

November 2007

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/Activities

49th Anniversary Commemorative Lecture cum Luncheon

We wish to inform that the Institute's 49th Anniversary Commemorative Lecture cum Luncheon originally scheduled for December 13, 2007 **has been postponed to Thursday, January 24, 2008 to be held at Sheraton Imperial Hotel Kuala Lumpur.**

YBhg Datuk Zarinah Anwar, Chairman of the Securities Commission will deliver the Commemorative Lecture titled ***Enhancing Confidence in the Capital Market***. For further information, please contact Ms Vicky Rajaretnam, Public Affairs & Communications Manager on 03-2698 9622 or e-mail: vic.pr@micpa.com.my

National Annual Corporate Report Awards Presentation Dinner

We are pleased to announce that the National Annual Corporate Report Awards (NACRA) 2007 Presentation Dinner will be held on Thursday, November 29, 2007 at the Sime Darby Convention Center, Kuala Lumpur. NACRA is jointly organised by Bursa Malaysia Berhad, Malaysian Institute of Accountants, Malaysian Institute of Management and The Malaysian Institute of Certified Public Accountants.

NACRA strives to promote excellence in annual corporate reporting. It encourages transparency and corporate accountability through the publication of timely, informative, factual and reader-friendly annual reports. This is the very cornerstone of NACRA's theme – *Towards Excellence*.

HELP University College – Annual Book Prize

The MICPA supports HELP University College initiative in encouraging accountancy students to strive for excellence in their academic pursuits and has sponsored the MICPA Annual Book Prize for the Best Student in Financial Reporting/ External Reporting from Charles Sturt University Programme. For 2007, the MICPA Annual Book Prize was won by Dan Su Wei. Mr Ken Pushpanathan, Council Member of the Institute presented the book prize to Dan Su Wei at the Awards Presentation Ceremony held on October 25, 2007.

MICPA participates in Career Fairs and Exhibitions

The Institute participates actively in career fairs and exhibitions across the country to promote accountancy as a career, and in particular to create greater awareness of the CPA Malaysia CPA qualification.

The Institute participated in the National Accountants Conference 2007 Exhibition under the Professional Accountancy Pavillion on November 12 and 13, 2007 at the Kuala Lumpur Convention Center.

The Institute also presented a Career Talk to Universiti Tun Abdul Razak (UNITAR) on Tuesday, November 20, 2007. En Ahmad Shahrul Hj Mohamed, Member of MICPA and a member of the Young CPA Group presented the career talk.

The Institute will be presenting a career talk to Universiti Tunku Abdul Rahman (UTAR) on Wednesday, November 28, 2007. Mr Foo Yoke Pin, Executive Director of MICPA will be presenting the career talk.

Members Update

MICPA Code of Ethics

The MICPA on October 26, 2007 issued the *MICPA Code of Ethics* (The Code). The Code applies to all members of the Institute and the firms through which the members act or perform their professional work where relevant.

The Code supersedes the MICPA's Code of Professional Conduct and Ethics issued in November 1991. The Code is effective November 1, 2007. However, transitional provisions are allowed in respect of specific requirements in Section 290 of the Code.

The MICPA Code of Ethics has been posted on the MICPA website at www.micpa.com.my under Members' Handbook in the Members Area.

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.

A CPD On-Line 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.

Please remember to submit your CPD annual declaration for 2007 by December 31, 2007. For further information, please contact Mr Joseph Leong, Education & Training Manager at 03-2698 9622 or E-mail: joseph.edu@micpa.com.my

Young CPA Group

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

Be Different by joining the Young CPA Group Today!

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 Cik Adzlyn Aladzimy at membership@micpa.com.my or Cik Ruhaizah at ri.stud@micpa.com.my or call 03-2698 9622.

ACCA-MICPA Mutual Recognition Agreement (MRA)

The recent MRA between ACCA and MICPA provides a route for qualified members of either body to become a member of the other body, and to enjoy the benefits which both bodies can offer. Strong and meaningful international alliances such as this one are a very positive development for the profession as a whole and for the CPA Malaysia designation in particular. For further information, please click link [here](#) to refer to the FAQs or you may call Pn Adzlyn Aladzimy, Membership Services Officer at Tel: 03-2698 9622 for further information or e-mail: membership@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 for the change of correspondence and e-mail address.

Upcoming Continuing Professional Development (CPD) Programmes

Forum on Key Amendments and Developments to the Companies Act 1965

The Public Practice Committee of the Institute is organising a Forum cum hi-tea on *Key Amendments and Developments to the Companies Act 1965*. The Forum will be held on November 30, 2007 at Berjaya Times Square Hotel, Kuala Lumpur. The Companies (Amendment) Act 2007 has made substantial changes and introduced new concepts on the duties and liabilities of company directors and auditors to the Companies Act 1965.

The Forum will highlight the key amendments and developments to the Companies Act 1965, which have impact on the duties and responsibilities of company directors and auditors. For further information, please click [here](#)

Impact of Financial Reporting Standards on Taxation

A one-day Seminar on *Impact of Financial Reporting Standards on Taxation* will be held on November 29, 2007 at Evergreen Laurel Hotel, Penang. The seminar will discuss the key FRS and their related tax implications and will provide participants

with an in-depth understanding of the changes brought about by the new/revised FRSs that affect taxation. For further information, please click [here](#)

Audit Guide for Practitioners

The Institute is conducting a two-day Workshop on *Audit Guide for Practitioners* on December 4-5, 2007 at Best Western Premier Seri Pacific Hotel, Kuala Lumpur. The objective of the Workshop is to equip participants with the technical knowledge and skills in conducting an audit of financial statements in accordance with International Standards on Auditing, which have been adopted for application in Malaysia. The Workshop will cover the fundamental auditing principles, the development of an audit plan, performance of audit procedures, documentation, audit conclusions and reporting. For further information, please click [here](#)

All participants at the Workshop will receive a complimentary copy of the MICPA Audit Guide for Practitioners. The Audit Guide is also available for sale at RM250 for MICPA members and students and at RM350 for others.

Financial Reporting For Insurance Business (FRS 202, FRS 203 and IFRS 4)

A one-day Seminar on *Financial Reporting for Insurance Business* will be held on December 13, 2007 at Novotel Hydro Majestic Hotel, Kuala Lumpur. The Seminar aims to explain the principles and application of FRS 202, *General Business* and FRS 203, *Life Insurance Business* as well as the disclosure requirements for insurance business as set out in Model Insurance Berhad. It will also highlight Bank Negara Malaysia's guidelines on statutory reporting requirements for insurers and the implications of IFRS 4, *Insurance Contracts* on insurers. For further information, please click [here](#)

An Update of the Financial Reporting Standards

A one-day Seminar on *An Update of the Financial Reporting Standards* will be held on December 17, 2007 at Best Western Premier Seri Pacific Hotel, Kuala Lumpur. The seminar is intended to provide insights on the key issues in the implementation of the FRS. It will also highlight the impact of some of the FRS on the company's profits and balance sheet. For further information, please click [here](#)

Updates from Regulatory Bodies

BURSA MALAYSIA BERHAD

Bursa Malaysia Scholarship Programme Awards RM136,000 to Five Malaysian Scholars

Bursa Malaysia Berhad presented academic scholarships worth a total of RM136,000 to five outstanding Malaysian students who are currently studying in their first year at local universities under the Bursa Malaysia Scholarship Programme 2007.

Chief Executive Officer of Bursa Malaysia, YBhg Dato' Yusli Mohamed Yusoff said, "We recognise the need to identify, attract, develop and retain the right talents to sustain our performance and drive towards continued business success. Therefore, we look towards harnessing the potential in bright young Malaysian students and giving them the opportunity to excel in their chosen fields through the Bursa Malaysia Scholarship Programme, which is now in its second year.

“This initiative underlies Bursa Malaysia’s long standing commitment to providing high quality training and employment opportunities for young Malaysians,” he added.

Each recipient of the Bursa Malaysia Scholarship Programme received an allowance as well as a laptop to aid them during their course of study, especially for research and work assignments. After the students graduate, they will participate in a two-year practical training programme in Bursa Malaysia which will give them an exposure to the various jobs available at the exchange.

The five deserving scholars were chosen based on their academic achievements of an average CGPA of no less than 3.5 points. Apart from that, the stringent selection process included writing skills, general knowledge of the capital market and globalization, communication skills as well as motivation, leadership and teamwork. For further information, please visit www.bursamalaysia.com

SECURITIES COMMISSION (SC)

SC Approves Credit Agricole as Foreign Fund Manager under Special Scheme

The Securities Commission (SC) has approved the establishment of Credit Agricole Asset Management (Credit Agricole) as a foreign fund management company under the special scheme. The special scheme is part of efforts under the Capital Market Masterplan to broaden the participation and accelerate growth of the investment management industry by approving up to five new foreign fund management companies to provide a greater range of services and product choice for investors.

Thus far, three foreign fund management companies have been approved by the SC under the special scheme, namely Aberdeen Asset Management, BNP Paribas Asset Management and Nomura Asset Management. Credit Agricole is a sizeable global player with total assets under management for its group of companies amounting to USD725 billion (as at end March 2007). It has a long standing international presence with over 50 years of experience in portfolio management for a wide range of clients, including in the Asian region for the past 25 years. For further information, please visit www.sc.com.my

SC Director Awarded Most Outstanding Person for Contribution to Islamic Finance

The SC’s Senior Executive Director, Dato Dr Nik Ramlah Mahmood has been named the “***Most Outstanding Person for Contribution to Islamic Finance***” at the recent Kuala Lumpur Islamic Finance Forum (KLIFF) 2007, held on November 20, 2007.

This is the first time that KLIFF is presenting the award to an individual in recognition of the person’s contribution to the Islamic finance industry. The 4th annual KLIFF Islamic Finance Awards honour and appreciate efforts of institutions and organisations that have contributed significantly to develop the Islamic finance industry. For further information, please visit www.sc.com.my

SC is Best Regulator for Islamic Funds – Malaysia Poised to be Gateway to Asia’s Islamic Investments

The SC emerged as the “Best Regulator for Islamic Funds” at the inaugural Master of Islamic Funds Awards held in Dubai on November 13, 2007. The win acknowledges the SC’s pioneering efforts and leadership role in the development and promotion of a comprehensive Islamic capital market.

“We are honoured by this award. It is an important recognition of our efforts to develop the Islamic investment management industry and the Malaysian Islamic financial market,” said the SC Chairman, Dato’ Zarinah Anwar.

The Master of Islamic Funds Awards confers international recognition for outstanding achievement in the global Islamic funds industry.

This international acknowledgement is also an endorsement of the government’s efforts to position Malaysia as a global Islamic financial hub that specializes in, among others, the origination, distribution and trading of Islamic funds and wealth management. For further information, please visit www.sc.com.my

News from Other Professional Bodies

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

International Auditing and Assurance Standards Board (IAASB)

IFAC’s International Auditing and Assurance Standards Board Seeks New Chairperson

The International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board under the auspices of the International Federation of Accountants (IFAC), is seeking candidates for the position of IAASB Chair for a three-year term commencing January 1, 2009. The chair is appointed by the IFAC Board with the approval of the Public Interest Oversight Board (PIOB). Candidates should submit their résumé (CV) via email to IAASBChair2009@ifac.org. All submissions must be received by February 15, 2008.

For further details on the role of the IAASB Chair and the selection process, please see the Call for Nominations/Applications on the IFAC website at <http://www.ifac.org/jobsatIFAC/>.

IFAC Addresses Developing Nations, Small and Medium Practices And Regulatory Issues; Announces New Members and Board Members

At its Council and Board meetings held in Mexico City, the International Federation of Accountants (IFAC) announced new resources to support professional accountants working in small and medium practices (SMPs) and approved a policy paper outlining its position on professional regulation. IFAC also approved three new associates and a new affiliate and announced the appointment of five new members to its Board.

To mark the 30th anniversary of IFAC’s founding, a special anniversary seminar was held during the Council meeting on the topic of *The Financial Reporting Environment in the 21st Century*. More than 200 individuals from IFAC member bodies and the

Mexican accountancy profession attended the seminar, which addressed such topics as business reporting models of the future, the state of public sector financial reporting, and effective regulation. Speeches and presentations made at the seminar will be available on the IFAC website (<http://www.ifac.org>) in the coming weeks.

New Guide to Applying International Standards to SME Audits

At the Council meeting, IFAC SMP Committee Chair Sylvie Voghel reported that the committee had completed its review of new guidance to assist SMPs and other practitioners in delivering high quality audits of small and medium entities (SMEs). The new implementation guidance, *Guide to Using ISAs in the Audit of Small- and Medium-sized Entities*, is in the production stages and will be available in early December. The guide, developed by the Canadian Institute of Chartered Accountants on IFAC's behalf, is designed to support SMPs and other practitioners in applying International Standards on Auditing (ISAs) to audits of SMEs.

Establishing Accountancy Bodies

At the same meeting, IFAC also released a 2007 edition of its good practice guidance on establishing and developing professional accountancy organisations. This updated and expanded toolkit, entitled *Establishing and Developing a Professional Accountancy Body*, addresses the roles and responsibilities of a professional accountancy body, education and examination, and capacity development. It also includes new guidance on enhancing the public sector focus of the profession. The toolkit is available in downloadable format and on CD-Rom from the IFAC Online Bookstore at <http://www.ifac.org/store>

Professional Regulation

The Board approved an IFAC position on professional regulation. The paper formalises its view that professional accountancy bodies and governments share a common objective of ensuring that professional accountants serve the public interest and meet high standards in the quality of the services they provide and that both professional accountancy organisations and governments need to work together to ensure an effective and efficient regulatory mix.

New IFAC Associates and Affiliate

The Council accepted three new organisations as associates of IFAC:

- Cayman Islands Society of Professional Accountants;
- Mauritius Institute of Professional Accountants; and
- Ordre National des Experts Comptables et Comptables Agrées du Senegal.

New IFAC Board Members Appointed

The IFAC Council also approved the nomination of five new members to the IFAC Board to serve three-year terms.

For further information, please visit www.ifac.org

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

Trustees Announce Strategy to Enhance Governance – Report on Conclusions at Trustees Meeting

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

(IASB), on November 6, 2007, announced, following a strategy review over recent months, proposals to enhance the organisation's governance arrangements and reinforce the organisation's public accountability. The Trustees will begin a series of consultations with key stakeholders on these proposals in the build up to the Constitution Review, which is scheduled to start in 2008.

The announcement regarding governance is one of a series of conclusions that the Trustees reached at their meeting held on October 31 to November 1, 2007 in New York. For further information, please visit www.iasb.co.uk

The IASB Welcomes SEC Vote to Remove Reconciliation Requirement

The International Accounting Standards Board (IASB) welcomed the decision taken on November 15, 2007, by the US Securities and Exchange Commission (SEC) to remove the requirement for non-US companies reporting under International Financial Reporting Standards (IFRSs) as issued by the IASB to reconcile their financial statements to US generally accepted accounting principles (GAAP).

The development of a single, high quality language for financial reporting that is accepted throughout the world's capital markets has been the primary goal of the IASB since its inception in 2001 and the decision is an important step towards achieving that objective. For further information, please visit www.iasb.co.uk

What Do You Think of IASB Website?

The IASB would like to find out what you think about their website and online e-services, whether good or bad. To help them evaluate the site, please take a few minutes to complete the short survey (please note that this survey is located on a third-party website and that survey results are anonymous). Feedback is appreciated. For further information, please visit www.iasb.co.uk

Editorial Corrections: IAS 1

Editorial changes have been made to IAS 1, *Presentation of Financial Statements*, published on September 6, 2007. The full text including the corrections is available for Subscribers to download from eIFRS. For further information, please visit www.iasb.co.uk

IASC Foundation Appoints Members to Inaugural XBRL Advisory Council and Quality Review Team

The Trustees of the IASC Foundation on November 22, 2007, announced the inaugural membership of the XBRL Advisory Council and XBRL Quality Review Team. The XBRL Advisory Council will provide strategic advice to the Trustees and the Foundation's XBRL team on the future development and adoption of the XBRL Taxonomy for International Financial Reporting Standards (IFRSs). It will meet for the first time in December 2007. The XBRL Quality Review Team will help to assure the quality of XBRL taxonomy by reviewing taxonomies developed by the IASC Foundation. It will meet in January 2008. For further information, please visit www.iasb.co.uk

THE MALAYSIAN INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS (MAICSA)

Survey for Professional Secretarial Fees (For Members in Practice)

Pursuant to the Corporate Practice Consultative Forum held on August 21, 2007, the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) was

requested to set up the Company Secretaries Consultative Group to discuss on matters relating to companies secretarial fees. The Institute was invited by MAICSA to be part of the Working Group.

In this regard, we are pleased to attach a survey form on companies secretarial fees charged for various work done. We would greatly appreciate it if you could complete and submit the survey form to the Secretariat by fax (03-26989403) or email to technical@micpa.com.my **on or before November 30, 2007**.

MALAYSIAN INSTITUTE OF MANAGEMENT (MIM)

National Management Conference 2007

We are pleased to inform members that the Malaysian Institute of Management (MIM) is organising the National Management Conference 2007 to be held on Wednesday, December 5, 2007 at Mandarin Oriental Hotel Kuala Lumpur. The theme of the conference is Honouring Legacy, Creating the Future through Management Leadership.

The MICPA is a supporting organisation of the Conference and members of MICPA who register for the conference will be able to enjoy a preferential rate of registration fee of RM650.00. Members are required to provide their membership number in order to enjoy the preferential rate of registration fee.

For further information on the conference and registration details, please click [here](#).

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

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