

*July 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.*

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## **Announcements / Activities**

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### ***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.

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, the student will be eligible to be admitted as a member of MICPA and ICAA.

For further information on the Revised MICPA Programme, please click [here](#)

### ***ICAEW Recognition***

We are pleased to announce that the CPA Malaysia qualification was recognised by The Institute of Chartered Accountants in England and Wales (ICAEW) in 2004 where exemptions were granted. Recently, ICAEW have undertaken further assessment of the CPA Malaysia qualification in comparison with the ACA qualification introduced in 2007.

Members of MICPA are now able to gain credit from ICAEWs Professional Stage comprising of 12 Papers and the Advanced Stage Technical Integration Business Reporting paper. In order to gain the ACA qualification, members of MICPA will need to pass the Advanced Stage Technical Integration Business Change paper and Case Study, as well as complete the Structured Training in Ethics programme.

Members of MICPA will no longer be required to acquire three years' work experience in an ICAEW authorised training employer, which further simplifies the process for MICPA members to become ICAEW members.

The exemption awarded by ICAEW to the CPA qualification offered by the MICPA further endorses the close co-operation between the two bodies in the education and training of professional accountants.

### ***Schedule of MICPA Events for 2009***

We are pleased to inform members that the schedule of events for 2009 has been made available on the MICPA website under Events/CPD in the Homepage. For further information, please visit [www.micpa.com.my](http://www.micpa.com.my)

### ***Presentation of 2009 MICPA Excellence Awards, Examination Certificates, Prizes, Membership & Practising Certificates***

The presentation of the Most Outstanding CPA Student Award, Examination Certificates, Prizes, Membership & Practising Certificates will be held on Saturday, October 24, 2009 at 10:00 a.m. at Best Western Premier Seri Pacific Hotel Kuala Lumpur. It is also the occasion for the presentation of Excellence Awards for Best Accounting Graduates.

We are pleased to inform that YB Dato' Seri Mohamed Khaled Nordin, Minister of Higher Education will officiate the event. For further information, please contact the Institute's Public Affairs & Communications Manager on Tel: 03-2698 9622 or e-mail: [vic.pr@micpa.com.my](mailto:vic.pr@micpa.com.my)

### ***MICPA-Bursa Malaysia Business Forum 2009***

The MICPA-Bursa Malaysia Business Forum 2009 is scheduled to be held on November 9-10, 2009 (Monday & Tuesday) at Shangri-La Hotel Kuala Lumpur. For further information, please contact the Institute's Education and Research Manager on Tel: 03-2698 9622 or e-mail: [bizforum09@micpa.com.my](mailto:bizforum09@micpa.com.my)

### ***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 made a visit to our members' firm, Anuarul, Azizan, Chew & Co on July 7, 2009. The visit gave us an opportunity to brief the partners of the firm on the MoU signed with ICAA and the MICPA programme. The Institute will also make a visit to Sekhar & Tan on July 28, 2009.

### ***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 marketing strategy to promote the 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 MICPA programme.

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

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

The Institute has presented a talk on a *Career in Accountancy* to 120 students of SMK Victoria Institution on July 2, 2009.

### ***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](mailto:vic.pr@micpa.com.my).

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## **Members Update**

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### ***MICPA Technical Updates***

#### ***Inland Revenue Board of Malaysia (IRB)***

##### ***Minutes of Meeting of Working Group with Accounting Bodies – Desire Bill. 2/2009***

Further to Circular No. TEC/030/06/2009/W dated June 29, 2009 members are informed that a meeting was held between the IRB and representatives of the MICPA, CTIM, MIA, MAICSA, MATA, ICMA and MACS on May 26, 2009 to discuss issues on e-Filing.

The minutes of meeting of the working group with accounting bodies (Desire Bil. 2/2009) setting out issues discussed and the comments/ clarification provided by the IRB has been posted in the MICPA website for members' reference.

For further information, please refer to the Circular which can be downloaded from the MICPA website at [www.micpa.com.my](http://www.micpa.com.my) in the Members' Area.

#### ***Perquisites from Employment***

##### ***– Meal and Per Diem Allowances***

With reference to the above matter and the Second Addendum to Public Ruling No. 1/2006 dated February 25, 2009 pertaining to Perquisites from Employment, members are informed that the IRB has issued a letter to notify that the Ministry of Finance has given exemptions to the following allowances effective from year of assessment 2008:

- meal allowance provided to an employee for purpose of working overtime or outstation/overseas trip; and
- per diem allowance which is meant to cover meal expenses given to an employee in exercising his employment outstation/overseas

However, both the allowances mentioned above are exempted if the allowances are given based on the rate stipulated in the employer's internal circular or written instruction.

In this regard, an Addendum to Public Ruling No. 1/2006 will be issued to clarify the above matter.

For further information, please refer to the Circular No. TEC/031/07/2009/W dated July 7, 2009 which can be downloaded from the MICPA website at [www.micpa.com.my](http://www.micpa.com.my) in the Members' Area.

### ***Addendum to Public Ruling No. 6/2005 – Trade Association***

Further to Circular No. TEC/032/07/2009W dated July 10, 2009 members are informed that the IRB has issued Addendum to Public Ruling No. 6/2005 dated July 1, 2009 pertaining to Trade Association.

In this regard, the Addendum to the Public Ruling can be downloaded from the IRB website at [www.hasil.gov.my/english/eng\\_NO4\\_5\\_2.asp](http://www.hasil.gov.my/english/eng_NO4_5_2.asp)

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

The Membership Affairs Committee of the Institute in considering applications for practising certificate has frequently come across cases where a member has commenced public practice before he is issued with a practising certificate by the Institute. The Committee would like to remind members that in accordance with **bye-law 56 of the Institute's bye-laws**, a member shall be entitled to engage in public practice in Malaysia only if he holds a practising certificate issued by the Institute. If members need clarification on the above requirement, you may forward your inquiry to [membership@micpa.com.my](mailto:membership@micpa.com.my) or call 03-2698 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](http://www.micpa.com.my), login as a Member, click on Members Update on the Left-hand Menu and go to Section F to update your CPD records.

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

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

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

Members and Students are reminded that they should inform the Institute of any change in their correspondence and e-mail addresses. This is to ensure that you receive all circulars, publications, correspondences and e-mail broadcasts promptly.

Please click [here](#) to download the form and fax the completed form to the MICPA Secretariat at Fax No. 03-2698 9403. You may also send an e-mail to [membership@micpa.com.my](mailto:membership@micpa.com.my) for the change of correspondence and e-mail address.

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## Continuing Professional Development (CPD) Programmes

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### ***Accounting for Construction and Property Development Activities (FRS 111, FRS 123 and FRS 201)***

A one-day Workshop on *Accounting for Construction and Property Development Activities* will be held on August 4, 2009 at Best Western Premier Seri Pacific Kuala Lumpur.

The workshop aims to discuss the important aspects of FRS 111, 123 and 201 and to highlight the major areas of difficulty in measuring and recognising revenue and costs associated with construction contracts and property development activities. The workshop will also discuss in detail FRS 123, Borrowing Costs, which is of utmost relevance to accounting for construction contracts and property development.

The workshop will be led by Ms Lim Geok Heng. For further information, please click [here](#)

### ***Tax Planning and Strategies for Cross Border Transactions***

A one-day Workshop on *Tax Planning and Strategies for Cross Border Transactions* will be held on August 12, 2009 at the Concorde Hotel Kuala Lumpur.

The workshop will cover the important tax implications of cross-border transactions. Participants will be able to deepen and develop a comprehensive understanding of the underlying principles of transfer pricing, tax efficient structures and in insight into the business application of the most common investment structures. The workshop will be led by Mr Chow Chee Yen.

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

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## Updates from Regulatory Bodies

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### **SECURITIES COMMISSION OF MALAYSIA (SC)**

#### ***SC Chairman Receives Prestigious Islamic Finance Award***

YBhg Tan Sri Zarinah Anwar, Chairman of Securities Commission Malaysia has received the prestigious *Most Outstanding Contribution to the Development of an Islamic Capital Market* award held in conjunction with the London Sukuk Summit held on July 2-3, 2009 in London.

The London Sukuk Summit Awards honour and appreciate efforts of individuals and institutions that have contributed significantly to the development of the Islamic finance industry globally. Tan Sri Zarinah, who also delivered a keynote address at the summit, received the award on 2 July 2009 at an award presentation ceremony in London.

The award underscores the international community's recognition of the very significant role that the SC has played and will continue to play in the development of Islamic finance. In moving forward, the SC will continue to push for the introduction of new and more innovative Shariah compliant products in the market and will leverage on our facilitative regulatory framework and Malaysia's pioneering role in the development of the Islamic capital market to further promote and accelerate the growth of a competitive and thriving global Islamic financial market.

Since taking over the helm of SC in April 2006, Tan Sri Zarinah has been at the forefront of Islamic capital market development. Under her stewardship, Malaysia remains firmly established as one of the largest issuers of sukuk globally, with 60% of the world's issuance of sukuk originating from Malaysia.

Today, about 87% of the listed securities on the Malaysia stock exchange are Shariah-compliant. Malaysia offers a full range of end-to-end Shariah compliant products and services, including Shariah-compliant equities, sukuk, unit trust funds, Islamic ETFs, Islamic REITs and structured products and derivatives.

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

### ***SC Disapplies Malaysian Take-Overs Code to Private Companies***

The SC wishes to announce that Practice Note 1.2 of the Malaysian Code on Take-Overs and Mergers, 1998 (The Code) has been deleted pursuant to a gazette order that came into effect on July 16, 2009.

This follows the SC's press release dated March 16, 2009, which was issued after the Government's announcement of specific new measures in the second stimulus package designed to facilitate greater access to the capital market.

With the deletion of this Practice Note, an acquirer who has obtained control in a private company on or after July 16, 2009 will no longer be subjected to the takeover provisions of the Code. For further information, please visit [www.sc.com.my](http://www.sc.com.my)

## **BURSA MALAYSIA BERHAD**

### ***Notification: Quarterly Financial Report Pursuant to Paragraph 9.22 of the Listing Requirements***

In a press release dated July 1, 2009, Bursa Malaysia Bhd is scheduled to release its financial results for the second quarter ended June 30, 2009 on Monday, July 20, 2009 in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Bhd. For further information, please visit [www.bursamalaysia.com](http://www.bursamalaysia.com)

## **COMPANIES COMMISSION OF MALAYSIA (SSM)**

### ***Companies Act 1965: SSM's Practice Note No. 5/2009 The Filing of Objections Pursuant to a Claim of Amount Due and Owing Against a Company Undergoing a Striking-Off Process***

This Practice Note serves to inform on the requirements in relation to the filing of objections on the pretext that a company undergoing a striking-off process still owes a specific sum of monies to a person (Claimant).

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

## ***SSM International Conference on “Malaysia: Discovering New Business Frontier”***

The Companies Commission of Malaysia is organising a 2-day International Conference with the theme *Malaysia: Discovering New Business Frontier* on August 11 & 12, 2009 at Shangri-La Hotel Kuala Lumpur.

The Keynote Address will be delivered by the Honourable Prime Minister of Malaysia, YABhg Dato' Sri Mohd Najib Tun Abdul Razak.

For further information on the Conference and registration details, please download brochure [here](#)

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## **News from IFAC and IASB**

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

#### ***International Education Standards Board Seeks Comments on Proposed Strategy for 2010 - 2012***

The International Accounting Education Standards Board (IAESB), a standard-setting board of the International Federation of Accountants (IFAC), is seeking comments from IFAC member bodies, regulators, accounting firms, employers, the academic community, and others on an exposure draft of its 2010-2012 Strategy and Work Plan.

Organisations and individuals with an interest in accounting education are invited to respond to the IAESB's proposals for its strategic direction, projects, and activities for the next three years.

Accounting education remains a fundamental pillar in improving the reliability of financial reporting and continues to be needed by accountants to serve the public interest. The aim of the IAESB 2010-2012 Strategy and Work Plan is to bring clarity to requirements that are needed to develop high-quality accounting education programs."

The IAESB's proposed strategy focuses on projects and activities aimed at developing International Education Standards (IESs), while providing adoption and implementation guidance to interested stakeholders in accounting education. This will assist IFAC's member bodies in increasing the capacity and capability of the global accountancy profession, contributing to strengthened public trust.

The IAESB proposes to undertake three high-priority activities, beginning in 2010. These are:

- Conducting a revision of the IESs, considering results of the IAESB's drafting conventions project and recent developments in the accountancy profession;
- Developing implementation guidance in areas of measurable implementation of the IESs, competency frameworks, and quality control measures for education providers; and
- Promoting greater awareness among academics, regulators, and others of the IAESB's pronouncements and its role in advancing international debate on emerging issues relating to development and assessment of professional accountants.

The direction of further activities during the period of 2010-2012 will be conditional on the outputs from these three projects, although the IAESB's proposed work program for 2010-2012 contains a number of potential projects for consideration.

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

### ***International Ethics Standards Board for Accountants Releases New Code; Clarifies Requirements and Strengthens Independence***

The International Ethics Standards Board for Accountants (IESBA) has issued a revised *Code of Ethics for Professional Accountants* (the Code), clarifying requirements for all professional accountants and significantly strengthening the independence requirements of auditors.

The revised Code has been released following the consideration and approval by the Public Interest Oversight Board (PIOB) of due process and extensive public interest consultation.

Strong and clear independence standards are vital to investor trust in financial reporting. The increase in trust and certainty that flow from familiarity with standards, including a common understanding of what it means to be independent when providing assurance services, will contribute immeasurably to a reduction in barriers to international capital flows.

The revised Code, which is effective on January 1, 2011, includes the following changes to strengthen independence requirements:

- Extending the independence requirements for audits of listed entities to all public interest entities;
- Requiring a cooling off period before certain members of the firm can join public interest audit clients in certain specified positions;
- Extending partner rotation requirements to all key audit partners;
- Strengthening some of the provisions related to the provision of non-assurance services to audit clients;
- Requiring a pre- or post-issuance review if total fees from a public interest audit client exceed 15% of the total fees of the firm for two consecutive years; and
- Prohibiting key audit partners from being evaluated on or compensated for selling non-assurance services to their audit clients.

The revised Code maintains the principles-based approach supplemented by detailed requirements where necessary, resulting in a Code that is robust but also sufficiently flexible to address the wide-ranging circumstances encountered by professional accountants.

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

### ***IFAC Welcomes New SME Reporting Standard as Important Step in Enhancing SME Financial Statements***

The IFAC and its Small and Medium Practices (SMP) Committee welcome the release of the *International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs)* by the International Accounting Standards Board (IASB). IFAC encourages its 157 member organisations to carefully consider how to use the standard in their respective jurisdictions.

This global accounting standard represents a very significant step on the path to global convergence of financial reporting practices by SMEs. It will contribute to enhancing the quality and comparability of SME financial statements around the world and assist SMEs in gaining access to finance. The beneficiaries will be not only SMEs, but also their customers, clients, and all other users of SME financial statements.

IFAC, largely through its SMP Committee, has been closely following and supporting this project since its inception. It has provided input to the IASB to assist it in reaching a solution that will contribute to the quality of SME financial reporting without placing costly and unnecessary compliance burdens on SMEs.

This standard is a significant development; however, its issuance is not the end of the story, but rather the opening chapter. Consistent and effective implementation will demand a concerted international effort to mobilise the necessary support for companies and preparers. The development of free training materials by the International Accounting Standards Committee Foundation is a very positive step in this direction.

IFAC is currently considering the role it can play together with its member bodies to facilitate implementation of the new standard.

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

### ***New IFAC Publication Explains how Better Costing can Result in Better Management Decision-Making***

The Professional Accountants in Business (PAIB) Committee of the IFAC has released a new International Good Practice Guidance publication, *Evaluating and Improving Costing in Organisations*, which establishes six fundamental principles that can help professional accountants and their organisations to evaluate and improve their approach to costing.

The guidance recognizes the importance of distinguishing between the purposes and information needs of cost accounting to meet the demands of external reporting, cost measurement, and reporting for internal decision support. A companion document, *Costing Levels Maturity Model*, has also been published to help professional accountants decide what level of costing sophistication to use given organisational requirements and the needs of managers and employees.

This IFAC guidance is targeted to professionals working in commerce and industry, as well as the public sector, education, and the not-for-profit sector. It recognizes that, when used effectively, costing can provide clear and timely information. The guidance cautions, however, that all cost information is not created equal: Highly aggregated cost information, for example, which is compiled for external reporting purposes, may not reflect such relationships closely enough to support future strategic and operational decisions.

The new *Costing Levels Maturity Model* can also help professional accountants exercise professional judgment to assess their organisation's existing costing capability for supporting internal managerial analysis and decisions. The PAIB Committee seeks comments from professional accountants and IFAC member bodies on the model to help its continued development.

*Evaluating and Improving Costing in Organisations* and *Costing Levels Maturity Model* can be downloaded free of charge from the PAIB section of the IFAC online bookstore at [www.ifac.org/store](http://www.ifac.org/store). The PAIB Committee welcomes all feedback, which can be emailed to [paib@ifac.org](mailto:paib@ifac.org). For further information, please visit [www.ifac.org](http://www.ifac.org)

### ***IFAC G20 Accountancy Summit Issues Renewed Mandate for Adoption of Global Standards***

Governments and regulators need to step up initiatives to promote convergence to global accountancy and auditing standards—and they need to do so quickly—according to over 60 leaders of the accountancy profession who attended the IFAC's G20 Accountancy Summit on July 23 and 24 in London. The summit was organised to achieve consensus by the profession on a series of recommendations to be made to the G20 leaders prior to their meeting in September on issues related to the financial crisis.

Participants unanimously agreed that the public interest would best be served by a single set of high-quality, principles-based financial reporting and auditing standards for listed and public interest entities.

The group stressed the importance of having balanced views in the standard-setting process and ensuring that there is no undue influence from any one stakeholder group. They also emphasized the need for the International Accounting Standards Board to have a robust governance structure that will ensure its effectiveness and independence.

In addition, summit participants called upon governments to follow the same high standards of financial reporting as their private sector counterparts and to adopt International Public Sector Accounting Standards.

Other key recommendations from the group included the following:

- The needs of small and medium enterprises (SMEs) should be considered in the development of standards, as well as in any re-regulation. "SMEs are the economic engine of global growth and we need to ensure that they are not faced with any unnecessary or unintended compliance or other burdens," stated IFAC President Robert Bunting;
- The G20 should continue to make strengthening corporate governance a priority. Focus should be placed on examining the role of independent directors, CFOs, and audit committees, as well as improving the linkage of remuneration schemes with performance; and
- There is a need for a more robust financial reporting model that includes, among other things, reporting on sustainability and environmental issues.

These and other recommendations from the summit participants, who represented accountancy organisations in 17 of the G20 countries will be included in a communiqué sent to the G20 within the next two weeks.

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

## INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

### ***IASB Publishes IFRS for SMEs***

The International Accounting Standards Board on July 9, 2009 issued an International Financial Reporting Standard (IFRS) designed for use by small and medium-sized entities (SMEs), which are estimated to represent more than 95 per cent of all companies. The standard is a result of a five-year development process with extensive consultation of SMEs worldwide.

The *IFRS for SMEs* is a self-contained standard of about 230 pages tailored for the needs and capabilities of smaller businesses. Many of the principles in full IFRSs for recognising and measuring assets, liabilities, income and expenses have been simplified, topics not relevant to SMEs have been omitted, and the number of required disclosures has been significantly reduced. To further reduce the reporting burden for SMEs revisions to the IFRS will be limited to once every three years.

The *IFRS for SMEs* responds to strong international demand from both developed and emerging economies for a rigorous and common set of accounting standards for smaller and medium-sized businesses that is much simpler than full IFRSs. In particular, the *IFRS for SMEs* will:

- provide improved comparability for users of accounts;
- enhance the overall confidence in the accounts of SMEs; and
- reduce the significant costs involved of maintaining standards on a national basis.

The *IFRS for SMEs* will also provide a platform for growing businesses that are preparing to enter public capital markets, where application of full IFRSs is required. The *IFRS for SMEs* is separate from full IFRSs and is therefore available for any jurisdiction to adopt whether or not it has adopted the full IFRSs. It is also for each jurisdiction to determine which entities should use the standard. It is effective immediately on issue. For further information, please visit [www.iasb.org](http://www.iasb.org)

### ***IASB Proposes Improvements to Financial Instruments Accounting***

The IASB on July 14, 2009 published for public comment an exposure draft of proposals to improve financial instrument accounting. The proposals form part of the IASB's comprehensive review of financial instrument accounting. The proposals, which the IASB believes will significantly reduce complexity and make it easier for investors to understand financial statements, address how financial instruments are classified and measured.

The proposals also answer concerns raised by interested parties during the financial crisis (for example, eliminating the different impairment approaches for available-for-sale assets and assets measured using amortised cost).

The IASB plans to finalise the classification and measurement proposals in time for non-mandatory application in 2009 year-end financial statements. The proposals also respond directly to and are consistent with the recommendations and timetable set out by the G20 leaders and other international bodies. In order to be responsive to calls for improved accounting, the IASB decided to split the comprehensive project into three phases (the other phases address the impairment methodology and hedge accounting). The IASB plans to complete the replacement of IAS 39 during 2010, although mandatory application will not be before January 2012.

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

### ***IASB Amends the Retrospective Application of IFRSs for First-Time Adopters***

The IASB on July 23, 2009 issued amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*. The amendments address the retrospective application of IFRSs to particular situations and are aimed at ensuring that entities applying IFRSs will not face undue cost or effort in the transition process.

The amendments:

- exempt entities using the full cost method from retrospective application of IFRSs for oil and gas assets; and
- exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with IFRIC 4 *Determining whether an Arrangement contains a Lease* when the application of their national accounting requirements produced the same result.

The IASB completed the amendments after considering the responses to an exposure draft published in September 2008. A large majority of respondents supported the proposals. The exposure draft also contained proposals relating to activities subject to rate regulation. The IASB decided that those proposals, revised as a result of comments received, should be included in the exposure draft *Rate-regulated Activities* also published on July 23, 2009.

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

### ***IASB Publishes Proposals on Rate-Regulated Activities***

The IASB on July 23, 2009 published for public comment proposals on the accounting for rate-regulated activities. The objective of the proposals is to establish how assets and liabilities resulting from rate-regulated activities should be recognised and measured under International Financial Reporting Standards (IFRSs). If adopted, the proposed IFRS would:

- define regulatory assets and regulatory liabilities;
- set out criteria for their recognition;
- specify how they should be measured; and
- require disclosures about their financial effects.

The IASB was asked for guidance on the issue from many jurisdictions. Clarifying the accounting for rate regulation is of particular importance for jurisdictions that are in the process of adopting IFRSs and where accounting for the effect of rate regulation is in place for some sectors. In those cases entities are currently recognising sometimes significant 'regulatory' assets and liabilities by reference to the specific US standard.

The proposals in the exposure draft *Rate-regulated Activities* are open for comment until November 20, 2009. After considering comments received, the IASB plans to issue its proposed IFRS in 2010. The exposure draft is available on the 'Open for Comment' section on [www.iasb.org](http://www.iasb.org)

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

### ***Recording of Answers to Frequently Asked Questions About the Exposure Draft Financial Instruments: Classification and Measurement***

In a press released dated July 24, 2009, the IASB announced that a recording of questions and answers about the exposure draft Financial Instruments: Classification and Measurement has been posted on the project website. The recording addresses frequently asked questions arising from the live webcasts on this project and the IASB's other outreach activities. The questions focus particularly on questions that are more technical in nature. The objective of the recording is to facilitate understanding of the exposure draft and to assist interested parties to provide comments on the exposure draft.

The recording is presented by the staff of the IASB. For further information, please visit [www.iasb.org](http://www.iasb.org)

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## **News from Other Professional Bodies**

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### **MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA)**

#### ***Invitation to Participate in MIA PAIB Committee's Articles of Merit Award 2009***

The Malaysian Institute of Accountants (MIA) is organising the Articles of Merit Award on Professional Accountants in Business (PAIB) 2009. The award is to recognise the authors of outstanding articles that are judged to make a distinct and valuable contribution to the development of the roles and domain of the PAIB.

For further details on the award and terms and conditions, please visit the MIA website at <http://www.mia.org.my/paib/artilces.htm> or contact Ms Zulfa or Ms Surinder at 03-2272 1501 or email: [zulfa@mia.org.my](mailto:zulfa@mia.org.my) or [surinder@mia.org.my](mailto:surinder@mia.org.my)

#### ***National Accountants Conference (NAC) 2009***

MIA will be holding the *National Accountants Conference 2009* on October 13 & 14, 2009 at Kuala Lumpur Convention Centre. The conference is themed The New Economic Model: Value Chain Transformation, focusing on the Prime Minister's call for an economic model that will move Malaysia further up the value chain. In this regard, the conference will feature topics relevant to creating a culture of innovation and competitiveness. For further details on the conference, please visit the official conference website: [www.mia.org.my/nac](http://www.mia.org.my/nac)

#### ***World Congress of Accountants 2010***

As members are aware, Malaysia will host the *18<sup>th</sup> 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 [www.mia.org.my](http://www.mia.org.my)

### **THE CHARTERED TAX INSTITUTE OF MALAYSIA (CTIM)**

#### ***National Tax Conference (NTC) 2009***

The Chartered Tax Institute of Malaysia (CTIM) and the Inland Revenue Board of Malaysia (IRB) are jointly organising the *National Tax Conference (NTC)* to be held on August 4 & 5, 2009 at the Kuala Lumpur Convention Centre.

The MICPA is a supporting partner of the Conference and Members of MICPA who register for the Conference will be able to enjoy a preferential rate of registration fee of RM1,000 for early bird registration (payment to be received before or on June 30, 2009) and RM1,200 for normal registration (closing date is July 14, 2009). For further information on the conference and registration, please visit [www.ctim.org.my](http://www.ctim.org.my)

## **THE MALAYSIAN INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS (MAICSA)**

### ***MAICSA Business Leaders Meet 2009***

In conjunction with MAICSA's 50<sup>th</sup> Anniversary celebrations, the inaugural *Business Leaders Meet (BLM) 2009* will be held on October 7, 2009. BLM will be the forum where corporate leaders and professionals converge to discuss and share their business and corporate adventures, explore opportunities in the global financial crisis and learn about corporate misdemeanours, fraud detection and prevention.

The MICPA is a supporting partner of the BLM 2009 and Members of MICPA who register for the one-day Conference will be able to enjoy a preferential rate of registration fee of RM960 (before August 31, 2009) and RM1,060 (after August 31, 2009).

For further information on the conference and registration, please contact Ms Thashi Shan or Ms Maggie Chong on Tel: 03-2282 9276 ext 614 and ext 608 respectively or email: [thashikala@maicsa.org.my](mailto:thashikala@maicsa.org.my) & [chongsm@maicsa.org.my](mailto:chongsm@maicsa.org.my)

## **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA (IIA MALAYSIA)**

### ***2009 Asian Confederation of Institutes of Internal Auditors (ACIIA) Conference on Internal Auditing***

The Institute of Internal Auditors Malaysia is hosting the regional 2009 Asian Confederation of Institutes of Internal Auditors (ACIIA) Conference which will be held from October 19 – 21, 2009 at the Kuala Lumpur Convention Centre. The theme of the regional conference is *Towering Experience: Towards Sustainable Success*.

The MICPA is a supporting partner of the conference and Members of MICPA who register for the Conference will be able to enjoy a preferential rate of registration fee of RM1,780 (early bird registration before August 15, 2009) and RM1,980 for normal registration.

For further information on the conference and registration details, please visit [www.iiam.com.my](http://www.iiam.com.my)

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## **News from Universities**

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### **International Islamic University Malaysia (IIUM)**

#### ***International Conference on Islamic Banking & Finance***

The Harun M Hashim Law Centre, IIIUM with the University of Wisconsin, USA in collaboration with J.Lee Associates are organising an *International Conference on Islamic Banking and Finance* on August 11 & 12, 2009 at Le Meridien Hotel, Kuala

Lumpur. The theme of the conference is Cross Border Practices. For further details on the conference, please visit the official conference website: [www.ibafconference.com](http://www.ibafconference.com).

## **Universiti Kebangsaan Malaysia (UKM)**

### ***International Management Accounting Conference (IMAC V)***

The Faculty of Economics and Business, Universiti Kebangsaan Malaysia is pleased to announce that they will be organising and hosting the fifth *International Management Accounting Conference (IMAC V)* on October 19 – 21, 2009 to be held in Kuala Lumpur. The theme of the conference is *Emergent Theories and Practices in Accounting*. For further details on the conference, please visit the official conference website: [www.ukm.my/imac5](http://www.ukm.my/imac5).

*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](mailto:vic.pr@micpa.com.my) for further information.*

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### **The Malaysian Institute of Certified Public Accountants**

No 15, Jalan Medan Tuanku, 50300 Kuala Lumpur, Malaysia. Tel: 03-26989622 Fax: 03-26989403  
Email: [micpa@micpa.com.my](mailto:micpa@micpa.com.my) Website: [www.micpa.com.my](http://www.micpa.com.my)