discourse and knowledge sessions between both parties to help develop important areas in academia, training and student development. MICPA and USM will also be working together to organise symposia, conferences, short courses and meetings on all matters related to accounting.

GRADUAN RECRUITMENT DRIVE IN AUSTRALIA

For three years in a row, the Institute has participated in the GRADUAN Career Fair in Australia. This Fair provides a platform for the Institute to share the advantages of the MICPA-CAANZ Programme to Malaysian students studying in Melbourne and Sydney. The collaboration between MICPA and CAANZ allows Australian graduates to pursue the highly-regarded CAANZ Chartered Accountants Programme here in Malaysia through the Institute. The Institute has seen a strong increase in the number of graduates signing up year-on-year due to the awareness created through interaction with students at these fairs.

In 2014, the Institute organised a quiz and networking event in Sydney that targeted Malaysian undergraduates studying in Sydney-based universities. It was a fun, relaxed and casual evening where students mingled with Institute Council members who are also Partners from large accounting firms in Malaysia. Several representatives from CAANZ were also there to join in the session which included the CEO, Mr Lee White who had the opportunity to address the students that night.

MICPA-ICAA ACCOUNTANCY WEEK

The 15th MICPA-ICAA Accountancy Week was held on November 17-22, 2014. Jointly organised with the Association of Fast Track Accounting Students (AFTAS) from UiTM, the event was held at UiTM's Puncak Alam campus and was participated by close to 500 university students from 12 MICPA-accredited universities and polytechnics.

This year, the theme was "Learn Today. Lead Tomorrow." The week-long event kicked off with career talks from November 17-20, 2014, followed by an Accounting Students Quiz and Networking Cocktail on November 21, 2014 and ended with a Sports and Games Competition on November 22, 2014. During the Sports and Games Competition, participants competed in various activities such as Badminton, Basketball, DanceSport, Dodgeball, Futsal, Netball, Paintball and Telematch. The games drew to a close in the evening and it ended with a Closing and Prize-Giving Ceremony.



^ MICPA-ICAA Accountancy Week

MARKETING & PROMOTIONS

The Institute continues to promote MICPA and its Programme through career talks, exhibitions and event sponsorships. Face-to-face outreach through career talks and sponsoring of student events remains to be an effective method of sharing the many benefits of the joint MICPA-CAANZ Programme. Students are informed about the prestigious dual qualification and memberships, the Programme modules and structure, pass rates, Global Accounting Alliance (GAA) passport, and other topics relevant to the Programme and the profession. Distinguished members of the Institute, and Programme graduates and candidates were invited to share their experience as a professional accountant practising in industry.

The Institute continues to market and promote all programmes targeting the relevant audience while maximising impact on brand image and awareness.

OUTREACH TO POTENTIAL CANDIDATES

The Institute actively engages with potential candidates through Programme talks, networking sessions, exhibitions, career fairs and orientation sessions in accounting firms. We will continue to work with TalentCorp through participation in their accounting and finance sector-focused career fairs.

The Institute is constant in its outreach activities at universities promoting the joint MICPA-CAANZ Programme and the Students Sponsorship Programme (SSP). There is a healthy interest in our Programme because of the dual qualification of Certified Public Accountant, Malaysia and Chartered Accountant, ANZ. Top achievers from public universities continue to be responsive towards SSP - a flagship Programme developed by the Institute in 2012 which provides an internship placement, a full-time job offer upon graduation, and sponsorship for students to pursue 2 out of 5 modules of the MICPA-CAANZ Programme in their final year of their Bachelor of Accounting degree.

Our promotional work is not confined to the MICPA-CAANZ Programme as a concerted effort is made to educate university students about their career options and the accounting industry in general.

The Institute takes the view of a holistic approach to the development of future accountants. During outreach activities with university students, the Institute capitalises on the opportunity to emphasise the importance of developing and cultivating their professional skills such as personal, interpersonal, communication and organisational skills. Soft-skills workshops are regularly incorporated into

our outreach sessions for this purpose. The Institute firmly believes that once an undergraduate has honed both technical know-how and professional soft skills, they will become a valuable asset to any organisation. This belief and philosophy is appropriately reflected and embedded in the MICPA-CAANZ Programme.

Our reach is not only confined to Malaysia as we continue to work with CAANZ to reach out to Malaysians studying in Australian and New Zealand universities.

In March 2015, the Institute ventured into New Zealand as part of its initiatives to create awareness among Malaysian students studying in Auckland through an information session and networking event organised at the University of Auckland. Information shared on the joint Programme was well received by the students who expressed interest in pursuing the qualification upon returning to Malaysia.

SPONSORSHIP OF STUDENT ACTIVITIES

The Institute maintains its initiatives in student development through participation in activities that develop their soft skills and other professional skills. The Institute uses a more comprehensive approach towards grooming students as we believe that a student with an overall package of excellent academic qualifications coupled with professional soft skills, which include interpersonal skills, would be deemed more attractive in the employment market. We continue to contribute in the form of financial sponsorships, university awards sponsorships, guidance in developing programmes and events and also connecting students to industry leaders.

NATIONAL ANNUAL CORPORATE REPORT AWARDS (NACRA)

The National Annual Corporate Report Awards (NACRA) 2014 held its awards presentation dinner on November 20, 2014 at Grand Hyatt Kuala Lumpur. Jointly organised by Bursa Malaysia Berhad, MIA and MICPA, NACRA honours and recognises organisations that have achieved excellence in annual corporate reporting.

Since its inception in 1985, NACRA continues to be identified by stakeholders and market players as a brand synonymous with fair, transparent and comprehensible corporate and financial reporting. NACRA's theme, "Towards Accountability & Excellence", emphasises the vital role of annual reports in propagating transparency and enhancing the integrity of the capital markets.



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National Annual Corporate Report Awards (NACRA)

YB Datuk Haji Ahmad bin Haji Maslan, Deputy Minister of Finance II, graced the event as the Guest of Honour representing YB Dato' Seri Haji Ahmad Husni bin Mohamad Hanadzlah, Minister of Finance II. YB Datuk Haji Ahmad bin Haji Maslan graciously presented the awards to all winning participants.

A total of 20 awards were presented for the Overall Excellence Awards for the Most Outstanding Annual Report of the Year; Industry Excellence Awards for Companies Listed on the Main Board; Presentation Awards comprising the Best Annual Reports in Bahasa Malaysia and Best Designed Annual Reports, and Best Corporate Social Responsibility Reporting Awards. 10 Certificates of Merit were also presented to finalists in recognition of the high quality of their annual reports.

Telekom Malaysia Berhad (TM) emerged as champions for another year running as they walked away with the coveted Overall Excellence Award for the Most Outstanding Annual Report of the Year. TM also won several other awards - Industry Excellence Award for a Main Board Company in Trading and Services; the Platinum award for Best Annual Report in Bahasa Malaysia; Platinum award for Best Corporate Social Responsibility Reporting Awards and the Gold for Best Designed Annual Report.

Malayan Banking Berhad (MBB) won the Gold award for the Overall Excellence Award for the Most Outstanding Annual Report of the Year. They also won the Industry Excellence Award for a Main Board Company in Finance, Silver award for Best Annual Report in Bahasa Malaysia and the Silver award for Best Corporate Social Responsibility Reporting Award.

CIMB Group Holdings Berhad (CIMB) won the Silver for the Overall Excellence Award for the Most Outstanding Annual Report of the Year and Platinum for the Best Designed Annual Report.

NACRA also announced its partnership with TalentCorp to introduce a new award category in 2015 for Inclusiveness & Diversity Reporting in line with Bursa Malaysia's requirement for public listed companies to disclose diversity policies covering gender, ethnicity and age for board and workforce in Annual Reports issued on or after January 2, 2015.

PROFESSIONAL REGULATION

Financial Statements Review

The maintenance of high standards of practice and professional conduct by all the Institute's members is one of the principal objects of the Institute. To accomplish this, 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 accounting profession in Malaysia.

The Institute achieves effective monitoring through an on-going programme of review of published financial statements audited by the Institute's members. The objective is to assess these financial statements for their compliance with approved accounting standards, approved auditing standards, listing regulations and statutory financial reporting requirements. Where departures are noted, the Committee would then communicate its observations to members responsible for the preparation of financial statements as well as the members in practice involved in auditing and expressing an audit opinion on the set of financial statements in order to seek clarification.

In situations where the Committee feels that certain accounting information could be better presented, the Committee will make recommendations to the members concerned. In cases of significant departures, the matter may be referred to the Investigation Committee for further investigative action.

The Committee is pleased to report that members are in support of the objective of the review process in view of their positive responses to matters raised by the Committee.

Investigation and Disciplinary

During the year under review, the Investigation Committee considered 13 cases of complaint, 4 of which were brought forward from the previous year. The Committee has completed the inquiry into 12 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; 2 cases were referred to the Disciplinary Committee; and for the other 9 cases, the Committee had made an order against the members concerned by consent that the members be reprimanded and fined. The remaining one case was still under consideration at the time of this report.

The Disciplinary Committee considered 4 cases of complaint, 2 of which were brought forward from the previous year. The Committee has completed the hearing and inquiry into all cases of complaint. 3 cases of complaint were proven whereby 2 members were excluded from the register of members of the Institute and 1 member was reprimanded and fined. The Committee concluded that the complaint had not been proven against one of the cases of complaint. No new complaints have been received at the time of this report.

INTERNATIONAL RELATIONS

The Institute maintains an active relationship with international accounting organisations and fellow professional bodies around the world. Keeping abreast of significant international development in accounting, auditing, education and other professional standards is crucial when operating in a global environment.

The Institute continues to contribute to and support the work of IFAC by actively promulgating convergence with international auditing standards issued by the IAASB of IFAC. The Institute continues to review and provide feedback on exposure drafts and discussion documents issued by the IAASB.

The Institute participated in IFAC's 37th Council meeting and the 2014 World Congress of Accountants held in Rome, Italy on November 7, 2014 and November 10 - 13, 2014 respectively. The theme of the World Congress was "2020 Vision: Learning from the Past, Building the Future", reflecting the idea that professional accountants need to communicate and collaborate with one another, sharing past experiences and ideas for the future. The Congress' plenary sessions - focusing on businesses thriving in disruptive times, enhancing government transparency and accountability, and integrated thinking - provided information and expertise to help professional accountants find solutions to the challenges faced by them. Similarly, the concurrent sessions dealt with key issues in the accounting profession such as ethics, capacity building, education, financial reporting, assurance, and business advisory services.

On March 4, 2015, the Institute received representatives from the Ministry of Finance of Vietnam. During this visit, the Institute shared its roles and responsibilities in the Malaysian accounting and auditing profession. This visit provides an opportunity for the Institute to establish ties for future collaborations especially in the context of ASEAN.

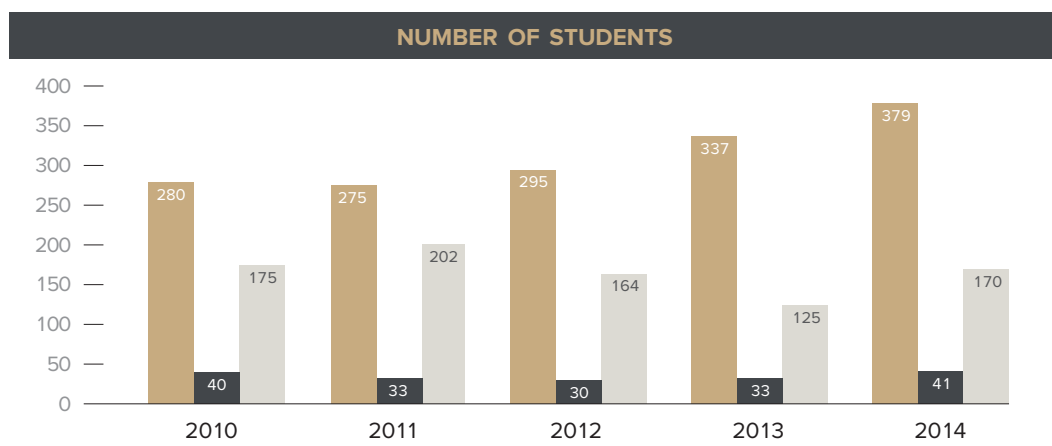
The Institute maintains ongoing professional relationships with fellow professional bodies around the world to keep abreast of significant developments in the profession and to share and exchange technical resources. During the year, the Institute received a number of visitors from professional bodies. These include the President, the Chief Executive Officer and the Director, Asia of CAANZ and the Chair, International Relations of The Chartered Institute of Public Finance and Accountancy (CIPFA).

On March 30, 2015, CIPFA, MIA and the Institute signed a Memorandum of Understanding (MoU) to strengthen public financial management through development of skills and increase capacity within Malaysia. The signing also paves way for the Institute's members to gain CIPFA membership.

PERFORMANCE

STUDENT STATISTICS		2014	2013
Number of registered students at January 1		495	489
Registration during the year		222	183
Less:			
Admitted to membership/provisional membership, excluded or terminated		(127)	(177)
Number of registered students at December 31		590	495
Net Increase		95	6

39
increase in new registered students



95
increase in total students registered

STUDENT REGISTRATION STATISTICS					
Qualification	As at December 31, 2014				Total as at December 31, 2013
	Stream I	Stream II	Special Stream II	Total	
Accounting Degrees (Local)	146	20	170	336	281
Accounting Degrees (Overseas)	140	21	0	161	149
Sub-total	286	41	170	497	430
Completed training contract but not examination	93	–	0	93	65
GRAND TOTAL	379	41	170	590	495

590
students

REGISTERED STUDENTS

A total of 222 new students were recorded as at December 31, 2014. This new intake comprised largely of accounting graduates from local and Australian universities. A total of 590 students were recorded for the year 2014 taking into account the exclusion of 27 students from the register of students for non-payment of annual fees, 33 students who terminated their registration, 35 students who were admitted as members and 33 students excluded for non-transfer of stream.

The Institute notes that the significant increase in the number of final year accounting students from local universities can be attributed to the MICPA-SSP Programme and MICPA-TalentCorp PAR Excellence Programme which had attracted students with good academic track records to enroll into the MICPA-CAANZ Programme. As at December 31, 2014, 49% of the new intake comprised SSP and PAR Excellence Programme registered candidates.

TRAINING SCHEMES

The Institute provides for two streams of training, namely Stream I and Stream II.

Stream I is the traditional route of training where students sit for the CPA examinations while being employed under the office of a CPA in public practice through a training contract. This stream of training is targeted at students who are planning for a career in public accounting practice.

Stream II does not require students to enter into a training contract but must maintain a log book as a record of practical experience 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. Students who opt for this stream may undertake the CPA examination prior to the commencement of practical training or during the training period. Stream II is targeted at students who would like to develop their career in the commerce, industry or public sector.

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

As at December 31, 2014, a total of 379 students were registered under Stream I, a net increase of 42 students. 41 students were registered under Stream II and a total of 170 students were recorded under Special Stream II. Over 328 firms and 93 ATOs provide CPA training under Stream I and Stream II respectively.

EXAMINATION

The MICPA-CAANZ Programme received a total of 639 examination entries from registered students conducted in 2014, an increase of 5.6% compared to 605 entries in 2013. The students' overall performance in the MICPA-CAANZ Programme achieved a pass rate of between 50% and 100% (2013: 61% and 100%) for the five modules.

A total of 14 entries were received for the Professional Stage Examination (PSE) in 2014 compared to 18 entries in 2013. The students achieved a pass rate of 71% for the four PSE modules.

The Institute received 3 entries for the Admitting Examination to gain admission to membership under Bye-law 34(1)(f). The 3 candidates have successfully completed the examination and are eligible for admission to membership.

TECHNICAL PRONOUNCEMENTS

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
Amendments to MFRS 1 (Annual Improvements 2009-2011 Cycle)		Jan. 1, 2013
MFRS 2		
Share-based Payment		Jan. 1, 2012
Amendments to MFRS 2 (Annual Improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
MFRS 3		
Business Combinations		Jan. 1, 2012
Business Combinations (IFRS 3 issued by IASB in Mar. 2004)		Jan. 1, 2013
Amendments to MFRS 3 (Annual Improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
Amendments to MFRS 3 (Annual Improvements to MFRSs 2011-2013 Cycle)		Jul. 1, 2014
MFRS 4		
Insurance Contracts		Jan. 1, 2012
MFRS 5		
Non-current Assets Held for Sale and Discontinued Operations		Jan. 1, 2012
Amendment to MFRS 5 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016
MFRS 6		
Exploration for and Evaluation of Mineral Resources		Jan. 1, 2012
MFRS 7		
Financial Instruments: Disclosures		Jan. 1, 2012
Mandatory Effective Date of MFRS 9 and Transition Disclosures (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)		Effective upon application of MFRS 9
Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 7)		Jan. 1, 2013
Amendments to MFRS 7 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016

		Extant Accounting Standards Superseded	MASB Operational Date
MFRS 8	Operating Segments		Jan. 1, 2012
	Amendments to MFRS 8 (Annual Improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in Nov. 2009)		¥
	Financial Instruments (IFRS 9 issued by IASB in Oct. 2010)	IC Int. 9	¥
	<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)		¥
	<i>Financial Instruments</i> (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)		¥
	Financial Instruments (IFRS 9 issued by IASB in July 2014)		Jan. 1, 2018
MFRS 10	Consolidated Financial Statements	MFRS 127 & IC Int. 112	Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to MFRS 10, MFRS 11 and MFRS 12)		Jan. 1, 2013
	<i>Investment Entities</i> (Amendments to MFRS 10, MFRS 12 and MFRS 127)		Jan. 1, 2014
	<i>Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture</i> (Amendments to MFR10 and MFRS 128)		Jan. 1, 2016
	Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 10, MFRS 12 and MFRS 128)		Jan. 1, 2016
MFRS 11	Joint Arrangements	MFRS 131 & IC Int. 113	Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to MFRS 10, MFRS 11 and MFRS 12)		Jan. 1, 2013
	<i>Accounting for Acquisitions of Interests in Joint Operations</i> (Amendments to MFRS 11)		Jan. 1, 2016
MFRS 12	Disclosure of Interests in Other Entities		Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to MFRS 10, MFRS 11 and MFRS 12)		Jan. 1, 2013
	<i>Investment Entities</i> (Amendments to MFRS 10, MFRS 12 and MFRS 127)		Jan. 1, 2014
	<i>Investment Entities: Applying the Consolidation Exception</i> (Amendments to MFRS 10, MFRS 12 and MFRS 128)		Jan. 1, 2016
MFRS 13	Fair Value Measurement		Jan. 1, 2013
	Amendment to MFRS 13 (Annual Improvements to MFRSs 2011-2013 Cycle)		Jul. 1, 2014
MFRS 14	Regulatory Deferral Accounts		Jan. 1, 2016
MFRS 15	Revenue from Contracts with Customers		Jan. 1, 2017

TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
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
	Amendment to MFRS 101 (Annual Improvements 2009-2011 Cycle)		Jan. 1, 2013
	Disclosure Initiative (Amendments to MFRS 101)		Jan. 1, 2016
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
	Amendment to MFRS 116 (Annual Improvements 2009-2011 Cycle)		Jan. 1, 2013
	Amendment to MFRS 116 (Annual Improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116 and MFRS 138)		Jan. 1, 2016
	Agriculture: Bearer Plants (Amendments to MFRS 116 and MFRS 141)		Jan. 1, 2016
MFRS 117	Leases		Jan. 1, 2012
MFRS 118	Revenue		Jan. 1, 2012
MFRS 119	Employee Benefits [<i>Superseded with effect from 1 Jan 2013 by MFRS 119 (IAS 19 as amended by IASB in June 2011)</i>]		Jan. 1, 2012
	Employee Benefits (IAS 19 as amended by IASB in Jun. 2011)	MFRS 119	Jan. 1, 2013
	Defined benefits Plans: Employee Contributions (Amendment to MFRS 119)		Jul. 1, 2014
	Amendment to MFRS 119 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016
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
	Amendment to MFRS 124 (Annual improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
MFRS 126	Accounting and Reporting by Retirement Benefit Plans		Jan. 1, 2012

		Extant Accounting Standards Superseded	MASB Operational Date
MFRS 127	Consolidated and Separate Financial Statements <i>[Superseded with effect from 1 Jan 2013 by MFRS 127 Separate Financial Statements (IAS 27 as amended by IASB in May 2011) and MFRS 10 Consolidated Financial Statements]</i>		Jan. 1, 2012
	Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in Dec. 2003)		Jan. 1, 2013
	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	MFRS 127	Jan. 1, 2013
	<i>Investment Entities</i> (Amendments to MFRS 10, MFRS 12 and MFRS 127)		Jan. 1, 2014
	<i>Equity Method in Separate Financial Statements</i> (Amendments to MFRS 127)		Jan. 1, 2016
MFRS 128	Investments in Associates <i>[Superseded with effect from 1 Jan 2013 by MFRS 128 Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)]</i>		Jan. 1, 2012
	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)	MFRS 128	Jan. 1, 2013
	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint venture</i> (Amendments to MFRS 10 and MFRS 128)		Jan. 1, 2016
	Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 10, MFRS 12 and MFRS 128)		Jan. 1, 2016
MFRS 129	Financial Reporting in Hyperinflationary Economies		Jan. 1, 2012
MFRS 131	Interests in Joint Ventures <i>[Superseded with effect from 1 January 2013 by MFRS 11]</i>		Jan. 1, 2012
MFRS 132	Financial Instruments: Presentation		Jan. 1, 2012
	Amendment to MFRS 132 (Annual Improvements 2009-2011 Cycle)		Jan. 1, 2013
	Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 132)		Jan. 1, 2014
MFRS 133	Earnings Per Share		Jan. 1, 2012
MFRS 134	Interim Financial Reporting		Jan. 1, 2012
	Amendment to MFRS 134 (Annual Improvements 2009-2011 Cycle)		Jan. 1, 2013
	Amendment to MFRS 134 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016
MFRS 136	Impairment of Assets		Jan. 1, 2012
	<i>Recoverable Amount Disclosures for Non-Financial Assets</i> (Amendments to MFRS 136)		Jan. 1, 2014
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets		Jan. 1, 2012
MFRS 138	Intangible Assets		Jan. 1, 2012
	Amendment to MFRS 138 (Annual Improvements to MFRSs 2010-2012 Cycle)		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116 and MFRS 138)		Jan. 1, 2016

TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
MFRS 139	Financial Instruments: Recognition and Measurement		Jan. 1, 2012
	<i>Novation of Derivatives and Continuation of Hedge Accounting</i> (Amendments to MFRS 139)		Jan. 1, 2014
MFRS 140	Investment Property		Jan. 1, 2012
	Amendment to MFRS 140 (Annual Improvements to MFRSs 2011-2013 Cycle)		Jul. 1, 2014
MFRS 141	Agriculture		Jan. 1, 2012
	Agriculture: Bearer Plants (Amendments to MFRS 116 and MFRS 141)		Jan. 1, 2016
	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)		
	Annual Improvements 2009-2011 Cycle issued in July 2012		
	Annual Improvements to MFRSs 2010-2012 Cycle issued in February 2014		
	Annual Improvements to MFRSs 2011-2013 Cycle issued in February 2014		
	Annual Improvements to MFRSs 2012-2014 Cycle issued in November 2014		
	Glossary of Terms		

¥ For entities that have already applied MFRS 9 Financial Instruments (IFRS 9 Financial Instruments issued by IASB in November 2009) or MFRS 9 Financial Instruments (IFRS 9 Financial Instruments issued by IASB in October 2010) or MFRS 9 Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139), the above MFRS would be withdrawn on the application of MFRS 9 Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014). Other entities may still elect to apply the above MFRSs if and only if, the entity's date of initial application is before February 1, 2015, after which the above Standards would be withdrawn.

IC Interpretations**

		MASB Operational Date
Preface to IC Interpretations		
Amendments to 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
	Amendment to IC Interpretation 2 (Annual Improvements 2009-2011 Cycle)	Jan. 1, 2013
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

		MASB Operational Date
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 <i>[will be superseded by MFRS 9, Financial Instruments (IFRS 9 issued by IASB in Oct. 2010), with effect from Jan. 1, 2015]</i>	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	MFRS 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 21	Levies	Jan. 1, 2014
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 <i>[Superseded by MFRS 10 Consolidated Financial Statements with effect from Jan. 1, 2013]</i>	Jan. 1, 2012
IC Interpretation 113	Jointly Controlled Entities – Non Monetary Contributions by Venturers <i>[Superseded by MFRS 11 Joint Arrangements with effect from Jan. 1, 2013]</i>	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

TECHNICAL PRONOUNCEMENTS

(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 2005)	Jul. 1, 2010
	<i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> (Amendments to FRS 1)		Jan. 1, 2012
	Government Loans (Amendments to FRS 1)		Jan. 1, 2013
	Amendment to FRS 1 [Improvements to FRSs (2012)]		Jan. 1, 2013
FRS 2	Share-based Payment		Jan. 1, 2006
	Amendments to FRS 2 (Annual Improvements to FRSs 2010-2012 Cycle)		Jul. 1, 2014
FRS 3	Business Combinations	FRS 3 _(issued 2005)	Jul. 1, 2010
	Amendments to FRS 3 (Annual Improvements to FRSs 2010-2012 Cycle)		Jul. 1, 2014
	Amendments to FRS 3 (Annual Improvements to FRSs 2011-2013 Cycle)		Jul. 1, 2014
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
	Amendment to FRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>		Jul. 1, 2010
	Amendment to FRS 5 (Annual Improvements to FRSs 2012-2014 Cycle)		Jan. 1, 2016
FRS 6	Exploration for and Evaluation of Mineral Resources		Jan. 1, 2007
FRS 7	Financial Instruments: Disclosures		Jan. 1, 2010
	Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> , FRS 7, <i>Financial Instruments: Disclosures</i> and IC Interpretation 9, Reassessment of Embedded Derivatives		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>Disclosures – Offsetting Financial Assets and Financial Liabilities</i> (Amendments to FRS 7)		Jan. 1, 2013
	<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)		Effective upon application of FRS 9
	Amendments to FRS 7 (Annual Improvements to FRSs 2012-2014 Cycle)		Jan. 1, 2016

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 8	Operating Segments	FRS 114 ₂₀₀₄	Jul. 1, 2009
	Amendment to FRS 8 [Improvements to FRSs (2009)]		Jan. 1, 2010
	Amendment to FRS 8 (Annual Improvements to FRSs 2010-2012 Cycle)		Jul. 1, 2014
FRS 9 (IFRS 9 (2009))	Financial Instruments (IFRS 9 issued by IASB in Nov. 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)		‡
FRS 9 (IFRS 9 (2010))	Financial Instruments (IFRS 9 issued by IASB in Oct. 2010)	FRS 9 (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)		‡
FRS 9 (IFRS 9 (2013))	Financial Instruments (Hedge Accounting and Amendments to FRS 9, FRS 7, and FRS 139)		‡
FRS 9 (IFRS 9 (2014))	Financial Instruments (IFRS 9 as issued by IASB in July 2014)		Jan. 1, 2018
FRS 10	Consolidated Financial Statements	FRS 127 & IC Int. 112	Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to FRS 10, FRS 11 and FRS 12)		Jan. 1, 2013
	Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)		Jan. 1, 2014
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to FRS 10 and FRS 128)		Jan. 1, 2016
	Investment Entities: Applying the Consolidation Exception (Amendments to FRS 10, FRS 12 and FRS 128)		Jan. 1, 2016
FRS 11	Joint Arrangements	FRS 131 & IC Int. 113	Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to FRS 10, FRS 11 and FRS 12)		Jan. 1, 2013
	Accounting for Acquisitions of Interests in Joint Operations (Amendments to FRS 11)		Jan. 1, 2016
FRS 12	Disclosure of Interests in Other Entities		Jan. 1, 2013
	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i> (Amendments to FRS 10, FRS 11 and FRS 12)		Jan. 1, 2013
	<i>Investment Entities</i> (Amendments to FRS 10, FRS 12 and FRS 127)		Jan. 1, 2014
	Investment Entities: Applying the Consolidation Exception (Amendments to FRS 10, FRS 12 and FRS 128)		Jan. 1, 2016

TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 13	Fair Value Measurement		Jan. 1, 2013
	Amendment to FRS 13 (annual Improvements to FRSs 2011-2013 Cycle)		Jul. 1, 2014
FRS 14	Regulatory Deferral Accounts		Jan. 1, 2016
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
	Amendment to FRS 101 [Improvements to FRSs (2012)]		Jan. 1, 2013
	Disclosure Initiative (Amendments to FRS 101)		Jan. 1, 2016
FRS 102	Inventories	FRS 102 ₂₀₀₄	Jan. 1, 2006
FRS 107	Statement of Cash Flows	FRS 107 ₂₀₀₄	Jul. 1, 2007
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
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 (2012)]		Jan. 1, 2013
	Amendment to FRS 116 [Annual Improvements to FRSs 2010-2012 Cycle]		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to FRS 116 and FRS 138)		Jan. 1, 2016
FRS 117	Leases	FRS 117 ₂₀₀₄	Oct. 1, 2006
FRS 118	Revenue	FRS 118 ₂₀₀₄	Jul. 1, 2007
FRS 119	Employee Benefits [<i>Superseded with effect from Jan. 1, 2013 by FRS 119 issued in November 2011</i>]	FRS 119 ₂₀₀₄	Jan. 1, 2003
FRS 119 (2011)	Employee Benefits	FRS 119	Jan. 1, 2013
	Defined Benefits Plans: Employee Contributions (Amendments to FRS 119)		Jul. 1, 2014
	Amendment to FRS 119 (Annual Improvements to FRSs 2012-2014 Cycle)		Jan. 1, 2016
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	FRS 120 ₂₀₀₄	Jul. 1, 2007
FRS 121	The Effects of Changes in Foreign Exchange Rates	FRS 121 ₂₀₀₄	Jan. 1, 2006
	Amendments to FRS 121 [Improvements to FRSs (2010)]		Jan. 1, 2011

		Extant Accounting Standards Superseded	MASB Operational Date
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 <i>[Superseded with effect from Jan. 1, 2012 by FRS 124 issued in November 2010]</i>	FRS 124 ₂₀₀₄	Oct. 1, 2006
	Related Party Disclosures	FRS 124 _(revised 2005)	Jan. 1, 2012
	Amendment to FRS 124 (Annual Improvements to FRSs 2010-2012 Cycle)		Jul. 1, 2014
FRS 126	Accounting and Reporting by Retirement Benefit Plans	FRS 126 ₂₀₀₄	Jan. 1, 2003
FRS 127	Consolidated and Separate Financial Statements <i>[Superseded with effect from Jul. 1, 2010 by FRS 127 issued in January 2010]</i>	FRS 127 ₂₀₀₄	Jan. 1, 2006
	Amendments to FRS 1, First-time Adoption of Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate		Jan. 1, 2010
	Amendment to FRS 127 [Improvements to FRSs (2009)]		Jan. 1, 2010
	Consolidated and Separate Financial Statements <i>[Superseded with effect from Jan. 1, 2013 by FRS 127 Separate Financial Statements and FRS 10 Consolidated Financial Statements]</i>	FRS 127 _(revised 2005)	Jul. 1, 2010
FRS 127 (2011)	Separate Financial Statements	FRS 127	Jan. 1, 2013
	Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127)		Jan. 1, 2014
	Equity method in Separate Financial Statements (Amendments to FRS 127)		Jan. 1, 2016
FRS 128	Investments in Associates <i>[Superseded with effect from Jan. 1, 2013 by FRS 128 Investment in Associates and Joint Ventures]</i>	FRS 128 ₂₀₀₄	Jan. 1, 2006
	Amendments to FRS 128 [Improvements to FRSs (2010)]		Jan. 1, 2011
FRS 128 (2011)	Investment in Associates and Joint Ventures	FRS 128 _(revised. 2005)	Jan. 1, 2013
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to FRS 10 and FRS 128)		Jan. 1, 2016
	Investment Entities: Applying the Consolidation Exception (Amendments to FRS 10, FRS 12 and FRS 128)		Jan. 1, 2016
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 <i>[Superseded with effect from Jan. 1, 2013 by FRS 11 issued in November 2011]</i>	FRS 131 ₂₀₀₄	Jan. 1, 2006
	Amendments to FRS 131 [Improvements to FRSs (2010)]		Jan. 1, 2011
FRS 132	Financial Instruments: Presentation	FRS 132 ₂₀₀₄	Jan. 1, 2006
	Amendments to FRS 132 [Improvements to FRSs (2012)]		Jan. 1, 2013
	Offsetting Financial Assets and Financial Liabilities (Amendments to FRS 132)		Jan. 1, 2014
FRS 133	Earnings Per Share	FRS 133 ₂₀₀₄	Jan. 1, 2006

TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 134	Interim Financial Reporting	FRS 134 ₂₀₀₄	Jul. 1, 2007
	Amendment to FRS 134 [Improvements to FRSs (2010)]		Jan. 1, 2011
	Amendment to FRS 134 [Improvements to FRSs (2012)]		Jan. 1, 2013
	Amendment to FRS 134 (Annual Improvements to FRSs 2012-2014 Cycle)		Jan. 1, 2016
FRS 136	Impairment of Assets	FRS 136 ₂₀₀₄	Jan. 1, 2006
	<i>Recoverable Amount Disclosures for Non-Financial Assets</i> (Amendments to FRS 136)		Jan. 1, 2014
FRS 137	Provisions, Contingent Liabilities and Contingent Assets	FRS 137 ₂₀₀₄	Jul. 1, 2007
FRS 138	Intangible Assets	FRS 109 ₂₀₀₄	Jan. 1, 2006
	Amendment to FRS 138 (Annual Improvements to FRSs 2010-2012 Cycle)		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to FRS 116 and FRS 138)		Jan. 1, 2016
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
	<i>Novation of Derivatives and Continuation of Hedge Accounting</i> (Amendments to FRS 139)		Jan. 1, 2014
FRS 140	Investment Property	That part of FRS 125 ₂₀₀₄ that deals with investment property	Jan. 1, 2006
	Amendment to FRS 140 (Annual Improvements to FRSs 2010-2013 Cycle)		Jul. 1, 2014
IAS 41	Agriculture		Jan. 1, 2012
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		

† For entities that have already applied FRS 9 Financial Instruments (IFRS 9 Financial Instruments issued by the IASB in November 2009) or FRS 9 Financial Instruments (IFRS 9 Financial Instruments issued by IASB in October 2010) or FRS 9 Financial Instruments (Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139), the above FRS would be withdrawn on the application of FRS 9 Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014). Other entities may still elect to apply the above FRSs if and only if, the entity's date of initial application is before February 1, 2015, after which the above Standards would be withdrawn.

IC Interpretations**

		MASB Operational Date
Preface		
Amendments to Preface to IC Interpretations		
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
	Amendment to IC Interpretation 2 [Improvements to FRSs (2012)]	Jan. 1, 2013
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 9	Reassessment of Embedded Derivatives [will be superseded by FRS 9, <i>Financial Instruments</i> (IFRS 9 issued by IASB in Oct. 2010) with effect from Jan. 1, 2015]	Jan. 1, 2010
	Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> , FRS 7, <i>Financial Instruments: Disclosures</i> , and IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	Jan. 1, 2010
	Amendments to IC Interpretation 9	Jul. 1, 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	Jan. 1, 2010
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 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
IC Interpretation 21	Levies	Jan. 1, 2014
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 [<i>Superseded by MFRS 10 Consolidated Financial Statements with effect from Jan. 1, 2013</i>]	Jan. 1, 2006

TECHNICAL PRONOUNCEMENTS

	MASB Operational Date
IC Interpretation 113 Jointly Controlled Entities – Non Monetary Contributions by Venturers <i>[Superseded by MFRS 11 Joint Arrangements with effect from Jan. 1, 2013]</i>	Jan. 1, 2006
IC Interpretation 115 Operating Leases – Incentives	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

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, 2017.

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 Interpretations corresponds to the Interpretations 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 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 Operational Date
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	Sep. 1, 1998
IAS 29	Financial Reporting in Hyperinflationary Economies	Jan. 1, 2003
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) Malaysian Private Entities Reporting Standard (MPERS) Framework

	MASB Operational Date
MPERS #	Jan. 1, 2016

MPERS was issued by the MASB in February 2014 and is word-for-word the IFRS for SMEs issued by the International Accounting Standards Board (IASB) except for the requirements on income tax and property development activities.

TECHNICAL PRONOUNCEMENTS

(d) MASB Technical Releases (TR)

		MASB Operational Date
TR 1 (revised)	Share Buybacks – Accounting and Disclosure	[Superseded]
TR 1 (revised) ₂₀₀₄	Share Buybacks – Accounting and Disclosure (For FRS)	withdrawn
TR 2	The Year 2000 Issue: Accounting and Disclosure	withdrawn
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

(e) 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 3	Management Commentary	Feb. 2013
SOP <i>i</i> -1	Financial Reporting from an Islamic Perspective	Sep. 2009

(f) International Accounting Standards (IAS)

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

(g) Malaysian Accounting Standards (MAS)

		MICPA Operational Date	MASB Operational Date
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(i) Issued

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]
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(h) MICPA Technical Bulletins

		MICPA Issue Date
TB 4	Reporting in Connection with the Capital Adequacy Ratio of Banks	Apr. 1983
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
TB 9	Accounting for Securities Borrowing and Lending Transactions by Lenders and Ultimate Borrowers	Sep. 2013

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	–	Apr. 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

TECHNICAL PRONOUNCEMENTS

(b) International Standards on Quality Control (ISQC)

		IAG/ISA/ISQC Superseded	MICPA Operational Date	IFAC Operational Date
ISQC 1	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 200 [^]	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 [^]	Agreeing the Terms of Audit Engagements	ISA 210	Jan. 2010	Dec. 2009
ISA 220 [^]	Quality Control for an Audit of Financial Statements	ISA 220 (Revised)	Jan. 2010	Dec. 2009
ISA 230 [^]	Audit Documentation	ISA 230 (Revised)	Jan. 2010	Dec. 2009
ISA 240 [^]	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	ISA 240 (Revised)	Jan. 2010	Dec. 2008
ISA 250 [^]	Consideration of Laws and Regulations in an Audit of Financial Statements	ISA 250	Jan. 2010	Dec. 2009
ISA 260 [^]	Communication with Those Charged with Governance	ISA 260	Jan. 2010	Dec. 2009
ISA 260 (Revised 2015)	Communication with Those Charged with Governance	ISA 260 [^]	■	Dec. 2016
ISA 265 [^]	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	–	Jan. 2010	Dec. 2009
ISA 300 [^]	Planning an Audit of Financial Statements	ISA 300 (Revised)	Jan. 2010	Dec. 2008
ISA 315 (Revised)	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment	ISA 315	Dec. 2013	Dec. 2013
ISA 320 [^]	Materiality in Planning and Performing an Audit	ISA 320	Jan. 2010	Dec. 2009
ISA 330 [^]	The Auditor's Responses to Assessed Risks	ISA 330	Jan. 2010	Dec. 2008
ISA 402 [^]	Audit Considerations Relating to an Entity Using a Service Organisation	ISA 402	Jan. 2010	Dec. 2009
ISA 450 [^]	Evaluation of Misstatements Identified during the Audit	–	Jan. 2010	Dec. 2009
ISA 500 [^]	Audit Evidence	ISA 500	Jan. 2010	Dec. 2009
ISA 501 [^]	Audit Evidence – Specific Considerations for Selected Items	ISA 501	Jan. 2010	Dec. 2009
ISA 505 [^]	External Confirmations	ISA 505	Jan. 2010	Dec. 2009

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISA 510 [^]	Initial Audit Engagements – Opening Balances	ISA 510	Jan. 2010	Dec. 2009
ISA 520 [^]	Analytical Procedures	ISA 520	Jan. 2010	Dec. 2009
ISA 530 [^]	Audit Sampling	ISA 530	Jan. 2010	Dec. 2009
ISA 540 [^]	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	ISA 540 & ISA 545	Jan. 2010	Dec. 2009
ISA 550 [^]	Related Parties	ISA 550	Jan. 2010	Dec. 2009
ISA 560 [^]	Subsequent Events	ISA 560	Jan. 2010	Dec. 2009
ISA 570 [^]	Going Concern	ISA 570	Jan. 2010	Dec. 2009
ISA 570 (Revised)	Going Concern	ISA 570 [^]	■	Dec. 2016
ISA 580 [^]	Written Representations	ISA 580	Jan. 2010	Dec. 2009
ISA 600 [^]	Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)	ISA 600	Jan. 2010	Dec. 2009
ISA 610 (Revised)	Using the Work of Internal Auditors	ISA 610 [^]	Dec. 2013	Dec. 2013
ISA 610 (Revised 2013)	Using the Work of Internal Auditors	ISA 610 (Revised)	Dec. 2014	Dec. 2014
ISA 620 [^]	Using the Work of an Auditor’s Expert	ISA 620	Jan. 2010	Dec. 2009
ISA 700 [^]	Forming an Opinion and Reporting on Financial Statements	ISA 700 (Revised)	Jan. 2010	Dec. 2009
ISA 700 (Revised 2015)	Forming an Opinion and Reporting on Financial Statements	ISA 700 [^]	■	Dec. 2016
ISA 701 (New)	Communicating Key Audit Matters in the Independent Auditor’s Report		■	Dec. 2016
ISA 705 [^]	Modifications to the Opinion in the Independent Auditor’s Report	ISA 701	Jan. 2010	Dec. 2009
ISA 705 (Revised)	Modifications to the Opinion in the Independent Auditor’s Report	ISA 705 [^]	■	Dec. 2016
ISA 706 [^]	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report	ISA 701	Jan. 2010	Dec. 2009
ISA 706 (Revised)	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report	ISA 706 [^]	■	Dec. 2016
ISA 710 [^]	Comparative Information – Corresponding Figures and Comparative Financial Statements	ISA 710	Jan. 2010	Dec. 2009
ISA 720 [^]	The Auditor’s Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements	ISA 720	Jan. 2010	Dec. 2009
ISA 720 (Revised)	The Auditor’s Responsibilities Relating to Other Information and Related Conforming Amendments	ISA 720 [^]	■	Dec. 2016
ISA 800 [^]	Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks	ISA 800	Jan. 2010	Dec. 2009

TECHNICAL PRONOUNCEMENTS

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISA 805 [^]	Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement	–	Jan. 2010	Dec. 2009
ISA 810 [^]	Engagements to Report on Summary Financial Statements	–	Jan. 2010	Dec. 2009

[^] Clarified International Standards on Auditing issued by the IAASB in 2009.

▪ In the process of adoption as at reporting date

(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)
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 2400 (Revised)	Engagements to Review Historical Financial Statements	ISRE 2400	Dec. 2013	Dec. 2013
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 3000 (Revised 2013)	Assurance Engagements Other than Audits or Reviews of Historical Financial Information	ISAE 3000 (Revised)	Dec. 2015	Dec. 2015
ISAE 3400	The Examination of Prospective Financial Information (Previously ISA 810)	IAG 27	Jan. 2000	Jul. 1994
ISAE 3402	Assurance Reports on Controls at a Service Organisation	–	Jun. 2011	Jun. 2011
ISAE 3410	Assurance Engagements on Greenhouse Gas Statements	–	Sep. 2013	Sep. 2013
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
ISRS 4410 (Revised)	Compilation Engagements	ISRS 4410	Jul. 2013	Jul. 2013

(i) Malaysian Auditing Guidelines (MAG)

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

TECHNICAL PRONOUNCEMENTS

(j) MICPA Auditing Technical Releases (ATR)

		ATR Superseded	MICPA Issue Date
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	[Superseded by ATR 7 (Revised 2013)]	
ATR 7 (Revised 2013)	Examples of Independent Auditor's Reports	ATR 7 (Revised)	Nov. 2013
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	Apr. 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 [#]
MAP 2	The Capital Expenditure Decision	Dec. 1992
MAP 3	Foreign Capital Exposure and Risk Management	Sep. 1993
MAP 4	Management Control of Projects	Jul. 1993
MAP 5	Managing Quality Improvements	Sep. 1993
MAP 6	Post Completion Review	Nov. 1994
MAP 7	Strategic Planning for Information Resource Management	Nov. 1996 [#]

TECHNICAL PRONOUNCEMENTS

(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 Feedback Statement

	MASB Issue Date
Feedback Statement on MASB Discussion Papers on Takaful, Sukuk and Shariah Compliant Profit-sharing Contracts	Dec. 2012

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)	Mar. 2012
Introduction to the International Public Sector Accounting Standards	Jan. 2007
Introduction to Recommended Practice Guidelines	Jul. 2013
Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Chapters 1-4)	Superseded by Conceptual Framework issued in Sep. 2014 Jan. 2013
Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Chapter 1-8)	Sep. 2014

(a) Standards

	IFAC Operational Date
IPSAS 1 Presentation of Financial Statements	Jan. 2008
IPSAS 2 Cash Flow Statements	Jul. 2001
IPSAS 3 Accounting Policies, Changes in Accounting Estimates and Errors	Jan. 2008
IPSAS 4 The Effects of Changes in Foreign Exchange Rates	Jan. 2010
IPSAS 5 Borrowing Costs	Jul. 2001
IPSAS 6 Consolidated and Separate Financial Statements	Jan. 2008
IPSAS 7 Investments in Associates	Jan. 2008
IPSAS 8 Interests in Joint Ventures	Jan. 2008
IPSAS 9 Revenue from Exchange Transactions	Jul. 2002
IPSAS 10 Financial Reporting in Hyperinflationary Economies	Jul. 2002

TECHNICAL PRONOUNCEMENTS

		IFAC Operational Date
IPSAS 11	Construction Contracts	Jul. 2002
IPSAS 12	Inventories	Jan. 2008
IPSAS 13	Leases	Jan. 2008
IPSAS 14	Events After the Reporting Date	Jan. 2008
IPSAS 15	Financial Instruments: Disclosure and Presentation (superseded by IPSAS 28, IPSAS 29 and IPSAS 30)	
IPSAS 16	Investment Property	Jan. 2008
IPSAS 17	Property, Plant and Equipment	Jan. 2008
IPSAS 18	Segment Reporting	Jul. 2003
IPSAS 19	Provisions, Contingent Liabilities and Contingent Assets	Jan. 2004
IPSAS 20	Related Party Disclosures	Jan. 2004
IPSAS 21	Impairment of Non-Cash Generating Assets	Jan. 2006
IPSAS 22	Disclosure of Financial Information About the General Government Sector	Jan. 2008
IPSAS 23	Revenue from Non-Exchange Transactions (Taxes and Transfers)	Jun. 2008
IPSAS 24	Presentation of Budget Information in Financial Statements	Jan. 2009
IPSAS 25	Employee Benefits	Jan. 2011
IPSAS 26	Impairment of Cash-Generating Assets	Apr. 2009
IPSAS 27	Agriculture	Apr. 2011
IPSAS 28	Financial Instruments: Presentation	Jan. 2013
IPSAS 29	Financial Instruments: Recognition and Measurement	Jan. 2013
IPSAS 30	Financial Instruments: Disclosures	Jan. 2013
IPSAS 31	Intangible Assets	Apr. 2011
IPSAS 32	Service Concession Arrangement: Grantor	Jan. 2014
		IFAC Issue Date
Cash Basis IPSAS	Financial Reporting Under the Cash Basis of Accounting – Part 1: Requirements	Jan. 2008
	Financial Reporting Under the Cash Basis of Accounting – Part 2: Encouraged Additional Disclosures	Jan. 2008
RPG 1	Reporting on the Long-Term Sustainability of an Entity's Finances	Jul. 2013
RPG 2	Financial Statement Discussion and Analysis	Jul. 2013
Improvements to IPSASs (issued by IPSASB in Jan. 2010)		
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 32 (Jan. 2012)		

(b) Guidelines

		IFAC Issue Date
No. 1	Financial Reporting by Government Business Enterprises (issued 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	Perspectives on Cost Accounting for Governments	Sep. 2000
Study 13	Governance in the Public Sector: A Governing Body Perspective	Jul. 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

TECHNICAL PRONOUNCEMENTS

		IFAC Issue Date
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		Apr. 2014
IAESB Glossary of Terms (Revised)		Apr. 2014

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

		IES Superseded	IFAC Operational Date
IES 1	Entry Requirements to a Program of Professional Accounting Education		Jan. 1, 2005
IES 1 (Revised)	Entry Requirements to Professional Accounting Education Programs	IES 1	Jul. 1, 2014
IES 2	Content of Professional Accounting Education Programs		Jan. 1, 2005
IES 2 (Revised)	Initial Professional Development-Technical Competence	IES 2	Jul. 1, 2015
IES 3	Professional Skills and General Education		Jan. 1, 2005
IES 3 (Revised)	Initial Professional Development – Professional Skills	IES 3	Jul. 1, 2015
IES 4	Professional Values, Ethics and Attitudes		Jan. 1, 2005
IES 4 (Revised)	Initial Professional Development – Professional Values, Ethics and Attitudes	IES 4	Jul. 1, 2015
IES 5	Practical Experience Requirements		Jan. 1, 2005
IES 5 (Revised)	Initial Professional Development – Practical Experience	IES 5	Jul. 1, 2015
IES 6	Assessment of Professional Capabilities and Competence		Jan. 1, 2005
IES 6 (Revised)	Initial Professional Development – Assessment of Professional Competence	IES 6	Jul. 1, 2015
IES 7	Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence		Jan. 1, 2006
IES 7 (Redrafted)	Continuing Professional Development	IES 7	Jan. 1, 2014
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	–	Jun. 2014
MICPA Code of Ethics	Jun. 2013	–

M STATUS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

	IASB Issue Date
Preface to International Financial Reporting Standards	Apr. 2002
The Conceptual Framework for Financial Reporting	Jan. 2013

(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	Superseded IAS 27 (2008) 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
IFRS 14	Regulatory Deferral Accounts	Jan. 1, 2016
IFRS 15	Revenue from Contracts with Customers	Jan. 1, 2017

TECHNICAL PRONOUNCEMENTS

(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	Jan. 1, 2005
IAS 17	Leases	Jan. 1, 2005
IAS 18	Revenue	Jan. 1, 1995
IAS 19	Employee Benefits	Jan. 1, 2013
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	Separate Financial Statements	Jan. 1, 2013
IAS 28	Investments in Associates and Joint Ventures	Jan. 1, 2013
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

(c) Interpretations

		IASB Operational Date
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	Sep. 1, 2004
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments	Jan. 1, 2005
IFRIC 4	Determining whether an Arrangement Contains a Lease	Jan. 1, 2006
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	Jan. 1, 2006
IFRIC 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	Dec. 1, 2005
IFRIC 7	Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies	Mar. 1, 2006
IFRIC 10	Interim Financial Reporting and Impairment	Nov. 1, 2006
IFRIC 12	Service Concession Arrangements	Jan. 1, 2008
IFRIC 13	Customer Loyalty Programmes	Jul. 1, 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Jan. 1, 2008
IFRIC 15	Agreements for the Construction of Real Estate	Jan. 1, 2009
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	Oct. 1, 2008
IFRIC 17	Distributions of Non-cash Assets to Owners	Jul. 1, 2009
IFRIC 18	Transfers of Assets from Customers	Jul. 1, 2009
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	Jul. 1, 2010
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	Jan. 1, 2013
SIC-7	Introduction of the Euro	Jun. 1, 1998
SIC-10	Government Assistance – No Specific Relation to Operating Activities	Aug. 1, 1998
SIC-12	Consolidation – Special Purpose Entities	Jan. 1, 2006
SIC-13	Jointly Controlled Entities – Non Monetary Contributions by Ventures	Jan. 1, 2006
SIC-15	Operating Leases – Incentives	Jan. 1, 1999
SIC-25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	Jul. 15, 2000
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	Dec. 31, 2001
SIC-29	Service Concession Arrangements: Disclosures	Dec. 31, 2001
SIC-31	Revenue – Barter Transactions Involving Advertising Services	Dec. 31, 2001
SIC-32	Intangible Assets – Web Site Costs	Mar. 25, 2002

NOTES:

- (1) Approved Accounting Standards comprise MASB Standards issued by the Malaysian Accounting Standards Board (MASB) established under the Financial Reporting Act 1997.

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 MASB 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:
- (a) International Standards on Quality Control (ISQC).
 - (b) 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.
 - (c) Malaysian Auditing Guidelines (MAG) issued by the MICPA.

To enhance the status of the international auditing pronouncements, International Auditing Guidelines (IAG) have 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) 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 was established by the IFAC Board to develop and issue, under its own authority, standards on auditing, assurance and related services engagements.

- (4) The MICPA considers all MASB Standards, ISQC, ISA, ISAE, ISRE, ISRS and International Auditing Practice Notes (IAPN) for compliance by members.
- (5) Statements on International Management Accounting (IMAP) are issued by the Financial and Management Accounting Committee (FMAC) of IFAC. These Statements are in two forms:
- (a) International Management Accounting Practices
 - (b) International Management Accounting Studies

The MICPA considers all IMAP for issuance to members for guidance.

- (6) International Public Sector Accounting Standards, Guidelines and Studies are issued by the International Public Sector Accounting Standards Board (IPSASB) of IFAC.
- (7) 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.
- (8) MICPA Insolvency Guidance Notes (IGN) are issued by the Council of the MICPA and they are to be regarded as good practice in stated areas of insolvency.
- (9) 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.
- (10) 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).

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REPORT OF THE COUNCIL

For the year ended 31 December 2014

The Council has pleasure in submitting their report and the audited financial statements of The Malaysian Institute of Certified Public Accountants ("the Institute") for the financial year ended 31 December 2014.

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

	RM
Net operating surplus for the financial year	271,733

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 17 May 2014 are as follows:

Dato' Ab Halim bin Mohyiddin
Abdul Halim bin Md Lassim
Dato' Abdul Rauf bin Rashid
Dato' Ahmad Fuaad bin Mohd Kenali
Beh Tok Koay
Datin HjH Fadzilah bte Saad
Dato' Gan Ah Tee
Goh Lee Hwa
Khaw Hock Hoe
Lee Tuck Heng
Lim Thiam Kee
Loh Lay Choon
Dato' Mohammad Faiz bin Mohammad Azmi
Ng Gan Hooi
Ng Kim Tuck
Dr Nurmazilah binti Mahzan (*Resigned on May 9, 2015*)
Ong Chee Wai
Poon Yew Hoe
Pushpanathan a/l S.A. Kanagarayar
Sukanta K Dutt
Tan Bun Poo (*Resigned on May 9, 2015*)
Tan Chin Hock
Tan Theng Hooi
Teo Swee Chua

COUNCIL (CONT'D.)

Thong Foo Vung
Dr Veerinderjeet Singh
Venkatramanan Viswanathan
Dato' Yeo How
Datuk Robert Yong Kuen Loke
Yong Yoon Shing

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

Goh Lee Hwa
Ong Chee Wai
Pushpanathan A/L S A Kanagarayar
Tan Chin Hock
Dr Veerinderjeet Singh
Datuk Robert Yong Kuen Loke
Yong Yoon Shing

The following Council Member also retires at the forthcoming Annual General Meeting pursuant to bye-law 5 but does not wish to seek re-election:

Dato' Yeo How

In accordance with bye-law 13, the following Council Member, who was appointed to fill a casual vacancy, shall retire at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election:

Khaw Hock Hoe

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.

REPORT OF THE COUNCIL

For the year ended 31 December 2014

OTHER STATUTORY INFORMATION (CONT'D.)

- (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

Khoo Pek Ling and Leong Kok Tong 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-appointments as auditors for the ensuing financial year.

On behalf of the Council,

DATO' ABDUL RAUF BIN RASHID

President

TAN THENG HOOI

Vice-President

This report is made pursuant to the Council's resolution passed on 9 May 2015.

Dated: 9 May 2015

STATEMENT BY COUNCIL MEMBERS

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

We, **DATO' ABDUL RAUF BIN RASHID** and **TAN THENG HOOI**, 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 the Malaysian Financial Reporting Standards, International 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 2014 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 2014.

On behalf of the Council Members,

DATO' ABDUL RAUF BIN RASHID
President

TAN THENG HOOI
Vice-President

Kuala Lumpur
Dated: 9 May 2015

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 9th day of May 2015)

Before me,

Yap Lee Chin

Commissioner of Oaths

Kuala Lumpur

STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Note	2014 RM	2013 RM
ASSETS			
Non-Current Assets			
Plant and equipment	4	36,725	33,112
Intangible asset – computer software	5	–	137,515
Development costs of study manuals	6	–	–
		36,725	170,627
Current Assets			
Study manuals, at cost		4,543	2,482
Receivables, prepayments and deposits	7	503,013	527,854
Fixed deposits	8	3,700,667	3,215,054
Cash and bank balances		249,465	192,651
		4,457,688	3,938,041
Total Assets		4,494,413	4,108,668
FUND AND LIABILITIES			
Accumulated Fund			
Balance at 1 January		2,219,655	1,620,021
Net operating surplus for the financial year		271,733	599,634
Balance at 31 December		2,491,388	2,219,655
Non-Current Liability			
Deferred income	9	–	135,426
Current Liabilities			
Fees in advance		553,338	355,109
Payables and accruals	10	1,449,687	1,398,478
		2,003,025	1,753,587
Total Liabilities		2,003,025	1,889,013
Total Fund and Liabilities		4,494,413	4,108,668

The notes on pages 79 to 103 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Note	2014 RM	2013 RM
INCOME			
Members' annual fees		1,641,442	1,629,932
Examination fees		1,861,200	1,762,400
Practising certificate fees		217,470	223,520
Students' exemption fees		218,850	160,350
Students' annual fees		138,265	136,290
Members' admission fees		27,000	30,650
Students' registration and transfer fees		75,150	64,460
Provisional members' fees		12,705	16,615
		4,192,082	4,024,217
Income from Other Activities	11	758,682	819,528
Other Income	12	337,972	246,749
Total Income		5,288,736	5,090,494
Operating Expenses	13	(4,521,923)	(3,983,951)
Expenses of Other Activities	11	(495,080)	(506,909)
		271,733	599,634
Taxation	14	–	–
Net Operating Surplus/ Total Comprehensive Income for the Financial Year		271,733	599,634

STATEMENT OF CHANGES IN MEMBERS' EQUITY

For the year ended 31 December 2014

	Accumulated Fund	
	2014 RM	2013 RM
Balance at 1 January 2013/1 January 2012	1,620,021	1,054,885
Net operating surplus/Total comprehensive income for the financial year	599,634	565,136
Balance at 31 December 2013/31 December 2012	2,219,655	1,620,021
Net operating surplus/Total comprehensive income for the financial year	271,733	599,634
Balance at 31 December 2014/31 December 2013	2,491,388	2,219,655

The notes on pages 79 to 103 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2014

	Note	2014 RM	2013 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Cash receipts</i>			
Subscriptions		2,202,018	2,497,250
Examination fees		2,153,600	1,852,000
Journal and publications		129,113	133,577
Seminars		422,655	551,338
Others		236,011	48,747
<i>Cash payments</i>			
Operating expenses		(4,572,717)	(4,381,476)
Payments of rental to MACPA Educational Trust Fund		(120,000)	(120,000)
Net cash generated from operating activities		450,680	581,436
CASH FLOWS FROM INVESTING ACTIVITIES			
Development cost of study manuals		(3,000)	(3,000)
Proceeds from disposal of plant and equipment		3,550	–
Purchase of plant and equipment	4	(28,052)	(12,389)
Interest received from fixed deposits		119,249	101,375
Net cash from investing activities		91,747	85,986
Net Increase in Cash and Cash Equivalents		542,427	667,422
Cash and Cash Equivalents at Beginning of Year		3,407,705	2,740,283
Cash and Cash Equivalents at End of Year	16	3,950,132	3,407,705

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

1. GENERAL INFORMATION

The Malaysian Institute of Certified Public Accountants (“the 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 23 (2013: 19).

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 9 May 2015.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Institute have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the provisions of the Companies Act, 1965 in Malaysia.

The financial statements of the Institute are prepared under the historical cost convention unless otherwise indicated in this summary of significant accounting policies.

The accounting policies applied by the Institute are consistent with those applied in the previous financial year other than the application of the amendments to MFRSs and a new Issues Committee (“IC”) Interpretation as disclosed in Note 2.2 below.

2.2 Application of Amendments to MFRSs and a new IC Interpretation

During the financial year, the Institute has applied the following amendments to MFRSs and a new IC Interpretation issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for accounting period beginning on or after 1 January 2014:

Amendments to MFRS 10, MFRS 12 and MFRS 127 – Investment Entities
Amendments to MFRS 132 – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136 – Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139 – Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21, Levies

Other than as summarised below, the initial application of the amendments to MFRSs and the new IC Interpretation has no significant impact on the financial statements of the Institute.

(a) Amendments to MFRS 132 – Offsetting Financial Assets and Financial Liabilities

The Amendments clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the Amendments clarify the meaning of ‘currently has a legally enforceable right of set-off’ and ‘simultaneous realisation and settlement’.

The Amendments have been applied retrospectively and the application has no impact on the disclosures or the amounts recognised in the Institute’s financial statements.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.2 Application of Amendments to MFRSs and a new IC Interpretation (Cont'd.)

(b) Amendments to MFRS 136 – Recoverable Amount Disclosures for Non-Financial Assets

The Amendments to MFRS 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (“CGU”) containing goodwill or other intangible assets with indefinite useful lives when there has been no impairment or reversal of impairment of the related CGU. The Amendments also introduce additional disclosure requirements which are applicable when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosures required by MFRS 13, Fair Value Measurement.

The Amendments have been applied retrospectively and the application has no impact on the disclosures in the Institute’s financial statements.

2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective

The Institute has not early adopted the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective:

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 119, Defined Benefit Plans: Employee Contributions

Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2010 – 2012 Cycle”

Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2011 – 2013 Cycle”

Effective for annual periods beginning on or after 1 January 2016

MFRS 14, Regulatory Deferral Accounts

Amendments to MFRS 10, MFRS 12 and MFRS 128 – Investment Entities: Applying the Consolidation Exception

Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to MFRS 11 – Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101 – Disclosure Initiative

Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 116 and MFRS 141 – Agriculture: Bearer Plants

Amendments to MFRS 127 – Equity Method in Separate Financial Statements

Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2012 – 2014 Cycle”

Effective for annual periods beginning on or after 1 January 2017

MFRS 15, Revenue from Contracts with Customers

Effective for annual periods beginning on or after 1 January 2018

MFRS 9, Financial Instruments (IFRS 9 issued in July 2014)

The Institute will apply the above new MFRSs and amendments to MFRSs that are applicable once they become effective. The main features of these new standards and amendments to standards are summarised below:

(a) Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation

The Amendments provide additional guidance on how depreciation of property, plant and equipment and amortisation of intangible assets should be calculated.

MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd.)

(a) Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation (Cont'd.)

The Amendments to MFRS 116 prohibit revenue-based depreciation on the basis that revenue does not reflect the way in which an item of property, plant and equipment is used or consumed. The Amendments to MFRS 138 introduce a rebuttable presumption that an amortisation method that is based on revenue generated by an activity that includes the use of an intangible asset is inappropriate. The presumption can be overcome only in the limited circumstances (i) in which the intangible asset is expressed as a measure of revenue i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or (ii) when it can be demonstrated that revenue and the consumption of the economic benefits of intangible asset are highly correlated.

(b) MFRS 15, Revenue from Contracts with Customers

MFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 111, MFRS 118 and the related IC Interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1 Identify the contract(s) with a customer
- Step 2 Identify the performance obligations in the contract
- Step 3 Determine the transaction price
- Step 4 Allocate the transaction price to the performance obligations in the contract
- Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. MFRS 15 also requires more extensive disclosures.

(c) MFRS 9, Financial Instruments (IFRS 9 issued in July 2014)

The Standard replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.

The key enhancements of MFRS 9 are:

- Under MFRS 9, all recognised financial assets are required to be subsequently measured at either amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of both an entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. These requirements improve and simplify the approach for classification and measurement of financial assets as the numerous categories of financial assets under MFRS 139 had been replaced.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd.)****(c) MFRS 9, Financial Instruments (IFRS 9 issued in July 2014) (Cont'd.)**

The key enhancements of MFRS 9 are: (Cont'd.)

- Most of the requirements in MFRS 139 for classification and measurement of financial liabilities were carried forward unchanged to MFRS 9, except for the measurement of financial liabilities designated as FVTPL. Under MFRS 139, the entire amount of the change in the fair value of the financial liability designated as FVTPL is presented in profit or loss. However, MFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's own credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.
- In relation to the impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under MFRS 139. Under MFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in MFRS 139 i.e. fair value hedges, cash flow hedges and hedges of a net investment in a foreign operation. MFRS 9 incorporates a new hedge accounting model that aligns the hedge accounting more closely with an entity's risk management activities. The new hedge accounting model has also expanded the scope of eligibility of hedge items and hedging instruments respectively.

The initial application of MFRS 9 may have an impact on the financial statements of the Institute. However, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

The initial application of other new MFRSs and amendments to MFRSs is not expected to have any significant impact on the financial statements of the Institute.

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%

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.4 Plant and Equipment and Depreciation (Cont'd.)

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 non-financial 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.

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 Asset Acquired Separately – Computer Software

Intangible asset acquired separately is carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life of 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. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**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 currency 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 rate 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.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.12 Foreign Currency Transactions and Balances (Cont'd.)

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:

	2014 RM	2013 RM
1 Australian Dollar	2.86	N/A

2.13 Income Taxes

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 the 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.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.14 Income and Expense Recognition (Cont'd.)

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.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.15 Financial Assets (Cont'd.)

Classification and measurement (Cont'd.)

(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

A regular way purchase or sale is a purchase or sale of a financial asset that requires delivery of asset within the time frame established generally by regulation or convention in the marketplace concerned. All 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.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**2.15 Financial Assets (Cont'd.)*****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 being 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. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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 incurred 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 Malaysian 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 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, including all directly attributable costs of preparing the asset for its intended use is 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

	Office equipment RM	Furniture and fittings RM	Security system RM	Computers RM	Total RM
2014					
Costs					
At beginning of year	92,362	94,036	3,663	173,500	363,561
Additions	14,008	1,800	3,000	9,244	28,052
Disposals	(12,000)	–	–	–	(12,000)
Write-offs	(1,640)	–	–	(2,169)	(3,809)
At end of year	92,730	95,836	6,663	180,575	375,804
Accumulated depreciation					
At beginning of year	83,491	85,434	3,213	158,311	330,449
Charge for the year	6,863	1,693	364	15,481	24,401
Disposals	(12,000)	–	–	–	(12,000)
Write-offs	(1,602)	–	–	(2,169)	(3,771)
At end of year	76,752	87,127	3,577	171,623	339,079
Net book value as at 31 December 2014	15,978	8,709	3,086	8,952	36,725
2013					
Costs					
At beginning of year	89,063	93,086	3,663	178,159	363,971
Additions	4,199	950	–	7,240	12,389
Write-offs	(900)	–	–	(11,899)	(12,799)
At end of year	92,362	94,036	3,663	173,500	363,561
Accumulated depreciation					
At beginning of year	80,096	83,371	3,150	151,519	318,136
Charge for the year	4,295	2,063	63	18,691	25,112
Write-offs	(900)	–	–	(11,899)	(12,799)
At end of year	83,491	85,434	3,213	158,311	330,449
Net book value as at 31 December 2013	8,871	8,602	450	15,189	33,112

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

5. INTANGIBLE ASSET – COMPUTER SOFTWARE

	2014 RM	2013 RM
Costs		
Balance at 1 January	412,545	421,749
Adjustment for discount from vendor	(6,331)	(9,204)
Balance at 31 December	406,214	412,545
Accumulated amortisation		
Balance at 1 January	275,030	140,583
Amortisation for the financial year	137,515	140,583
Adjustment for discount from vendor	(6,331)	(6,136)
Net amortisation charged to profit or loss	131,184	134,447
Balance at 31 December	406,214	275,030
Net carrying amount	–	137,515

The intangible asset comprised cost of software acquired for the Institute's members' and students' portal. The cost of software acquired includes all directly attributable costs of preparing the asset for its intended use and is amortised on a straight line basis over a period of 3 years (2013: 3 years).

6. DEVELOPMENT COSTS OF STUDY MANUALS

	2014 RM	2013 RM
Costs		
Balance at 1 January	760,524	757,524
Additions	3,000	3,000
Balance at 31 December	763,524	760,524
Accumulated amortisation and impairment loss		
Balance at 1 January:		
Accumulated amortisation	752,224	749,224
Accumulated impairment loss	8,300	8,300
Amortisation for the year	760,524	757,524
	3,000	3,000
Balance at 31 December:		
Accumulated amortisation	755,224	752,224
Accumulated impairment loss	8,300	8,300
	763,524	760,524
Net carrying amount	–	–

The development costs incurred during the year include an amount of RM3,000 (2013: RM3,000) paid to a Council Member, Dr Veerinderjeet Singh, for updating of the MICPA study manual.

7. RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2014 RM	2013 RM
Receivable from Budget Commentary 2015/2014	108,870	100,162
Receivable from NACRA competition	27,828	29,396
Subscriptions receivable	283,422	172,132
Amount due from MACPA Educational Trust Fund	829	5,397
Other receivables	57,647	202,892
	478,596	509,979
Less: Allowance for impairment loss on subscriptions receivable	(26,832)	(20,756)
	451,764	489,223
Prepayments	30,105	17,487
Deposits	21,144	21,144
	503,013	527,854

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 consider 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:

	2014 RM	2013 RM
Individually impaired		
Receivables carrying amount before impairment	478,596	509,979
Less: Allowance for impairment loss on subscriptions receivable	(26,832)	(20,756)
	451,764	489,223

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

	2014 RM	2013 RM
Balance at 1 January	20,756	75,675
Additional impairment loss	26,057	18,581
Recoveries	(7,577)	(54,605)
Write-offs	(12,404)	(18,895)
Balance at 31 December	26,832	20,756

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

7. RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONT'D.)

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

	2014 RM	2013 RM
Neither past due nor impaired	147,209	318,352
0 to 30 days past due	159,610	20,398
31 to 60 days past due	40,391	30,920
61 to 90 days past due	3,413	3,596
More than 90 days past due	127,973	136,713
	478,596	509,979
Allowance for impairment loss	(26,832)	(20,756)
	451,764	489,223

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

	2014 RM	2013 RM
Fixed deposits with licensed banks	3,700,667	3,215,054

The weighted average effective interest rate of the fixed deposits as at the end of the reporting period is 3.17% (2013: 3.05%) per annum.

The fixed deposits have an average maturity period of 2.8 months (2013: 2.9 months).

9. DEFERRED INCOME

Deferred income represents government grant granted by Malaysian Investment Development Authority for upgrading and modernisation of the Institute's information technology systems. The movements during the financial year are as follows:

	2014 RM	2013 RM
Grant		
Balance at 1 January	406,278	421,749
Adjustment for non-claimable amount	–	(15,471)
Balance at 31 December	406,278	406,278
Accumulated amortisation		
Balance at 1 January	(270,852)	(140,583)
Amortisation of grant income for the financial year	(135,426)	(140,583)
Adjustment for non-claimable amount	–	10,314
Net grant income recognised to profit or loss	(135,426)	(130,269)
Balance at 31 December	(406,278)	(270,852)
Net carrying amount	–	135,426

The government grant is recognised as income on a systematic and rational basis over the useful life of the depreciable asset that was procured using the said grant.

10. PAYABLES AND ACCRUALS

	2014 RM	2013 RM
Due to students societies	–	233,172
Other payables	858,788	550,901
Accruals	590,899	614,405
	1,449,687	1,398,478

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

	2014 RM	2013 RM
Ringgit Malaysia	1,230,250	1,398,478
Australian Dollar	219,437	–
	1,449,687	1,398,478

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

11. INCOME FROM AND EXPENSES OF OTHER ACTIVITIES

	Income RM	Expenses RM	Surplus/ (Deficit) RM
2014			
Continuing professional development	393,806	252,707	141,099
Annual dinner	85,000	99,085	(14,085)
MICPA excellence awards	13,440	27,192	(13,752)
Journal and publications	37,784	9,195	28,589
Informal gatherings	13,350	12,403	947
MICPA study manuals	2,250	3,000	(750)
Commemorative lecture and luncheon	63,900	57,428	6,472
Accountancy week	33,850	34,070	(220)
	643,380	495,080	148,300
Joint activities with other bodies:			
NACRA competition	16,432	–	16,432
Budget Commentary 2015	98,870	–	98,870
	115,302	–	115,302
	758,682	495,080	263,602
2013			
Continuing professional development	420,770	284,617	136,153
Annual dinner	69,300	79,135	(9,835)
MICPA excellence awards	13,100	35,349	(22,249)
Journal and publications	31,539	8,744	22,795
Informal gatherings	12,510	7,116	5,394
MICPA study manuals	5,625	3,000	2,625
Commemorative lecture and luncheon	58,500	55,081	3,419
Accountancy week	36,915	33,867	3,048
	648,259	506,909	141,350
Joint activities with other bodies:			
Business forum	54,165	–	54,165
NACRA competition	15,142	–	15,142
Budget Commentary 2014	101,962	–	101,962
	171,269	–	171,269
	819,528	506,909	312,619

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 RM3,000 (2013: RM3,000).

12. OTHER INCOME

	2014 RM	2013 RM
Affinity rebate – direct access	7,607	7,993
Amortisation of grant income (Note 9)	135,426	130,269
Fines received from disciplinary proceedings	45,375	250
Gain on disposal of plant and equipment	3,550	–
Interest on fixed deposits	119,249	101,375
Realised gain on foreign exchange	17,956	4,327
Others	8,809	2,535
	337,972	246,749

13. OPERATING EXPENSES

	2014 RM	2013 RM
Advertisement expenses	2,226	5,387
AGM and Council meeting expenses	7,663	7,206
Amortisation of intangible asset – computer software (Note 5)	131,184	134,447
Impairment loss of receivables	18,480	(36,024)
Uncollectible receivables written off	35,243	32,588
Auditors' remuneration	18,000	18,000
Bank charges	33,726	34,983
Depreciation of plant and equipment (Note 4)	24,401	25,112
Direct examination expenses	534,576	399,224
Electricity and water	32,610	29,191
General expenses	10,342	12,728
Insurance	20,040	19,890
Inventories written off	51	1,401
Journal and technical pronouncements	153,693	174,255
Legal and professional fees	24,730	3,230
Plant and equipment written off	38	–
Maintenance	22,709	23,561
Medical expenses	9,940	7,615
Office rental	120,000	120,000
Periodicals and library stock	8,923	9,080
Postage and telephone	76,449	83,220
Printing and stationery	58,864	50,137
Promotional expenses for MICPA programme	107,615	156,911
Professional development expenses	217,713	215,377
Staff costs		
– Employees Provident Fund and SOCSO	285,745	246,616
– Salaries and bonus	1,997,920	1,683,643
Staff recreation fund	2,969	24,966
Staff training	9,430	2,450
Subscriptions to international accountancy bodies	42,686	38,912
Travelling expenses	116,396	73,508
Technical fees	395,359	386,337
Unrealised loss on foreign exchange	2,202	–
	4,521,923	3,983,951

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

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.

	2014 RM	2013 RM
Income tax	-	-

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:

	2014 %	2013 %
Applicable tax rate	21.43	24.05
Tax effects in respect of:		
Non taxable income	(66.39)	(39.75)
Non allowable expenses	14.64	6.44
Deferred tax income not recognised	30.32	9.26
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 RM2,107,564 (2013: RM1,709,092) and RM89,597 (2013: RM76,427) respectively which are available for set-off against future taxable surplus.

15. DEFERRED TAXATION

Deferred tax, determined after appropriate offsetting is as follows:

	2014 RM	2013 RM
Deferred tax liabilities	3,530	3,644
Deferred tax assets	(3,530)	(3,644)
Net deferred tax	-	-

15. DEFERRED TAXATION (CONT'D.)

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

	As at 1 January RM	Recognised in profit or loss RM	As at 31 December RM
2014			
Deferred tax liabilities			
Excess of capital allowances over depreciation	3,644	(114)	3,530
Deferred tax assets			
Unutilised capital allowances	(3,644)	114	(3,530)
2013			
Deferred tax liabilities			
Excess of capital allowances over depreciation	5,552	(1,908)	3,644
Deferred tax assets			
Unutilised capital allowances	(5,552)	1,908	(3,644)

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

	2014 RM	2013 RM
Unabsorbed tax losses	2,107,564	1,709,092
Unutilised capital allowances	73,127	61,277
	2,180,691	1,770,369

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:

	2014 RM	2013 RM
Fixed deposits	3,700,667	3,215,054
Cash and bank balances	249,465	192,651
	3,950,132	3,407,705

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2014

17. RELATED PARTY TRANSACTIONS

Other than as disclosed in Note 6, the transactions carried out with related parties during the financial year were as follows:

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

MACPA Educational Trust Fund ("the Fund") is a fund set up by the Institute and managed by Trustees of the Fund ("the Trustees"). Previously, the Fund was considered as a party related to the Institute as the power of appointing new Trustees was vested in the Council of the Institute as provided in the Principal Trust Deed dated 14 November 1981. On 11 August 2014, the Trustees have executed a Second Supplemental Trust Deed to amend the Principal Trust Deed which, among others, provides that in the event of any Trustee ceasing to be a Trustee, the power of appointing a new Trustee in substitution of such exiting Trustee shall be vested in the existing Trustees of the Fund. In view of this amendment, the Fund has ceased to be a party related to the Institute with effect from 11 August 2014.

The transactions with the MACPA Educational Trust Fund during the financial period are as follows:

	Period from 1.1.2014 to 10.8.2014 RM	Period from 1.1.2013 to 31.12.2013 RM
Income/(Expenses)		
Administrative expenses charged to MACPA Educational Trust Fund	33,857	56,529
Rental charged by MACPA Educational Trust Fund	(72,986)	(120,000)

The year end outstanding balance with the MACPA Educational Trust Fund is as follows:

	2014 RM	2013 RM
Included under receivables	829	5,397

The amount receivable is unsecured, interest free and repayable upon demand and settlement is expected to be in cash.

(b) Fees paid by Council Members

	2014 RM	2013 RM
Members' annual fees	18,375	18,075
Practising certificate fees	12,100	12,100
	30,475	30,175

17. RELATED PARTY TRANSACTIONS (CONT'D.)

(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:

	2014 RM	2013 RM
Short-term employees benefits	525,000	409,200
Post-employment benefits		
– contribution to Employees Provident Fund	64,575	61,380
	589,575	470,580

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:

	2014 RM	2013 RM
Included in payables and accruals	105,000	92,400

18. 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:

	2014 RM	2013 RM
Financial Assets		
<i>Loans and receivables</i>		
Receivables and deposits	472,908	510,367
Fixed deposits with licensed banks	3,700,667	3,215,054
Cash and bank balances	249,465	192,651
Total loans and receivables	4,423,040	3,918,072
Financial Liabilities		
<i>Financial liabilities measured at amortised costs</i>		
Payables	858,788	784,073
Accruals	590,899	614,405
Total financial liabilities measured at amortised costs	1,449,687	1,398,478

18. FINANCIAL INSTRUMENTS (CONT'D.)

(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, liquidity, interest rate and currency risks. 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 RM283,422 (2013: RM172,132) which have been outstanding for more than 30 days and bank balance and fixed deposits of RM3,950,132 (2013: RM3,407,705) 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 amounts 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 funds 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	
	2014 RM	2013 RM
Due to students societies	–	233,172
Other payables	858,788	550,901
Accruals	590,899	614,405

(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.

18. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Financial Risk Management (Cont'd.)

(iii) Market risk (Cont'd.)

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. The Institute anticipates that any changes in the interest rates of fixed deposits would not significantly impact the financial results 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 the Australian Dollar ("AUD"). The Institute's foreign currency exposure profile on payables and accruals 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 or increased the Institute's net operating surplus for the financial year by RM21,944 (2013: NIL).

(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.

19. COMPARATIVE FIGURE

The comparative figure for realised gain on foreign exchange of RM4,327 has been reclassified from operating expenses to other income to conform with current year's presentation.

20. CAPITAL MANAGEMENT

The objectives of the Institute in managing capital are:

- to safeguard the Institute's ability to continue as a going concern and 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

(Institut Akauntan Awam Bertauliah Malaysia)

(Company Incorporated in Malaysia Limited by Guarantee)

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 2014, 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 103.

Council's Responsibility for the Financial Statements

The Council of the Institute is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Council is also responsible 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 give a true and fair view of the financial position of the Institute as at 31 December 2014 and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

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.

Khoo Pek Ling
900/03/16(J/PH)
Chartered Accountant

Leong Kok Tong
2973/11/15(J)
Chartered Accountant

Kuala Lumpur
Date: 18 May 2015

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LAPORAN MAJLIS

Bagi tahun berakhir 31 Disember 2014

Majlis dengan sukacitanya membentangkan laporan mereka dan penyata kewangan Institut Akauntan Awam Bertauliah Malaysia (Institut) yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2014.

KEGIATAN UTAMA

Kegiatan utama Institut ialah memajukan profesion perakaunan.

Sepanjang tahun kewangan, tiada sebarang perubahan ketara yang berlaku dalam kegiatan ini.

KEPUTUSAN KEWANGAN

	RM
Lebihan kendalian bersih bagi tahun kewangan	271,733

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 17 Mei 2014 ialah:

Dato' Ab Halim bin Mohyiddin
Abdul Halim bin Md Lassim
Dato' Abdul Rauf bin Rashid
Dato' Ahmad Fuaad bin Mohd Kenali
Beh Tok Koay
Datin HjH Fadzilah bte Saad
Dato' Gan Ah Tee
Goh Lee Hwa
Khaw Hock Hoe
Lee Tuck Heng
Lim Thiam Kee
Loh Lay Choon
Dato' Mohammad Faiz bin Mohammad Azmi
Ng Gan Hooi
Ng Kim Tuck
Dr Nurmazilah binti Mahzan (*Meletak jawatan pada 9 Mei 2015*)
Ong Chee Wai
Poon Yew Hoe
Pushpanathan a/l S.A. Kanagarayar
Sukanta K Dutt
Tan Bun Poo (*Meletak jawatan pada 9 Mei 2015*)
Tan Chin Hock
Tan Theng Hooi
Teo Swee Chua

MAJLIS (SAMBUNGAN)

Thong Foo Vung
Dr Veerinderjeet Singh
Venkatramanan Viswanathan
Dato' Yeo How
Datuk Robert Yong Kuen Loke
Yong Yoon Shing

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

Goh Lee Hwa
Ong Chee Wai
Pushpanathan A/L S A Kanagarayar
Tan Chin Hock
Dr Veerinderjeet Singh
Datuk Robert Yong Kuen Loke
Yong Yoon Shing

Ahli Majlis berikut juga akan bersara pada Mesyuarat Agung Tahunan menurut undang-undang kecil 5 tetapi tidak ingin dilantik semula:

Dato' Yeo How

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

Khaw Hock Hoe

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.

LAPORAN MAJLIS

Bagi tahun berakhir 31 Disember 2014

MAKLUMAT BERKANUN YANG LAIN (SAMB.)

- (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, Khoo Pek Ling dan Leong Kok Tong 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' ABDUL RAUF BIN RASHID

Presiden

TAN THENG HOOI

Naib Presiden

Laporan ini dibuat menurut resolusi Majlis yang telah diluluskan pada 9 Mei 2015.

Tarikh: 9 Mei 2015

PENYATA OLEH AHLI-AHLI MAJLIS

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

Kami, **DATO' ABDUL RAUF BIN RASHID** dan **TAN THENG HOOI**, 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 Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan Peruntukan Akta Syarikat, 1965 di Malaysia supaya memberi gambaran yang benar dan saksama mengenai:

- (i) kedudukan Institut pada 31 Disember 2014 dan keputusannya bagi tahun kewangan berakhir pada tarikh tersebut; dan
- (ii) aliran tunai Institut bagi tahun kewangan berakhir pada 31 Disember 2014.

Bagi pihak Ahli-ahli Majlis,

DATO' ABDUL RAUF BIN RASHID

Presiden

TAN THENG HOOI

Naib Presiden

Kuala Lumpur

Tarikh: 9 Mei 2015

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 9 Mei 2015)

Di hadapan saya,

Yap Lee Chin

Pesuruhanjaya Sumpah

Kuala Lumpur

PENYATA KEDUDUKAN KEWANGAN

Pada 31 Disember 2014

	Nota	2014 RM	2013 RM
ASET			
Aset Bukan Semasa			
Loji dan peralatan	4	36,725	33,112
Aset tak ketara – Perisian komputer	5	–	137,515
Kos pembangunan buku panduan belajar	6	–	–
		36,725	170,627
Aset Semasa			
Buku panduan belajar, pada kos		4,543	2,482
Penghutang, prabayaran dan deposit	7	503,013	527,854
Simpanan tetap	8	3,700,667	3,215,054
Wang tunai dan baki di bank		249,465	192,651
		4,457,688	3,938,041
Jumlah Aset		4,494,413	4,108,668
DANA DAN LIABILITI			
Dana Terkumpul			
Baki pada 1 Januari		2,219,655	1,620,021
Lebihan kendalian bersih bagi tahun kewangan		271,733	599,634
Baki pada 31 Disember		2,491,388	2,219,655
Liabiliti Bukan Semasa			
Pendapatan tertunda	9	–	135,426
Liabiliti Semasa			
Yuran pendahuluan		553,338	355,109
Pemiutang dan akruan	10	1,449,687	1,398,478
		2,003,025	1,753,587
Jumlah Liabiliti		2,003,025	1,889,013
Jumlah Dana dan Liabiliti		4,494,413	4,108,668

Nota-nota pada muka surat 115 hingga 139 merupakan sebahagian penting penyata kewangan ini.

PENYATA PENDAPATAN KOMPREHENSIF

Bagi tahun kewangan berakhir 31 Disember 2014

	Nota	2014 RM	2013 RM
PENDAPATAN			
Yuran tahunan ahli		1,641,442	1,629,932
Yuran peperiksaan		1,861,200	1,762,400
Yuran sijil pengamalan		217,470	223,520
Yuran pengecualian pelajar		218,850	160,350
Yuran tahunan pelajar		138,265	136,290
Yuran kemasukan ahli		27,000	30,650
Yuran pendaftaran dan pemindahan pelajar		75,150	64,460
Yuran ahli sementara		12,705	16,615
		4,192,082	4,024,217
Pendapatan daripada Aktiviti-Aktiviti Lain	11	758,682	819,528
Pendapatan Lain	12	337,972	246,749
Jumlah Pendapatan		5,288,736	5,090,494
Belanja Kendalian	13	(4,521,923)	(3,983,951)
Belanja Aktiviti-Aktiviti Lain	11	(495,080)	(506,909)
		271,733	599,634
Cukai	14	-	-
Lebihan Kendalian Bersih/ Jumlah Pendapatan Komprehensif bagi Tahun Kewangan		271,733	599,634

PENYATA PERUBAHAN EKUITI AHLI-AHLI

Bagi tahun kewangan berakhir 31 Disember 2014

	Dana Terkumpul	
	2014 RM	2013 RM
Baki pada 1 Januari 2013/1 Januari 2012	1,620,021	1,054,885
Lebihan kendalian bersih/Jumlah pendapatan komprehensif bagi tahun kewangan	599,634	565,136
Baki pada 31 Disember 2013/31 Disember 2012	2,219,655	1,620,021
Lebihan kendalian bersih/Jumlah pendapatan komprehensif bagi tahun kewangan	271,733	599,634
Baki pada 31 Disember 2014/31 Disember 2013	2,491,388	2,219,655

Nota-nota pada muka surat 115 hingga 139 merupakan sebahagian penting penyata kewangan ini.

PENYATA ALIRAN TUNAI

Bagi tahun kewangan berakhir 31 Disember 2014

	Nota	2014 RM	2013 RM
ALIRAN TUNAI DARIPADA AKTIVITI KENDALIAN			
<i>Penerimaan tunai</i>			
Yuran		2,202,018	2,497,250
Yuran peperiksaan		2,153,600	1,852,000
Jurnal dan penerbitan		129,113	133,577
Seminar		422,655	551,338
Lain-lain		236,011	48,747
<i>Bayaran tunai</i>			
Belanja kendalian		(4,572,717)	(4,381,476)
Bayaran sewa pejabat kepada Tabung Amanah Pendidikan MACPA		(120,000)	(120,000)
Tunai bersih terjana daripada aktiviti kendalian		450,680	581,436
ALIRAN TUNAI DARIPADA AKTIVITI PELABURAN			
Kos pembangunan buku panduan belajar		(3,000)	(3,000)
Perolehan daripada pelupusan loji dan peralatan		3,550	–
Pembelian loji dan peralatan	4	(28,052)	(12,389)
Faedah diterima daripada simpanan tetap		119,249	101,375
Tunai bersih daripada aktiviti pelaburan		91,747	85,986
Tambahan Bersih dalam Tunai dan Kesetaraan Tunai		542,427	667,422
Tunai dan Kesetaraan Tunai pada Awal Tahun Kewangan		3,407,705	2,740,283
Tunai dan Kesetaraan Tunai pada Akhir Tahun Kewangan	16	3,950,132	3,407,705

Nota-nota pada muka surat 115 hingga 139 merupakan sebahagian penting penyata kewangan ini.

NOTA KEPADA PENYATA KEWANGAN

Pada 31 Disember 2014

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 23 (2013: 19).

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

Penyata kewangan telah diluluskan dan dibenarkan untuk diterbitkan menurut satu resolusi Majlis pada 9 Mei 2015.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING

2.1 Asas Penyediaan

Penyata kewangan Institut disediakan menurut Piawaian Pelaporan Kewangan Malaysia (MFRS), Piawaian Pelaporan Kewangan Antarabangsa (IFRS) dan peruntukan Akta Syarikat, 1965 di Malaysia.

Penyata kewangan Institut disediakan berasaskan konvensyen kos sejarah kecuali seperti yang dinyatakan dalam ringkasan dasar perakaunan penting ini.

Polisi perakaunan yang diguna pakai adalah konsisten dengan polisi yang telah diguna pakai dalam tahun kewangan sebelumnya selain daripada penggunaan pakai pindaan kepada MFRS dan satu Tafsiran Jawatankuasa Interpretasi (IC) baru seperti yang didedahkan dalam Nota 2.2 di bawah.

2.2 Penggunaan Pakai Pindaan kepada MFRS dan satu Tafsiran IC baru

Sepanjang tahun kewangan, Institut telah mengguna pakai pindaan kepada MFRS dan satu Tafsiran IC baru berikut yang diterbitkan oleh Lembaga Piawaian Perakaunan Malaysia (MASB) yang dikuatkuasakan untuk tempoh perakaunan bermula pada atau selepas 1 Januari 2014:

Pindaan kepada MFRS 10, MFRS 12 dan MFRS 127 – Entiti Pelaburan

Pindaan kepada MFRS 132 – Imbangan Aset Kewangan dengan Liabiliti Kewangan

Pindaan kepada MFRS 136 – Pendedahan Nilai Perolehan Semula untuk Aset Bukan Kewangan

Pindaan kepada MFRS 139 – Novasi Derivatif dan Perakaunan Lindung Nilai Berterusan

Tafsiran IC 21, Levi

Selain daripada yang diringkaskan seperti berikut, penggunaan pakai awal pindaan kepada MFRS dan satu Tafsiran IC baru tidak mempunyai kesan ketara ke atas penyata kewangan Institut.

(a) Pindaan kepada MFRS 132 – Imbangan Aset Kewangan dengan Liabiliti Kewangan

Pindaan tersebut menjelaskan keperluan berkenaan imbangan aset kewangan dengan liabiliti kewangan. Terutamanya, Pindaan tersebut menjelaskan makna 'kini mempunyai hak untuk imbangan yang berkuatkuasa dari segi undang-undang' dan 'realisasi dan penyelesaian serentak'.

Pindaan tersebut telah diguna pakai secara retrospektif dan penggunaan pakai tersebut tidak mempunyai kesan ke atas pendedahan atau jumlah yang diiktiraf dalam penyata kewangan Institut.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)**2.2 Penggunaan Pakai Pindaan kepada MFRSs dan satu Tafsiran IC baru (Samb.)****(b) Pindaan kepada MFRS 136 – Pendedahan Amaun Boleh Pulih untuk Aset Bukan Kewangan**

Pindaan kepada MFRS 136 menyingkirkan keperluan untuk mendedah amaun boleh pulih unit penajaan tunai (CGU) yang mengandungi muhibah atau aset tak ketara lain dengan hayat berguna yang tidak terhad apabila tidak terdapat rosot nilai atau pernyataan semula rosot nilai bagi CGU yang berkaitan. Pindaan tersebut juga memperkenalkan keperluan pendedahan tambahan yang diguna pakai apabila nilai perolehan semula sesuatu aset atau sesuatu CGU diukur pada nilai saksama tolak kos hapuskira. Pendedahan baru ini termasuk hierarki nilai saksama, andaian utama dan teknik penilaian yang digunakan yang selaras dengan pendedahan yang diperlukan oleh MFRS 13, Pengukuran Nilai Saksama.

Pindaan tersebut telah diguna pakai secara retrospektif dan penggunaan pakai tersebut tidak mempunyai kesan ke atas pendedahan dalam penyata kewangan Institut.

2.3 MFRS Baru dan Pindaan kepada MFRSs yang Telah Diterbitkan tetapi Belum Dikuatkuasakan

Institut belum menerima pakai awal MFRSs baru dan pindaan kepada MFRS berikut yang telah diterbitkan oleh MASB tetapi belum dikuatkuasakan:

Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Julai 2014

Pindaan kepada MFRS 119, Pelan Manfaat Ditetapkan: Caruman Kakitangan

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS Kitaran 2010 – 2012”

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS Kitaran 2011 – 2013”

Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2016

MFRS 14, Akaun Tertunda Kawal Selia

Pindaan kepada MFRS 10, MFRS 12 dan MFRS 128 – Entiti Pelaburan: Penggunaan Pakai Pengecualian Penyatuan

Pindaan kepada MFRS 10 dan MFRS 128 – Jualan atau Sumbangan Aset antara Seorang Pelabur dan Bersekutunya atau Usaha Samanya

Pindaan kepada MFRS 11 – Perakaunan untuk Perolehan Kepentingan dalam Operasi Bersama

Pindaan kepada MFRS 101– Inisiatif Pendedahan

Pindaan kepada MFRS 116 dan MFRS 138 – Penjelasan Kaedah Susut Nilai dan Pelunasan Boleh Diterima

Pindaan kepada MFRS 116 dan MFRS 141 – Pertanian: Tanaman Penghasil

Pindaan kepada MFRS 127 – Kaedah Ekuiti dalam Penyata Kewangan Berasingan

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS Kitaran 2012 – 2014”

Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2017

MFRS 15, Hasil daripada Kontrak dengan Pelanggan

Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2018

MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014)

Institut akan mengguna pakai MFRS baru dan pindaan kepada MFRS di atas yang berkenaan sebaik sahaja mereka dikuatkuasakan. Ciri-ciri utama piawaian baru dan pindaan kepada piawaian adalah diringkaskan seperti berikut:

(a) Pindaan MFRS 116 dan MFRS 138 – Penjelasan Kaedah Susut Nilai dan Pelunasan Boleh Diterima

Pindaan memberi panduan tambahan mengenai cara susut nilai hartanah, loji dan peralatan dan pelunasan aset tak ketara patut dikira.

MFRS 116, Hartanah, Loji dan Peralatan dan MFRS 138, Aset Tak Ketara, kedua-duanya menetapkan prinsip untuk asas susut nilai dan pelunasan sebagai jangkaan corak penggunaan manfaat ekonomi masa depan sesuatu aset.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.3 MFRS Baru dan Pindaan kepada MFRS yang telah Diterbitkan tetapi belum Dikuatkuasakan Boleh Diterima (Samb.)

(a) Pindaan MFRS 116 dan MFRS 138 – Penjelasan Kaedah Susut Nilai dan Pelunasan Boleh Diterima (Samb.)

Pindaan kepada MFRS 116 melarang susut nilai berasaskan hasil atas dasar bahawa hasil tidak menggambarkan bagaimana sesuatu hartanah, loji dan peralatan diguna atau dipakai. Pindaan kepada MFRS 138 memperkenalkan anggapan boleh dipatahkan bahawa kaedah pelunasan yang berasaskan hasil dijanakan oleh sesuatu aktiviti yang termasuk penggunaan aset tak ketara adalah tidak sesuai. Anggapan tersebut boleh diatasi dalam keadaan terhad sahaja (i) di mana aset tak ketara dinyatakan sebagai suatu ukuran hasil iaitu dalam keadaan di mana faktor utama menghadkan wujud dalam aset tak ketara adalah pencapaian ambang hasil atau (ii) apabila ia boleh ditunjukkan bahawa hasil dan penggunaan manfaat ekonomi aset tak ketara adalah amat berkait rapat.

(b) MFRS 15, Hasil daripada Kontrak dengan Pelanggan

MFRS 15 mewujudkan suatu model komprehensif tunggal bagi entiti menggunakan dalam perakaunan untuk hasil yang timbul daripada kontrak dengan pelanggan. MFRS 15 akan menggantikan panduan pengiktirafan hasil masa kini termasuk MFRS 111, MFRS 118 dan Tafsiran IC yang berkaitan sebaik sahaja ianya dikuatkuasakan.

Prinsip teras MFRS 15 adalah di mana suatu entiti mengiktiraf hasil untuk menunjukkan pemindahan barangan atau perkhidmatan yang dijanji kepada pelanggan dalam suatu jumlah yang menggambarkan ganjaran yang entiti tersebut dijangka layak mendapatkannya sebagai pertukaran untuk barangan atau perkhidmatan. Suatu entiti mengiktiraf hasil mengikut prinsip teras dengan mengguna pakai langkah-langkah berikut:

Langkah 1 Mengenalpasti kontrak dengan seorang pelanggan

Langkah 2 Mengenalpasti obligasi prestasi dalam kontrak

Langkah 3 Menentu harga urusaniaga

Langkah 4 Mengagih harga urusaniaga kepada obligasi prestasi dalam kontrak

Langkah 5 Mengiktiraf hasil apabila (atau bila) entiti memuaskan obligasi prestasi

Di bawah MFRS 15, suatu entiti mengiktiraf hasil apabila (atau bila) suatu obligasi prestasi adalah dipuaskan iaitu apabila 'kawalan' barangan atau perkhidmatan yang mendasari obligasi prestasi tertentu dipindahkan kepada pelanggan. MFRS 15 juga memerlukan pendedahan yang lebih.

(c) MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014)

Piawaian tersebut mengganti versi awal MFRS 9 dan memperkenalkan pakej penambahbaikan termasuk model klasifikasi dan pengukuran, suatu model tunggal rosot nilai yang mempunyai 'rugi dijangka' pandang ke hadapan dan suatu reformasi yang ketara terhadap pendekatan perakaunan lindung nilai.

Penambahbaikan utama MFRS 9 adalah:

- Di bawah MFRS 9, semua aset kewangan yang diiktiraf perlu diukur berikutnya sama ada pada kos dilunaskan, nilai saksama melalui pendapatan komprehensif lain (FVTOCI) atau nilai saksama melalui untung atau rugi (FVTPL) berdasarkan kepada kedua-dua model perniagaan suatu entiti untuk menguruskan aset kewangan dan sifat aliran tunai berkontrak aset kewangan. Keperluan-keperluan tersebut menambahbaikan dan memudahkan pendekatan untuk klasifikasi dan pengukuran aset kewangan memandangkan beberapa kategori aset kewangan dalam MFRS 139 telah diganti.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.3 MFRS Baru dan Pindaan kepada MFRS yang telah Diterbitkan tetapi belum Dikuatkuasakan (Samb.)

(c) MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014) (Samb.)

Penambahbaikan utama MFRS 9 adalah: (Samb.)

- Kebanyakan keperluan dalam MFRS 139 untuk klasifikasi dan pengukuran liabiliti kewangan dibawa ke hadapan tanpa perubahan kepada MFRS 9, melainkan untuk pengukuran liabiliti kewangan yang ditetapkan pada FVTPL. Di bawah MFRS 139, jumlah keseluruhan perubahan dalam nilai saksama liabiliti kewangan ditetapkan sebagai FVTPL adalah dibentangkan dalam untung atau rugi. Walaubagaimanapun, MFRS 9 memerlukan jumlah yang berubah dalam nilai saksama liabiliti kewangan yang disebabkan perubahan dalam risiko kredit liabiliti tersebut dibentangkan dalam pendapatan komprehensif lain, kecuali pengiktirafan kesan perubahan dalam risiko kredit liabiliti sendiri dalam pendapatan komprehensif lain akan mewujudkan atau memperbesarkan suatu perakaunan yang ketidakpadanan dalam untung atau rugi. Perubahan dalam nilai saksama disebabkan risiko kredit liabiliti kewangan tidak diklasifikasikan kemudiannya dalam untung atau rugi.
- Berkenaan dengan rosot nilai aset kewangan, MFRS 9 memerlukan suatu model rugi kredit dijangka, yang bertentangan dengan model rugi kredit yang berlaku dalam MFRS 139. Di bawah MFRS 9, adalah tidak perlu lagi untuk peristiwa kredit berlaku sebelum rugi kredit diiktirafkan. Sebaliknya, suatu entiti sentiasa mengambilkira rugi kredit dijangka dan perubahan dalam rugi kredit dijangka tersebut pada setiap tarikh pelaporan supaya menggambarkan perubahan dalam risiko kredit sejak pengiktirafan awal.
- Keperluan am baru perakaunan lindung nilai mengekalkan tiga jenis mekanisme perakaunan lindung nilai yang sedia ada pada masa kini dalam MFRS 139 iaitu lindung nilai bagi nilai saksama, lindung nilai aliran tunai dan lindung nilai suatu pelaburan bersih dalam operasi asing. MFRS 9 mengandungi suatu model baru perakaunan lindung nilai yang menjajarkan perakaunan lindung nilai lebih dekat dengan aktiviti pengurusan risiko suatu entiti. Model baru perakaunan lindung nilai juga memperluaskan skop kelayakan butiran lindung nilai dan instrumen yang dilindung nilai.

Penggunaan pakai awal MFRS 9 mungkin mempunyai kesan ke atas penyata kewangan Institut. Walaubagaimanapun, adalah tidak praktikal untuk memberi anggaran yang munasabah mengenai kesannya sehingga semak semula yang terperinci telah selesai.

Penggunaan pakai permulaan MFRS baru dan pindaan kepada MFRS lain tidak dijangka mempunyai sebarang kesan yang ketara ke atas penyata kewangan Institut.

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 diiktiraf 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 dan lengkapan	10%
Sistem kawalan	10%
Peralatan pejabat	20%
Komputer	33%

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.4 Loji dan Peralatan dan Susut Nilai (Samb.)

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 bukan kewangan.

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. Sekiranya 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.

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, melebihi 3 tahun. Hayat berguna yang dijangka dan kaedah pelunasan disemak semula pada akhir setiap tempoh pelaporan di mana kesan sebarang perubahan anggaran diambilkira 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. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)**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 adalah 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 dijangka 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. Item 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.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.12 Urusniaga Matawang Asing dan Baki (Samb.)

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 yang 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:

	2014 RM	2013 RM
1 Dolar Australia	2.86	N/A

2.13 Cukai Pendapatan

Belanja cukai merupakan agregat amaun cukai semasa dan cukai tertunda. Cukai semasa dan cukai tertunda diiktiraf sebagai pendapatan atau perbelanjaan 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

- 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.
- Yuran kemasukan ahli dan yuran pendaftaran pelajar diiktiraf apabila permohonan masing-masing diluluskan.
- Yuran pemeriksaan dan pengecualian diiktiraf apabila permohonan masing-masing diluluskan.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.14 Pengiktirafan Pendapatan dan Belanja (Samb.)

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 kedudukan kewangannya 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, dividen 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 perbelanjaan 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.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

2.15 Aset Kewangan (Samb.)

Klasifikasi dan Penilaian (Samb.)

(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 merupakan suatu pembelian atau penjualan suatu aset kewangan yang memerlukan penyerahan aset dalam jangka masa yang tertentu adalah ditetapkan oleh peraturan atau konvensyen dalam pasaran yang berkaitan. Kesemua 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.

2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)**2.15 Aset Kewangan (Samb.)*****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 pernyataan 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. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

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 lindung 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 pada 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 Piawai Pelaporan Kewangan Malaysia 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 urusniaga 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 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

	Peralatan Pejabat RM	Perabot dan lengkapan RM	Sistem kawalan RM	Komputer RM	Jumlah RM
2014					
Kos					
Pada awal tahun	92,362	94,036	3,663	173,500	363,561
Tambahan	14,008	1,800	3,000	9,244	28,052
Pelupusan	(12,000)	–	–	–	(12,000)
Dihapuskira	(1,640)	–	–	(2,169)	(3,809)
Pada akhir tahun	92,730	95,836	6,663	180,575	375,804
Susut nilai terkumpul					
Pada awal tahun	83,491	85,434	3,213	158,311	330,449
Susut nilai bagi tahun kewangan	6,863	1,693	364	15,481	24,401
Pelupusan	(12,000)	–	–	–	(12,000)
Dihapuskira	(1,602)	–	–	(2,169)	(3,771)
Pada akhir tahun	76,752	87,127	3,577	171,623	339,079
Nilai buku bersih pada 31 Disember 2014	15,978	8,709	3,086	8,952	36,725
2013					
Kos					
Pada awal tahun	89,063	93,086	3,663	178,159	363,971
Tambahan	4,199	950	–	7,240	12,389
Dihapuskira	(900)	–	–	(11,899)	(12,799)
Pada akhir tahun	92,362	94,036	3,663	173,500	363,561
Susut nilai terkumpul					
Pada awal tahun	80,096	83,371	3,150	151,519	318,136
Susut nilai bagi tahun kewangan	4,295	2,063	63	18,691	25,112
Dihapuskira	(900)	–	–	(11,899)	(12,799)
Pada akhir tahun	83,491	85,434	3,213	158,311	330,449
Nilai buku bersih pada 31 Disember 2013	8,871	8,602	450	15,189	33,112

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5. ASET TAK KETARA – PERISIAN KOMPUTER

	2014 RM	2013 RM
Kos		
Baki pada 1 Januari	412,545	421,749
Penyelarasan untuk diskaun daripada penjual	(6,331)	(9,204)
Baki pada 31 Disember	406,214	412,545
Pelunasan terkumpul		
Baki pada 1 Januari	275,030	140,583
Pelunasan dalam tahun semasa	137,515	140,583
Penyelarasan untuk diskaun daripada penjual	(6,331)	(6,136)
Pelunasan bersih dicaj kepada untung atau rugi	131,184	134,447
Baki pada 31 Disember	406,214	275,030
Nilai buku bersih	–	137,515

Aset tak ketara merangkumi kos perisian yang diperolehi untuk portal ahli dan pelajar Institut. Kos perisian yang diperolehi, termasuk semua kos langsung berpunca dari menyediakan aset tersebut untuk tujuan kegunaannya dan dilunaskan pada dasar garis lurus dalam tempoh 3 tahun (2013: 3 tahun).

6. KOS PEMBANGUNAN BUKU PANDUAN BELAJAR

	2014 RM	2013 RM
Kos		
Baki pada 1 Januari	760,524	757,524
Tambahan	3,000	3,000
Baki pada 31 Disember	763,524	760,524
Pelunasan dan kerugian rosot nilai terkumpul		
Baki pada 1 Januari:		
Pelunasan terkumpul	752,224	749,224
Kerugian rosot nilai terkumpul	8,300	8,300
Pelunasan dalam tahun semasa	760,524	757,524
	3,000	3,000
Baki pada 31 Disember:		
Pelunasan terkumpul	755,224	752,224
Kerugian rosot nilai terkumpul	8,300	8,300
	763,524	760,524
Nilai buku bersih	–	–

Kos pembangunan berlaku dalam tahun semasa termasuk jumlah sebanyak RM3,000 (2013: RM3,000) yang dibayar kepada seorang Ahli Majlis, Dr Veerinderjeet Singh, untuk mengemaskini buku panduan belajar MICPA.

7. PENGHUTANG, PRABAYARAN DAN DEPOSIT

	2014 RM	2013 RM
Hutang dari Ulasan Belanjawan 2015/2014	108,870	100,162
Hutang dari pertandingan NACRA	27,828	29,396
Yuran belum diterima	283,422	172,132
Hutang daripada Tabung Amanah Pendidikan MACPA	829	5,397
Pelbagai penghutang	57,647	202,892
	478,596	509,979
Tolak: Peruntukan untuk kerugian rosot nilai pada yuran belum diterima	(26,832)	(20,756)
	451,764	489,223
Prabayaran	30,105	17,487
Deposit	21,144	21,144
	503,013	527,854

Yuran belum terima dari ahli-ahli semasa adalah matang pada 1 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:

	2014 RM	2013 RM
Rosot nilai secara individu		
Nilai buku penghutang sebelum rosot nilai	478,596	509,979
Tolak: Peruntukan untuk kerugian rosot nilai pada yuran belum diterima	(26,832)	(20,756)
	451,764	489,223

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

	2014 RM	2013 RM
Baki pada 1 Januari	20,756	75,675
Kerugian rosot nilai tambahan	26,057	18,581
Diperolehi semula	(7,577)	(54,605)
Dihapuskira	(12,404)	(18,895)
Baki pada 31 Disember	26,832	20,756

7. PENGHUTANG, PRABAYARAN DAN DEPOSIT (SAMB.)

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

	2014 RM	2013 RM
Belum lepas tempoh matang atau rosot nilai	147,209	318,352
0 hingga 30 hari lepas tempoh matang	159,610	20,398
31 hingga 60 hari lepas tempoh matang	40,391	30,920
61 hingga 90 hari lepas tempoh matang	3,413	3,596
Melebihi 90 hari lepas tempoh matang	127,973	136,713
	478,596	509,979
Peruntukan untuk kerugian rosot nilai	(26,832)	(20,756)
	451,764	489,223

Penghutang yang belum lepas tempoh bayaran atau dirosot nilai

Penghutang yang belum lepas 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 lepas tempoh bayaran tetapi tidak dirosot nilai

Penghutang yang lepas 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

	2014 RM	2013 RM
Simpanan tetap dengan sebuah bank berlesen	3,700,667	3,215,054

Kadar faedah efektif purata berwajaran untuk simpanan tetap pada akhir tempoh pelaporan adalah 3.17% (2013: 3.05%) setahun.

Tempoh matang purata simpanan tetap tersebut adalah 2.8 bulan (2013: 2.9 bulan).

9. PENDAPATAN TERTUNDA

Pendapatan tertunda mewakili geran Kerajaan yang diberikan oleh Lembaga Kemajuan Perindustrian Malaysia (MIDA) untuk peningkatan dan memodenisasikan sistem teknologi maklumat Institut. Pergerakan sepanjang tahun kewangan adalah seperti berikut:

	2014 RM	2013 RM
Geran		
Baki pada 1 Januari	406,278	421,749
Penyelarasan untuk nilai tidak boleh dituntut	–	(15,471)
Baki pada 31 Disember	406,278	406,278
Pelunasan terkumpul		
Baki pada 1 Januari	(270,852)	(140,583)
Pelunasan pendapatan geran bagi tahun kewangan	(135,426)	(140,583)
Penyelarasan untuk nilai tidak boleh dituntut	–	10,314
Pendapatan geran bersih diiktiraf dalam untung atau rugi	(135,426)	(130,269)
Baki pada 31 Disember	(406,278)	(270,852)
Nilai buku bersih	–	135,426

Geran Kerajaan diiktiraf sebagai pendapatan berasaskan dasar sistematik dan rasional ke atas hayat berguna aset boleh susut nilai yang diperolehi dengan menggunakan geran tersebut.

10. PEMIUTANG DAN AKRUAN

	2014 RM	2013 RM
Hutang kepada persatuan pelajar	–	233,172
Pemiutang lain	858,788	550,901
Akruan	590,899	614,405
	1,449,687	1,398,478

Profil pendedahan matawang pemiutang dan akruan adalah seperti berikut:

	2014 RM	2013 RM
Ringgit Malaysia	1,230,250	1,398,478
Dolar Australia	219,437	–
	1,449,687	1,398,478

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11. PENDAPATAN DAN BELANJA AKTIVITI LAIN

	Pendapatan RM	Belanja RM	Lebihan/ (Defisit) RM
2014			
Pembangunan profesional berterusan	393,806	252,707	141,099
Majlis jamuan tahunan	85,000	99,085	(14,085)
Anugerah kecemerlangan MICPA	13,440	27,192	(13,752)
Jurnal dan penerbitan	37,784	9,195	28,589
Perhimpunan ahli-ahli tidak formal	13,350	12,403	947
Buku panduan belajar MICPA	2,250	3,000	(750)
Syarahan kenangan dan jamuan	63,900	57,428	6,472
Minggu perakaunan	33,850	34,070	(220)
	643,380	495,080	148,300
Aktiviti yang dikelolakan bersama pertubuhan lain:			
Pertandingan NACRA	16,432	–	16,432
Ulasan Belanjawan 2015	98,870	–	98,870
	115,302	–	115,302
	758,682	495,080	263,602
2013			
Pembangunan profesional berterusan	420,770	284,617	136,153
Majlis jamuan tahunan	69,300	79,135	(9,835)
Anugerah kecemerlangan MICPA	13,100	35,349	(22,249)
Jurnal dan penerbitan	31,539	8,744	22,795
Perhimpunan ahli-ahli tidak formal	12,510	7,116	5,394
Buku panduan belajar MICPA	5,625	3,000	2,625
Syarahan kenangan dan jamuan	58,500	55,081	3,419
Minggu perakaunan	36,915	33,867	3,048
	648,259	506,909	141,350
Aktiviti yang dikelolakan bersama pertubuhan lain:			
Forum perniagaan	54,165	–	54,165
Pertandingan NACRA	15,142	–	15,142
Ulasan Belanjawan 2014	101,962	–	101,962
	171,269	–	171,269
	819,528	506,909	312,619

Belanja bagi aktiviti-aktiviti di atas merupakan belanja langsung yang dapat dikenalpasti sahaja dan tidak termasuk belanja overhead. Belanja untuk buku panduan belajar MICPA untuk tahun kewangan semasa termasuk pelunasan kos pembangunan berjumlah RM3,000 (2013: RM3,000).

12. PENDAPATAN LAIN

	2014 RM	2013 RM
Rebat afiniti – direct access	7,607	7,993
Pelunasan pendapatan geran (Nota 9)	135,426	130,269
Denda diterima daripada prosiding disiplin	45,375	250
Perolehan daripada pelupusan loji dan peralatan	3,550	–
Faedah simpanan tetap	119,249	101,375
Perolehan direalisasikan ke atas pertukaran asing	17,956	4,327
Lain-lain	8,809	2,535
	337,972	246,749

13. BELANJA KENDALIAN

	2014 RM	2013 RM
Belanja pengiklanan	2,226	5,387
Belanja mesyuarat agung tahunan dan mesyuarat Majlis	7,663	7,206
Pelunasan aset tidak ketara – perisian komputer (Nota 5)	131,184	134,447
Kerugian rosot nilai penghutang	18,480	(36,024)
Penghapuskiraan penghutang tidak dapat diperolehi semula	35,243	32,588
Ganjaran juruaudit	18,000	18,000
Bayaran bank	33,726	34,983
Susut nilai loji dan peralatan (Nota 4)	24,401	25,112
Belanja langsung peperiksaan	534,576	399,224
Elektrik dan air	32,610	29,191
Belanja am	10,342	12,728
Insuran	20,040	19,890
Inventori dihapuskirakan	51	1,401
Jurnal dan pernyataan teknikal	153,693	174,255
Bayaran perundangan dan profesional	24,730	3,230
Penghapuskiraan loji dan peralatan	38	–
Penyelenggaraan	22,709	23,561
Belanja perubatan	9,940	7,615
Sewa pejabat	120,000	120,000
Majalah dan stok perpustakaan	8,923	9,080
Pos dan telefon	76,449	83,220
Percetakan dan alatulis	58,864	50,137
Belanja promosi program MICPA	107,615	156,911
Belanja pembangunan profesional	217,713	215,377
Kos kakitangan		
– Kumpulan Wang Simpanan Pekerja dan SOCSO	285,745	246,616
– Gaji dan bonus	1,997,920	1,683,643
Dana rekreasi pekerja	2,969	24,966
Latihan staff	9,430	2,450
Yuran kepada badan perakaunan antarabangsa	42,686	38,912
Belanja perjalanan	116,396	73,508
Bayaran teknikal	395,359	386,337
Kerugian pertukaran asing yang belum direalisasikan	2,202	–
	4,521,923	3,983,951

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.

	2014 RM	2013 RM
Pendapatan cukai	-	-

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:

	2014 %	2013 %
Kadar cukai dikenakan	21.43	24.05
Kesan cukai berkaitan dengan:		
Pendapatan tidak dikenakan cukai	(66.39)	(39.75)
Belanja tidak dibenarkan	14.64	6.44
Pendapatan cukai tertunda tidak diiktirafkan	30.32	9.26
Kadar cukai efektif	-	-

- (c) Tertakluk kepada persetujuan dengan Lembaga Hasil Dalam Negeri, Institut mempunyai kerugian cukai belum diserap sebanyak RM2,107,564 (2013: RM1,709,092) dan elaun modal belum diserap sebanyak RM89,597 (2013: RM76,427) di mana boleh digunakan untuk mengimbangi lebihan kena dibayar cukai pada masa hadapan.

15. CUKAI TERTUNDA

Cukai tertunda ditentukan selepas imbangan sewajarnya adalah seperti berikut:

	2014 RM	2013 RM
Liabiliti cukai tertunda	3,530	3,644
Aset cukai tertunda	(3,530)	(3,644)
Cukai tertunda bersih	-	-

15. CUKAI TERTUNDA (SAMB.)

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

	Pada 1 Januari RM	Diiktiraf dalam untung atau rugi RM	Pada 31 Disember RM
2014			
Liabiliti cukai tertunda			
Lebihan peruntukan modal ke atas susut nilai	3,644	(114)	3,530
Aset cukai tertunda			
Elaun modal belum diserap	(3,644)	114	(3,530)
2013			
Liabiliti cukai tertunda			
Lebihan peruntukan modal ke atas susut nilai	5,552	(1,908)	3,644
Aset cukai tertunda			
Elaun modal belum diserap	(5,552)	1,908	(3,644)

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

	2014 RM	2013 RM
Kerugian cukai belum diserap	2,107,564	1,709,092
Elaun modal belum diserap	73,127	61,277
	2,180,691	1,770,369

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:

	2014 RM	2013 RM
Simpanan tetap	3,700,667	3,215,054
Tunai dan baki di bank	249,465	192,651
	3,950,132	3,407,705

17. URUSNIAGA PIHAK BERKAITAN

Selain daripada yang didedahkan pada Nota 6, urusanniaga yang diuruskan dengan pihak berkaitan pada tahun kewangan adalah seperti berikut:

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

Tabung Amanah Pendidikan MACPA (Tabung) adalah satu dana yang ditubuhkan oleh Institut dan diurus oleh Pemegang-pemegang Amanah. Sebelum ini, Tabung tersebut dianggap sebagai suatu pihak berkaitan dengan Institut di mana kuasa melantik Pemegang Amanah baru adalah diletak hak pada Majlis Institut sepertimana yang diperuntukkan dalam Surat Ikatan Amanah Utama bertarikh 14 November 1981. Pada 11 Ogos 2014, Pemegang-pemegang Amanah telah menyempurnakan Surat Ikatan Amanah Tambahan Kedua untuk meminda Surat Ikatan Amanah Utama yang mana, di antaranya, memperuntukkan bahawa sekiranya mana-mana seorang Pemegang Amanah berhenti menjadi Pemegang Amanah, kuasa untuk melantik Pemegang Amanah baru bagi menggantikan Pemegang Amanah yang berhenti tersebut diletak hak pada Pemegang-pemegang Amanah yang sedia ada. Memandangkan kepada pindaan tersebut, Tabung tersebut tidak lagi merupakan pihak berkaitan dengan Institut yang berkuatkuasa pada 11 Ogos 2014.

Urusniaga dengan Tabung Amanah Pendidikan MACPA dalam tempoh kewangan adalah seperti berikut:

	Tempoh dari 1.1.2014 hingga 10.8.2014 RM	Tempoh dari 1.1.2013 hingga 31.12.2013 RM
Pendapatan/(Belanja)		
Belanja pentadbiran dicaj kepada Tabung Amanah Pendidikan MACPA	33,857	56,529
Caj sewa oleh Tabung Amanah Pendidikan MACPA	(72,986)	(120,000)

Baki belum jelas pada akhir tahun dengan Tabung Amanah Pendidikan MACPA adalah seperti berikut:

	2014 RM	2013 RM
Termasuk dalam penghutang	829	5,397

Amaun belum jelas tersebut adalah tidak bercagar, tanpa faedah dan dibayar balik apabila dituntut dan penyelesaian dijangka dalam tunai.

(b) Yuran dibayar oleh Ahli-ahli Majlis

	2014 RM	2013 RM
Yuran tahunan ahli	18,375	18,075
Yuran sijil pengamalan	12,100	12,100
	30,475	30,175

17. URUSNIAGA PIHAK BERKAITAN (SAMB.)

(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:

	2014 RM	2013 RM
Faedah pekerja jangka pendek	525,000	409,200
Faedah selepas penggajian		
– sumbangan kepada Kumpulan Wang Simpanan Pekerja	64,575	61,380
	589,575	470,580

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:

	2014 RM	2013 RM
Termasuk dalam pemiutang dan akruan	105,000	92,400

18. 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:

	2014 RM	2013 RM
Aset Kewangan		
<i>Pinjaman dan penghutang</i>		
Penghutang dan deposit	472,908	510,367
Simpanan tetap dengan bank berlesen	3,700,667	3,215,054
Wang tunai dan baki di bank	249,465	192,651
Jumlah pinjaman dan penghutang	4,423,040	3,918,072
Liabiliti Kewangan		
<i>Liabiliti kewangan dinilai pada kos dilunaskan</i>		
Pemiutang	858,788	784,073
Akruan	590,899	614,405
Jumlah liabiliti kewangan dinilai pada kos dilunaskan	1,449,687	1,398,478

18. INSTRUMEN KEWANGAN (SAMB.)

(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, simpanan tetap 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 RM283,422 (2013: RM172,132) yang telah berhutang melebihi 30 hari dan baki di bank dan simpanan tetap sebanyak RM3,950,132 (2013: RM3,407,705) 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	
	2014 RM	2013 RM
Hutang kepada persatuan pelajar	–	233,172
Pemiutang lain	858,788	550,901
Akruan	590,899	614,405

(iii) Risiko Pasaran

Risiko pasaran adalah risiko di mana nilai instrument kewangan akan berubah disebabkan perubahan harga pasaran.

Pendedahan risiko pasaran utama Institut adalah perubahan kadar matawang dan faedah dan di mana dibincangkan di bawah tajuk risiko masing-masing.

18. INSTRUMEN KEWANGAN (SAMB.)

(b) Pengurusan Risiko Kewangan (Samb.)

(iii) Risiko Pasaran (Samb.)

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. Institut menjangka bahawa sebarang perubahan kadar faedah simpanan tetap tidak akan memberi kesan yang ketara kepada keputusan kewangan 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 bagi pemiutang dan akruan diberitahu 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 RM21,944 (2013: TIADA).

(c) Nilai Saksama untuk Penyata Kewangan

Nilai buku aset kewangan dan liabiliti kewangan Institut pada akhir tahun kewangan menghampiri nilai saksamanya disebabkan jangka pendek kematangannya.

19. ANGKA PERBANDINGAN

Angka perbandingan untuk perolehan direalisasi ke atas pertukaran asing berjumlah RM4,327 telah diklasifikasi semula daripada belanja kendalian kepada pendapatan lain untuk disesuaikan dengan pembentangan tahun semasa.

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)

(Syarikat Berhad dengan jaminan yang ditubuhkan di Malaysia)

LAPORAN MENGENAI PENYATA KEWANGAN

Kami telah mengaudit penyata kewangan INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA yang merangkumi penyata kedudukan kewangan pada 31 Disember 2014, 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 111 hingga 139.

Tanggungjawab Majlis ke atas Penyata Kewangan

Majlis Institut bertanggungjawab dalam penyediaan penyata kewangan yang memberi gambaran yang benar dan saksama menurut Piawaian Pelaporan Kewangan Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan Akta Syarikat, 1965 di Malaysia. Majlis juga bertanggungjawab untuk 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 memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Institut pada 31 Disember 2014 dan prestasi kewangan dan aliran tunai untuk tahun kewangan berakhir pada tarikh tersebut menurut Piawaian Pelaporan Kewangan Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan keperluan Akta Syarikat, 1965 di Malaysia.

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.

Khoo Pek Ling
900/03/16(J/PH)
Akauntan Bertauliah

Leong Kok Tong
2973/11/15(J)
Akauntan Bertauliah

Kuala Lumpur
Tarikh: 18 Mei 2015

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 **Roof Garden Executive Lounge, RG Floor, Sime Darby Convention Centre, Jalan Bukit Kiara** on **June 13, 2015** at **10:00 a.m.** and at any adjournment thereof.

Signature _____

Dated this _____ day of _____, 2015

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
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