

December 2009

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

Announcements

Greetings

The President, Council, Management and Staff of the MICPA would like to wish all Members' ***A Happy New Year.***

Pathways Route to ICAEW Membership

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

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

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

MICPA Education & Training

Revised MICPA Programme

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

In this regard, we are pleased to inform members that the Institute has implemented its new examination structure for the revised MICPA programme effective June 2009.

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

Upon satisfactory completion of the examinations and other admission requirements, students will be eligible to be admitted as members of MICPA and ICAA. For further information on the Revised MICPA programme, please click [here](#)

Activities of the Institute

NACRA 2009

NACRA is an annual event jointly organised by Bursa Malaysia Berhad, Malaysian Institute of Accountants and The Malaysian Institute of Certified Public Accountants. The NACRA 2009 Awards Presentation Ceremony was held on Tuesday, December 1, 2009 at the Sime Darby Convention Centre. The ceremony was officiated by YB Dato' Seri Sabri Yaakob, Minister of Domestic Trade, Cooperatives and Consumerism. **To view the Winners of NACRA 2009, please click [here](#)**

Featuring the theme *Towards Accountability and Excellence*, the objective of NACRA is to promote greater corporate accountability and more effective communication by organisations to their stakeholders through the publication of timely, informative, factual and reader-friendly annual reports.

12th MICPA Accountancy Week

We have pleasure in informing that the Institute will be holding its 12th MICPA Accountancy Week from **February 27 to March 6, 2010** with the theme **New Age Professionalism**.

A series of events have been slated for the week including:

- accounting quiz (AccQuiz) for upper secondary schools;
- accounting students quiz;
- management simulation game;
- sports and games competition; and
- career counseling sessions.

For further information, please click [here](#)

Visits to Members' Firms and Approved Training Organisations

The Institute continues in its efforts to make courtesy visits to members' firms and ATOs as a means of further enhancing the synergistic partnership which already exists between both parties and to identify ways to collaborate and strengthen professional relationship. The Institute has planned a schedule of visits to members' firms and ATOs for 2010.

Collaboration with Universities and Colleges of Advanced Education

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

During the career talks, our distinguished speakers communicate the value of our home-grown CPA Malaysia as the preferred choice for prospective accountants, share the ingredients for success with the students and highlighted that the Institute

has a strong pool of successful luminaries and business professionals in our fold of CPAs and the diverse roles they undertake in their careers.

The aim is to also attract the younger generation to join the CPA programme. In this regard, the Institute has planned a schedule of visits to universities and colleges of advanced education in 2010.

Career Talks at Secondary Schools

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

In this respect, a series of scheduled career talks at secondary schools to Forms 4, 5 and 6 students undertaking the Principles of Accounting subject will be planned for 2010.

Job Opportunities on MICPA Website

As part of the Institute's service to members', Members' Firms and Approved Training Organisations of the Institute who wish to advertise any job opportunities in their respective firms are welcome to send in the job vacancy to the Institute. The opening will be posted on the MICPA website for one (1) month from the date of posting.

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

Members Update

MICPA Technical Updates

Joint Tax Working Group on Financial Reporting Standards

Further to Circular No. TEC/058/12/2009W dated December 2, 2009, members' are informed that the Joint Tax Working Group on Financial Reporting Standards (JTWG-FRS) has further reviewed the following Financial Reporting Standards (FRS):

- FRS 116 Property, Plant and Equipment
- FRS 139 Financial Instruments: Recognition & Measurement

Members were encouraged to study the draft write-ups on major tax implications related to the implementation of the FRSs and provide comments to the JTWG-FRS. The comments would be collated and, where appropriate be incorporated into the write-ups before finalisation.

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

Malaysian Accounting Standards Board (MASB)

The Malaysian Accounting Standards Board has recently issued the following Exposure Drafts (EDs) as follows:

- ***Amendments to FRS 2, Share-Based Payment – Group Cash-Settled Share-Based Payment Transactions***

Further to Circulars No. TEC/059/12/2009/W dated December 8, 2009 members are informed that the Malaysian Accounting Standards Board (MASB) has recently issued an Exposure Drafts (ED) on Amendments to FRS 2, *Share-based Payment – Group Cash-settled Share-Based Payment Transactions* (MASB ED 68) that clarifies the accounting for group cash-settled share-based payment transactions.

The Exposure Draft is identical with the Amendments to IFRS 2, *Share-based Payment – Group Cash-settled Share-based Payment Transactions* which was issued by the International Accounting Standards Board (IASB) in June 2009.

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

- ***Exposure Draft 69, Financial Instruments***

Further to Circular No. TEC/060/12/2009/W dated December 11, 2009 members are informed that the MASB has issued an Exposure Draft 69, *Financial Instruments* (MASB ED 69). The Exposure Draft is identical with IFRS 9, *Financial Instruments* which was issued by the IASB in November 2009.

IFRS 9 represents the completion of the first part of a three-part project to replace IAS 39, *Financial Instruments: Recognition and Measurement*. It deals with the classification and measurement of financial assets. Proposals addressing the second part, the impairment methodology for financial assets were published for public comment by the IASB on November 5, 2009, while proposals on the third part, on hedge accounting, will be issued in 2010.

MASB ED 69 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in FRS 139. The approach in MASB ED 69 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The proposed standard also requires a single impairment method to be used, replacing the many different impairment methods in FRS 139. Thus, MASB ED 69 improves comparability and makes financial statements easier to understand for investors and other users.

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

- ***Exposure Draft 70, Guidance on Transition to IFRSs***

Further to Circular No. TEC/061/12/2009/W dated December 16, 2009 members are informed that the MASB has issued an Exposure Draft 70, *Guidance on Transition to IFRSs* (MASB ED 70).

ED 70 is issued to assist entities in the transition period towards the application of International Financial Reporting Standards (IFRSs). This proposed guidance contains several recommendations whereby entities that are required to apply IFRSs in 2012, are encouraged to provide users with appropriate and useful information during the transition phase from MASB Financial Reporting Standards (FRS) to IFRS. It prescribes the disclosure guidelines for the preparation of financial statements for the transition to IFRS, namely for the 2010 and 2011 financial statements.

Preparers are encouraged to provide narrative disclosures relating to the changeover to IFRS in their annual reports. This would help investors and other users of financial statements better understand the transition process.

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

Membership Data Update

Further to Circular No. MEM/01/11/2009 dated November 20, 2009 members are reminded that they should inform the Institute of any change in their correspondence and e-mail addresses. This is to ensure that you receive all circulars, publications, correspondences and e-mail broadcasts promptly.

Please click [here](#) to download the form and fax the completed form to the MICPA Secretariat at fax no: +603-2698 9403. You may also send an e-mail to membership@micpa.com.my for the change of correspondence and e-mail address.

MICPA Practising Certificate

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

The Committee would like to remind members that in accordance with **bye-law 56 of the Institute's bye-laws**, a member shall be entitled to engage in public practice in Malaysia only if he holds a practising certificate issued by the Institute. If members need clarification on the above requirement, you may forward your inquiry to membership@micpa.com.my or call +603-2698 9622.

CPD On-Line Record

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

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

Young CPA Group

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

Continuing Professional Development (CPD) Programmes

Practical Application of FRS 139

A one-day Workshop on *Practical Application of FRS 139* will be held on February 4, 2010 at Best West Premier Seri Pacific Hotel Kuala Lumpur.

On January 1, 2010, FRS 139 *Financial Instruments: Recognition and Measurement* will become operative. The workshop aims to provide insights into practical aspects on applying and implementing FRS 139 for non-financial institutions.

After a brief introduction on FRS 139 requirements, the workshop leader will identify the common challenges faced by many corporations in Malaysia, with sharing of lessons learnt, benefits realised and the drawbacks observed.

The Workshop will end with a latest update on what will happen next: current development of the replacement project of IAS 39 that is the formulation of IFRS 9 including the analysing of material differences between FRS 139 and IFRS 9.

For further information on the workshop, please click [here](#)

Preparation for GST

The MICPA is organising a one-day Workshop on *Preparation for GST* on March 3, 2010 at Concorde Hotel Kuala Lumpur.

Goods and Services Tax (GST) is a broad-based consumption tax levied on wide range of goods and services. It is set to replace the current sales tax and services tax as well as exemption will be granted to the low-income group. Being the consumption tax, businesses and people will be affected.

The workshop will provide a platform for participants to engage interactively with a panel of tax experts and to gain an understanding on the aspects on GST implementation with lessons learnt from other countries.

For further information, please contact the Institute's Education & Research Manager on Tel: 03-2698 9622 or email: chtan.edu@micpa.com.my or salmiah.edu@micpa.com.my.

Updates from Regulatory Bodies

SECURITIES COMMISSION OF MALAYSIA (SC)

SC Releases Issuer Eligibility Guidelines – Structured Warrants

The Securities Commission Malaysia (SC) on December 1, 2009 released the *Issuer Eligibility Guidelines - Structured Warrants* (the eligibility guidelines) which will enable the SC to continue to assess the suitability of structured warrants issuers, as part of the efforts to maintain market confidence and enhance investor protection.

Under the eligibility guidelines, structured warrants issuers are required to submit a declaration to the SC confirming that they comply with the requirements pertaining to, amongst others, issuer's risk management measures, sales and marketing practices and internal control procedures. The declaration must be submitted at least one

month prior to the submission of prospectus for structured warrants issues for registration by the SC.

Since the disapplication of the SC's *Structured Warrants Guidelines* following the new equity fund-raising framework which became effective on August 3, 2009, the approval for the issuance and listing of structured warrants has moved from the SC to Bursa Malaysia. The SC would, however, continue to vet and register structured warrants prospectuses to ensure adequate and meaningful disclosures to investors. At the same time, the SC will continue to assess the suitability of structured warrants issuers through the introduction and application of the eligibility guidelines.

The eligibility guidelines are released following a three-week public consultation which ended on October 7, 2009. In finalising the guidelines, the SC considered all comments on the exposure draft received from industry players including the investment banks which are existing issuers of structured warrants.

The guidelines are effective immediately and are available on the SC website www.sc.com.my.

SC Grants Fund Management, Corporate Finance Licences to Goldman Sachs

The SC has approved an application by Goldman Sachs to establish fund management and corporate finance advisory operations in Malaysia. The application by Goldman Sachs was pursuant to the liberalisation measures announced by the honourable Prime Minister, YAB Dato' Sri Mohd Najib Tun Abdul Razak in June this year as well as in the Budget announcement in October.

The liberalisation, part of Malaysia's strategic shift to the high growth agenda, will enhance its position as an attractive base for foreign capital market participants. This, in turn, will provide investors and issuers in Malaysia with a wider choice of investment products and services.

Goldman Sachs is a leading global financial services firm providing investment banking, securities and investment management services to a substantial and diversified client base. The firm is headquartered in New York and maintains offices in London, Frankfurt, Tokyo, Hong Kong and other major financial centers around the world.

For further information, please visit www.sc.com.my.

BURSA MALAYSIA BERHAD

Bursa Malaysia Derivatives Berhad Unveils New Board and Management Line-Up

On December 1, 2009, Bursa Malaysia Derivatives Berhad announced its new Board structure and members, following the completion on November 30, 2009 of the acquisition by CME Group Inc. (CME Group) of a 25% equity interest in Bursa Malaysia Derivatives Berhad from Bursa Malaysia Berhad.

Effective November 30, 2009, the Board of Bursa Malaysia Derivatives Berhad is comprised of four directors, three of whom represent Bursa Malaysia Berhad and one of whom represents CME Group. Dato' Yusli Mohamed Yusoff, Omar Merican and Nadzirah Abdul Rashid, of Bursa Malaysia, and Phupinder Gill, President of CME

Group, will serve on the Board. Dato' Yusli Mohamed Yusoff, Chief Executive Officer of Bursa Malaysia Berhad, has been appointed to serve as Chairman of the Board.

Bursa Malaysia Derivatives Berhad also announced the appointment of Chong Kim Seng as Chief Executive Officer who will be spearheading the expansion and development of Bursa Malaysia Derivatives Berhad's products and services offerings and its derivatives market infrastructure.

Prior to the acquisition by CME Group, a restructuring, to consolidate all of Bursa Malaysia Berhad's derivatives businesses into Bursa Malaysia Derivatives Berhad, was completed.

The restructuring included the acquisition by Bursa Malaysia Derivatives Berhad of 100% equity interest in Bursa Malaysia Derivatives Clearing Berhad from Bursa Malaysia Berhad. The structure and members of Bursa Malaysia Derivatives Clearing Berhad's Board is now the same as that of the Bursa Malaysia Derivatives Berhad Board.

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

Bursa Malaysia Receives Overall Excellence Award and Best Governance and Transparency Index Award

In a press release dated December 11, 2009, Bursa Malaysia announced that there were accorded the **Overall Excellence Award**, the top recognition for exemplary standards of corporate governance practices, at the inaugural MSWG Malaysian Corporate Governance Index 2009 award presentation ceremony.

The Exchange, which shared the top spot with Public Bank Berhad, also received the award for **Best Governance and Transparency Index**. Bursa Malaysia Chairman, YAB Tun Mohamed Dzaiddin received the award from YBhg Dato' Mukhriz Mahathir, Deputy Minister of International Trade and Industry at the award presentation ceremony held on December 10, 2009.

The inaugural MSWG Malaysia Corporate Governance Index 2009 Award recognises and appreciates efforts of listed companies that promote best practices in corporate governance.

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

News from IFAC and IASB

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

IPSASB Issues Standard on Agriculture as Part of its Global Convergence Programme

The International Public Sector Accounting Standards Board (IPSASB) has taken a further step in its global convergence program with International Financial Reporting Standards (IFRSs), scheduled for completion by December 31, 2009, by issuing International Public Sector Accounting Standard (IPSAS) 27, *Agriculture*. IPSAS 27 provides requirements for accounting for agricultural activity.

IPSAS 27 is primarily drawn from the International Accounting Standards Board's International Accounting Standard 41, *Agriculture*, with limited changes dealing with public sector-specific issues. For example, IPSAS 27 addresses biological assets--such as livestock--held for transfer or distribution at no charge or for a nominal charge to other public sector bodies or to not-for-profit organizations. IPSAS 27 also includes disclosure requirements that are aimed at enhancing consistency with the statistical basis of accounting that governs the Government Finance Statistics Manual.

"Agricultural activity can be significant for the public sector in certain parts of the world, including many developing countries," states Mike Hathorn, Chair of the IPSASB. "This IPSAS provides financial reporting requirements that enhance accountability for such activity and are a further step towards our convergence target."

IPSAS 27 is available to download free of charge from the IFAC website (www.ifac.org/Store). The IPSASB encourages IFAC members, associates, regional accountancy bodies, and firms to use these materials and to promote their availability to members and employees.

For further information, visit www.ifac.org.

IFAC's Accounting Education Standards Board Releases New Framework and Drafting Conventions to Enhance Clarity of its Standards

The International Accounting Education Standards Board (IAESB), an independent standard-setting board within the International Federation of Accountants (IFAC), has released its *Framework for International Education Standards for Professional Accountants* (the Framework), which enhances the relevancy, consistency, and applicability of its publications to IFAC members.

The Framework sets out the educational concepts that underlie the IAESB's International Education Standards (IESs), describes the nature of IAESB publications, and affirms IFAC member bodies' obligations relating to accounting education. The Framework also includes an appendix "IAESB Drafting Conventions" (the Drafting Conventions), which will be used to increase the clarity of its standards.

The Framework is addressed primarily to IFAC member bodies because of their interest in the education, development, and assessment of their members and students. It is also relevant to a wide range of stakeholders, including accounting faculties at universities, employers of professional accountants, professional accountants, prospective professional accountants, and others interested in the work of the IAESB.

The Framework document has been released following the consideration and approval by the Public Interest Oversight Board of due process and extensive public interest consultation. The document is available to download free of charge from the Publications and Resources section of the IFAC website (<http://web.ifac.org/publications>). For further information, please visit www.ifac.org.

IAASB Issues New Assurance Standard on Controls at Service Organisations

Recognising the widespread international use of outsourcing, the International Auditing and Assurance Standards Board (IAASB) on December 18, 2009 released

International Standard on Assurance Engagements (ISAE) 3402, *Assurance Reports on Controls at a Service Organisation*. This new standard addresses reports on the description, design, and operating effectiveness of controls relating to the broad range of services that today's service organizations provide. Such services can range from assisting with processing transactions to performing one or more business functions.

A single service provided by a service organisation can have direct relevance to the quality of financial reports prepared by entities around the globe. Effective controls for delivering the service are therefore essential," says Arnold Schilder, IAASB Chair, adding, "This new standard sets a global benchmark for reporting on controls at a service organisation, thereby helping to fulfill the needs of those who use such services and their auditors under International Standards on Auditing (ISAs)."

"ISAE 3402 is the first new assurance standard, other than the ISAs, developed under the IAASB's *International Framework for Assurance Engagements*," explains James Gunn, IAASB Technical Director. "Therefore, the IAASB will be interested in the experiences of service auditors and others with its implementation and has decided to actively seek feedback in 2013 on implementation of the standard," added Mr Gunn.

ISAE 3402 is effective for service auditors' reports covering periods ending on or after June 15, 2011. An overview of this new standard is available in the IAASB section of the new Publications and Resources site.

For further information, visit www.ifac.org.

IPSASB Achieves Goal of Substantial Convergence with IFRSs

December 8-11, 2009 meeting in Rome, the International Public Sector Accounting Standards Board (IPSASB) of the IFAC achieved its strategic goal of substantial convergence with the International Financial Reporting Standards (IFRSs) dated December 31, 2008, with a series of new or improved standards.

Three of these new International Public Sector Accounting Standards (IPSASs) deal with financial instruments—in terms of presentation, recognition and measurement, and disclosures. A fourth standard covers intangible assets and an improvements standard makes minor changes to existing IPSASs. They are primarily drawn from IFRSs, with limited changes dealing with public sector-specific issues. In addition, the board approved an exposure draft covering service concessions.

"In the current global economic environment, when governments are increasingly raising debt through the capital markets as a result of their financial interventions in the private sector, the need for certainty in the application of well-developed financial instruments standards has particular urgency," states Mike Hathorn, Chair of the IPSASB. "Achieving convergence is also crucial to enhancing transparency at this time of large scale government interventions," he adds.

The December 2009 meeting was the last under Mr. Hathorn's chairmanship; his three-year term ends on December 31, 2009—a period that has seen a significant increase in momentum in global interest in and adoption of IPSASB standards. "During the last 12 months in particular, the achievement of the board and its staff in progressing convergence with IFRSs standards has been outstanding—and I am confident that it will meet the increasing needs of the global public sector in the future," he concludes.

The new standards and exposure draft will be available to download free of charge from the IFAC website (web.ifac.org/publications) in January 2010.

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

FCAG Meet to Review Standard-Setting Response to Financial Crisis

The Financial Crisis Advisory Group (FCAG) met on December 15, 2009 to discuss the International Accounting Standards Board (IASB) and the US Financial Accounting Standards Board (FASB) actions in response to the FCAG's July 2009 report, as well as other developments in the standard-setting and regulatory environments.

The FCAG has been set up jointly by the IASB and the US Financial Accounting Standards Board (FASB) to consider financial reporting issues arising from the global financial crisis. Following six meetings that took place from January to July 2009 it issued its final report on July 28, 2009. The group comprises recognised leaders from the fields of business and government with a broad range of experience in international financial markets

For further information, please visit www.iasb.org.

IASC Foundation Publishes 2010 Architecture for the IFRS and IFRS for SMEs Taxonomies

On December 9, 2009, the International Accounting Standards Committee (IASC) Foundation published The *IFRS Taxonomy 2010 Architecture Draft* for public comment. It also published a project summary and feedback statement on *Architectural improvements to the IFRS Taxonomy*. The feedback statement summarises the architectural improvements that will be implemented in the next release of the IFRS Taxonomy in 2010 as a result of consultations in July 2009.

The IFRS Taxonomy 2010 Architecture Draft documents in detail the XBRL (eXtensible Business Reporting Language) architecture of the IFRS Taxonomy 2010, including the **IFRS for Small and Medium-Sized Entities (SMEs) Taxonomy**. It explains the design rationale of the IFRS Taxonomy architecture, how the architecture satisfies the requirements of the Taxonomy, and the use of axes (dimensions), taxonomy modularisation, taxonomy framework, extensions framework and instantiation in the Taxonomy. It also addresses new XBRL technologies such as formulae, rendering and versioning, and the technical aspects of the IFRS Taxonomy relevant to software vendors.

The project summary and feedback statement summarise the consultations that followed the release of the **IFRS Taxonomy 2009** and the outcome of two **Requests for Information (RfIs)** that were published in July 2009 by the IASC Foundation to receive additional input on *Concept Naming and Change Management in the IFRS Taxonomy* and *Extending the Use of Dimensions in the IFRS Taxonomy*. The RfIs were published in the light of feedback on the IFRS Taxonomy 2009 that suggested that the IFRS Taxonomy architecture could be improved by extending the use of axes (dimensions) in the Taxonomy, and by reconsidering the IASC Foundation's approach for concept naming and its principle of deleting deprecated concepts.

The IASC Foundation has also decided to publish a single architecture for the IFRS and the IFRS for SMEs Taxonomies, which reflects the outcome of the wide consultations that followed the release of the **exposure draft** of the IFRS for SMEs

Taxonomy in September 2009. Consequently, architectural improvements to the IFRS Taxonomy 2010 will be implemented in the IFRS for SMEs Taxonomy, and will therefore affect the release of the final IFRS for SMEs Taxonomy, previously scheduled for December 2009.

The exposure draft of the IFRS Taxonomy 2010 will be released in February 2010 and will include an improved version of the IFRS for SMEs Taxonomy. A final version of the IFRS and IFRS for SMEs Taxonomy will be released in April 2010. Any comments submitted on the exposure draft of the IFRS for SMEs Taxonomy released in September 2009 that are unrelated to the impending architectural improvements remain valid, and will be considered in the usual way and in accordance with due process.

For further information, please visit www.iasb.org.

IASB Welcomes Decision by Japanese FSA to Permit Domestic Use of IFRSs for Current Financial Year

The IASB welcomes the recent regulatory changes announced by the Japan Financial Services Agency (FSA) on December 11, 2009. The changes establish an operational framework for the voluntary application of International Financial Reporting Standards (IFRSs) in Japan, starting from the fiscal year ending on or after March 31, 2010 and represents an important step towards the adoption of IFRSs in Japan.

The changes to the Cabinet Office Ordinances provide listed companies that meet particular criteria the option of preparing their consolidated financial statements according to IFRSs, for fiscal years ending on or after March 31, 2010. The changes also end, for fiscal years ending after March 31, 2016, the option for some Japanese listed companies to submit their consolidated financial statements according to US generally accepted accounting principles.

In announcing the changes, the FSA is following the roadmap for the *Application of International Financial Reporting Standards (IFRS) in Japan (Interim Report)* released by the Business Accounting Council (BAC), an important advisory body to the Commissioner of the FSA, in June 2009. In the interim report the BAC proposed allowing an early adoption of IFRSs by listed companies followed by mandatory adoption of IFRSs from 2015 or 2016, with a final decision on the mandatory requirements being taken around 2012.

For further information, please visit www.iasb.org.

News from Other Professional Bodies

MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA)

World Congress of Accountants 2010

As members are aware, Malaysia will host the 18th World Congress of Accountants 2010 which will be held in Kuala Lumpur on November 8-11, 2010 at the Kuala Lumpur Convention Centre.

For further information, please visit [here](#).

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

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