

September 2010

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

Announcements

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

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

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

MICPA Education & Training

Membership to ICAA

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

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

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

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

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

- [Frequently Asked Questions](#)
- [MICPA to ICAA Flowchart](#)
- [Application Form](#)

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](#).

Revised MICPA Programme - Tuition Provider: Sunway-TES

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

Activities of the Institute

Schedule of MICPA Events for 2010

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

MICPA Participates in Professional Career Talks

The Institute continues to embark on an aggressive marketing strategy to position the Revised MICPA Programme and CPA Malaysia qualification. In this regard, the Institute participates actively in career fairs and exhibitions across the country to promote accountancy as a career, and in particular to create greater awareness.

45 Diploma of Accountancy students from Universiti Teknologi MARA (UiTM) Kelantan Campus visited MICPA on Thursday, September 23, 2010. The Institute's Executive Director made a presentation to the students and 3 accompanying lecturers on the Revised MICPA Programme.

Members' Firms Updates

- KPMG

The Institute made an on-boarding presentation to:

- 60 new recruits on Thursday, September 2, 2010; and
- 55 new recruits on Tuesday, September 14, 2010.

- Deloitte Malaysia

The Institute made a presentation to 60 new recruits on Monday, September 20, 2010.

- Afrizan Tarmili Khairul Azhar (AFTAAS)

The Institute made a presentation to 80 staff of AFTAAS on Friday, September 24, 2010 on the Revised MICPA Programme and shared information on the recent developments at the Institute.

Streams of Training

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

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

Job Opportunities on MICPA Website

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

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

MICPA Technical Updates

Issues for Discussion by Consultative Panel Between Customs and Private Sector

Further to Circular No. TEC/055/09/2010W dated September 23, 2010, members are informed that the Institute serves on the Consultative Panel between Customs and Private Sector. The Panel provides a forum for the discussion of practical issues and suggestions relating to customs and excise submitted by the private sector.

In this regard, members are invited to submit any suggestions or practical problems that they may have encountered in the course of their work or practice relating to customs and excise, and where deemed appropriate by the Institute would be submitted for discussion by the Panel.

Please forward your submission to the Secretariat by fax at 03-2698 9403 or email to technical@micpa.com.my latest by October 5, 2010.

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

MALAYSIAN ACCOUNTING STANDARDS BOARD (MASB)

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

Further to Circular No. TEC/054/09/2010W dated September 3, 2010, members are informed that the MASB has recently published a notice of deferment of IC Interpretation 15, *Agreements for the Construction of Real Estate* from July 1, 2010 to January 1, 2012.

IC Interpretation 15 is identical to IFRIC 15 except for the effective date. IFRIC 15, which was issued by the International Accounting Standards Board (IASB) in July 2008, has an effective date of January 1, 2009.

The deferment aims to allow stakeholders in Malaysia to continue deliberations on the implementation of IC Interpretation 15, as well as to enable examination of the proposed new standard on Revenue from Contracts with Customers with the local

and regional stakeholders and to provide timely input to IASB for consideration. This new Standard is anticipated to subsume the requirements of IFRIC 15 upon its issuance, which is expected to be in mid-2011.

MASB had deemed it prudent to temporarily defer the effective date of the IC Interpretation 15 after a special MASB-hosted forum on August 16, 2010. During this forum it was noted that the primary business model for the real estate industry in Asia was based on the 'sell and build' concept, where both the seller and buyer share certain elements of risk over the real estate-in-progress.

This business model differed from the real estate business models in other jurisdictions. In view of this, it would be timely and more productive for stakeholders to analyse and provide timely input to the IASB for consideration prior to finalisation of the standard on Revenue from Contracts with Customers.

As a result of this deferment, FRS 201²⁰⁰⁴, *Property Development Activities*, shall remain effective until the revised effective date of IC Interpretation 15. However, entities may elect to early adopt IC Interpretation 15 if they wish.

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

UNIVERSITI KEBANGSAAN MALAYSIA (UKM)

2010 Tuanku Ja'afar Law Conference

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

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

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

Members Updates

Membership Data Update

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

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

MICPA Practising Certificate

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

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

CPD On-Line Record

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

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

Young CPA Group

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

Continuing Professional Development (CPD) Programmes

Goods and Services Tax Framework and Implementation

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

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

The seminar will be led by Mr Subromaniam Tholasy, Deputy Director of Customs of the Royal Malaysian Customs and attached to the GST Unit Headquarters, Putrajaya and Mr Peter Devlin, Executive Director, GST Team of Deloitte Malaysia. For further information, please click [here](#).

Risk Management

The MICPA is organising a one-day Workshop on *Risk Management* on October 19, 2010 at The Legend Hotel Kuala Lumpur.

The workshop aims primarily to aid participants with integrating an enterprise-wide risk management framework that is both functional and relevant to their respective organisations. The workshop will provide a background of the governance framework that led to the establishment of risk management as a business function including case studies of lessons from past organisational risk failures.

The workshop will be led by Mr Ranjit Singh, Managing Director of Columbus Advisory Sdn Bhd, a company specialising in risk management, internal audit, forensic accounting and governance services. For further information, please click [here](#).

Financial Reporting For Insurance Business: Insurance Contracts (FRS 4)

The MICPA is organising a one-day Seminar on *Financial Reporting for Insurance Business: Insurance Contracts (FRS 4)* on October 25, 2010 at Seri Pacific Hotel Kuala Lumpur. The seminar is supported by Life Insurance Association of Malaysia (LIAM) and Persatuan Insurans Am Malaysia (PIAM).

The seminar aims to explain the principles and application of FRS 4 as well as the disclosure requirements for insurance business as set out in Model Insurance Bhd. Model Insurance Bhd contains a set of specimen financial statements for insurance business which comply with the disclosure requirements prescribed in FRS 4 as well as Bank Negara Malaysia (BNM) Guidelines. It also includes the impact of disclosure requirements of:

- FRS 7, Financial Instruments; Disclosures
- FRS 139, Financial Instruments; Recognition and Measurement

A team of experts will lead discussions during the Seminar. For further information, please click [here](#).

Updates of 2010 New and Revised FRSs, Amendments and IC Interpretations

The MICPA is organising a two-day Seminar on *Updates of 2010 New and Revised FRSs, Amendments and IC Interpretations* on November 8 – 9, 2010 at Seri Pacific Hotel Kuala Lumpur.

The primary objective of the seminar is to update participants on the new and revised FRSs, Amendments and IC Interpretations that are effective for financial statements beginning on or after January 1, 2010. The seminar will highlight the salient features of the principles prescribed in the new and revised standards and also explain the application aspects of the new and revised standards,

The seminar will be led by Mr Tan Liong Tong, Technical Consultant to MAZARS Malaysia and Mr Woon Chin Chan, Consultant cum Trainer in financial, corporate, accounting, auditing and other related areas. Both Mr Tan and Mr Woon are also members of the MICPA. For further information, please click [here](#).

News from Regulatory Bodies

BANK NEGARA MALAYSIA (BNM)

Issuance of New Family Takaful Licences

Following the announcement made on April 27, 2009 on the issuance of two family takaful licences under liberalisation of the financial services sector, BNM has received several strong applications for the family takaful licences.

Given the more favourable prevailing economic conditions since the announcement and the vast potential to further enhance the insurance penetration rate in Malaysia and in the region, there are tremendous growth opportunities for the insurance and takaful industry in supporting the requirements of the economy. In view of these considerations and the strength of many of the applicants, there is an opportunity to allow more players in the Malaysian takaful sector.

In relation to this, the Minister of Finance has approved the granting of two family takaful licences in addition to the two licences that have been announced earlier. Bank Negara Malaysia therefore wishes to announce that the Minister of Finance has approved the issuance of the four family takaful licences pursuant to the Takaful Act 1984 to the following joint ventures:

- American International Assurance Berhad (70%) and Alliance Bank Malaysia Berhad (30%);
- AMMB Holdings Berhad (70%) and Friends Provident Group plc, UK (30%);
- ING Management Holdings (Malaysia) Sdn Bhd (60%), Public Bank Berhad (20%) and Public Islamic Bank Berhad (20%); and
- The Great Eastern Life Assurance Company Limited (70%) and Koperasi Angkatan Tentera Malaysia Berhad (30%).

In assessing the applications, Bank Negara Malaysia has taken into consideration the applicants' financial soundness and resilience, track record, expertise, business plan and contribution towards financial sector development in Malaysia. The new family takaful operators have strong value propositions that will further enhance the development of the family takaful industry in Malaysia, in particular in penetrating untapped areas of business within the family takaful industry including micro-takaful, medical and retirement products. They will also contribute strongly towards reinforcing Malaysia's position as an international Islamic financial hub.

The Royal Award for Islamic Finance Receives Global Nominations

Some of the world's most outstanding individuals in Islamic finance are now being considered for *The Royal Award for Islamic Finance*. Unlike commercial awards which are deal-based, this Award focuses on an individual's record of achievement and outstanding contribution towards the advancement of Islamic finance globally. The 30 nominees represent the diversity and global acceptance of Islamic finance - from across all regions of the world, including the Middle East, Europe, South East Asia, Africa and Australia. This pool of influential drivers of global Islamic finance also includes non-Muslims and both genders.

Nominations have come from every sector of the industry including Shariah, academia, industry practitioners, Islamic finance institutions, research institutions, Government agencies and NGOs. Nominees range in age from 40 to over 80 years. This response supports the creation of The Royal Award to serve as a benchmark recognition of the global Islamic finance industry. The Royal Award is spearheaded by the Malaysia International Islamic Financial Centre (MIFC) initiative and supported by Bank Negara Malaysia and Securities Commission Malaysia.

The nominations are being deliberated by an independent international jury, chaired by Musa Hitam a former Malaysian Deputy Prime Minister and Chairman of the World Islamic Economic Forum (WIEF) Foundation. The 7-member jury comprises eminent individuals, Shariah scholars, academicians and Islamic finance practitioners from Asia, Europe, the Middle East and the United States of America.

The result will be announced and the recipient will receive the inaugural Royal Award from His Majesty the Yang di-Pertuan Agong of Malaysia during the Royal Gala Dinner and Award Presentation to be held on October 25, 2010 in Kuala Lumpur. The recipient of The Royal Award for Islamic Finance will serve as a role model to inspire others to contribute to the advancement of the industry. For more information on The Royal Award, please visit www.mifc.com/award.

New Governance Centre Established in ICLIF

BNM is pleased to announce that the Financial Institution Director's Education program (FIDE) will now be fully managed and delivered by the International Centre for Leadership in Finance (ICLIF) under its newly formed Governance Centre. With this development, ICLIF will be renamed The ICLIF Leadership and Governance Centre.

The FIDE programme developed under a collaborative effort between Bank Negara Malaysia, Perbadanan Insurans Deposit Malaysia (PIDM) and ICLIF was launched in November 2008 with a vision to promote high impact boards within the financial sector, and to develop world class directors who are advocates of best practices and excellence in corporate governance. This is given the critical role of governance, and in particular the quality of boards of directors, which has been highlighted in the recent financial crisis as a key priority in efforts to further strengthen financial stability through the sound, prudent and responsible management of financial institutions.

To date, more than 200 directors of Malaysian financial institutions have benefited from the FIDE programme and have become catalysts for change in boardroom practices within their organizations. FIDE is currently the only governance initiative in the region that focuses exclusively on the financial sector.

Under the Governance Centre at ICLIF, FIDE will expand its outreach to include participation of directors of financial institutions from outside Malaysia, covering Asia Pacific countries, Middle East and African regions. The enhanced faculty at ICLIF comprising renowned experts from world leading institutions including Harvard Business School and IMD Business School in Switzerland will further strengthen FIDE's capacity to provide world class education programmes for directors of financial institutions that deal with the most important governance issues and challenges facing financial institutions directors today.

FIDE's commitment to life-long learning and building an effective support network for directors of financial institutions will also be preserved and further strengthened with resources dedicated under ICLIF to research, development of new programs and the provision of a broad range of support services for directors.

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

SECURITIES COMMISSION MALAYSIA (SC)

AOB Accepted into International Forum of Independent Audit Regulators

The Audit Oversight Board (AOB) has been admitted as a member of the International Forum of Independent Audit Regulators (IFIAR) making Malaysia only the second country from ASEAN to be admitted. The membership was obtained on September 13, 2010.

The AOB's admittance as a member of IFIAR is a recognition of the AOB as a well-structured, independent audit regulator on par with agencies from other

jurisdictions. It is also yet another step forward in the AOB's continuing efforts to enhance audit quality in Malaysia.

"Becoming a member of IFIAR is important in order to promote investor confidence in Malaysia's capital market. The membership is also timely as AOB has commenced its inspections of audit firms," the AOB Executive Chairman Nik Mohd Hasyudeen said.

"IFIAR membership enables the AOB to be involved in global activities with respect to audit inspection and to gain insights from the experience of other jurisdictions including from major markets like the United States, Japan and the United Kingdom. The AOB will strive to meet goals set by the IFIAR Charter," he added.

The AOB, established pursuant to the recently gazetted Securities Commission Amendment Act, oversees the auditors of Public Interest Entities (PIEs), protect investors' interest and promote confidence in the quality and reliability of audited financial statements of PIEs. It commenced operations on April 1, 2010 and has statutory powers.

IFIAR was established in 2006 with the common goal of serving the public interest and enhancing investor protection by improving audit quality globally, including through independent inspections of auditors and audit firms. All applicants to the IFIAR are subject to a highly rigorous and comprehensive assessment process which focuses on the independence and structure of the regulatory agency.

Increasing International Recognition of Malaysia as a Well-Regulated Capital Market

The SC Malaysia has welcomed the move by FTSE to upgrade Malaysia to advanced emerging markets status from secondary emerging markets within FTSE's Global Equity Index Series.

SC Chairman YBhg Tan Sri Zarinah Anwar said the move underlined the global recognition of the regulatory framework of the Malaysian capital market and could lead to greater international participation in the Malaysian market.

In 2007, Malaysia became a signatory to the International Organization of Securities Commissions (IOSCO) Multilateral Memorandum of Understanding (MMOU) for cross-border enforcement - one of the few emerging markets that qualified. The following year, external assessors rated Malaysia as highly compliant of IOSCO's best practices and principles of securities regulation.

On September 13, 2010, Malaysia was admitted as a member of the International Forum of Independent Audit Regulators, a formal recognition of Malaysia's Audit Oversight Board (AOB) as a well-structured, independent audit regulator on par with agencies of other jurisdictions. Malaysia's AOB is only the second such body in ASEAN to be admitted.

Malaysia's capital market is already benefitting from international recognition of its quality in terms of providing a basis for the expansion of cross-border opportunities with other markets.

- Earlier this year, Malaysia received recognition as an authorised market for Chinese investors when it became an approved investment destination under the Chinese Qualified Domestic Institutional Investor scheme (QDII).

- Recently, the US Commodity and Futures Trading Commission (CFTC) allows Malaysian futures brokers to solicit orders and transact directly with US customers without being registered with the US regulator.
- In recent years, Mutual Recognition Agreements were signed with Dubai and Hong Kong to facilitate cross-border distribution of Islamic mutual funds.

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

BURSA MALAYSIA BERHAD

Sustainability High on Bursa Malaysia's Agenda

The sustainability agenda in the Malaysian capital market is developing quickly through a combination of corporate conscience, stakeholder pressure and government policies, said Bursa Malaysia's Chief Regulatory Officer, Selvarany Rasiah. She emphasised that the Exchange fully supports business sustainability efforts for the immense value it brings and that the Malaysian market currently adopts a hybrid approach which is a combination of voluntary practices and mandatory disclosures in the Listing Requirements.

Speaking at a panel session "Finding the Best Balance between Exchange-led Initiatives and Regulation" at UNCTAD's World Investment Forum 2010 in Xianmen, China on September 8, 2010, Selvarany said Bursa Malaysia strives to raise the bar in terms of practices and reporting on sustainability practices of listed companies.

In line with Bursa Malaysia's aim of enhancing market quality, the Exchange will be introducing a Sustainability Guide and knowledge portal before the end of the year with the aim of providing guidance and clarity to directors of listed companies in managing and integrating environmental, social and governance issues in creating more sustainable businesses.

These efforts will be coupled with education and awareness programmes for Malaysian directors. Selvarany added that the sustainability guide and portal are part of the Exchange's continuous efforts to enhance the competitiveness and attractiveness of Bursa Malaysia as a listing and investment destination.

Bursa Malaysia Derivatives Products to Migrate to CME Globex® Electronic Trading Platform to Increase Global Accessibility and Visibility

Bursa Malaysia Derivatives Berhad (BMD), a subsidiary of Bursa Malaysia Berhad, has announced that it will migrate the trading of its derivatives products, comprising commodity, financial and equity futures, onto CME Group's electronic trading platform, CME Globex®. The crossover from the current derivatives trading platform to the CME Globex® platform was scheduled for September 20, 2010, subject to a successful pre-implementation test that was held on September 28, 2010.

BMD will continue to operate and regulate its market as well as have control over trading hours, product and specifications, spread definitions and pricing, within the parameters supported by CME Globex®. The trading hours for the Malaysian derivatives market will remain unchanged. All BMD contracts traded on CME Globex® will continue, as per current practice, to be cleared by Bursa Malaysia Derivatives Clearing Berhad, a subsidiary of BMD. There are changes to the rules of Bursa Malaysia Derivatives Bhd to reflect the trading features and functionalities on CME Globex®.

Malaysia Progresses into FTSE's Advanced Emerging Status in FTSE Global Equity Index Series

Global index provider FTSE Group (FTSE) on September 23, 2010 announced that Malaysia has been promoted to Advanced Emerging market status from the current Secondary Emerging market status in the FTSE Global Equity Index Series. The promotion to the Advanced Emerging status demonstrates that Malaysia has met FTSE's "Quality of Markets Assessment" criteria in that category. Malaysia will be moved from the FTSE Secondary Emerging Market Indices into the FTSE Advanced Emerging Market Indices, and all parent and sub-indices of these benchmarks, from June 2011.

Malaysia joined the FTSE Watch List for possible inclusion in the Advanced Emerging market status a year ago when FTSE announced the results of its Country Classification Annual Review in September 2009. Malaysia is hopeful that the reclassification of the Malaysian capital market will see improvement of the weightage of Malaysia in international indices as well as increasing foreign investment inflow.

Please refer to FTSE Country Classification updates on FTSE's website at www.ftse.com/country.

Bursa Malaysia Recognised by U.S. as Approved Designated Offshore Securities Market

In a press release dated September 23, 2010, Bursa Malaysia announced that the United States Securities and Exchange Commission (U.S. SEC) has recognised Bursa Malaysia Securities Bhd. and the electronic trading platform operated by Bursa Malaysia Bonds Sdn. Bhd. as a "Designated Offshore Securities Market" under Regulation S* of the United States (U.S.) Securities Act of 1933.

U.S. based investors will be able to trade in all securities listed on Bursa Malaysia Securities, and Malaysian shelf listed bonds on Bursa Malaysia Bonds, so long as they satisfy the conditions of Regulation S.

Prior to this, U.S. based investors who purchased or sold securities must take their own measures to ascertain that the purchaser is located outside U.S. as per the regulation requirements from the U.S. federal securities laws, unless the transaction is done via a designated offshore securities market and trades are not pre-arranged. With this designation, U.S. based investors will now be able to trade the Malaysian securities market without the registration requirements imposed by the U.S. federal securities laws.

** An offer or sale of securities that satisfies the conditions of Regulation S is deemed to be within a safe harbour under U.S. federal securities law which allows such offers and sales to be exempted from registration obligations imposed under such laws.*

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

INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

IFAC Consultation Paper Highlights Changing Roles and Employer Expectations of Professional Accountants in Business

The Professional Accountants in Business (PAIB) Committee of the IFAC on September 2, 2010 released for comment a Consultation Paper, *Competent and Versatile: How Professional Accountants in Business Drive Sustainable Organizational Success* that highlights how employer expectations of professional accountants in business are expected to change in light of global trends and evolving organisational needs.

The paper analyses these expectations in relation to eight drivers of sustainable organizational success—what companies need to do to achieve and sustain success in the changing global economic landscape. The drivers were defined based on an analysis of three long-term trends influencing organisations, globalisation, complexity, and technology.

The drivers provide the framework for key activities that professional accountants will be expected to perform. These activities are highlighted under the following four roles that form the cornerstones of the services provided by professional accountants: creators, enablers, preservers, and reporters of sustainable value. Previously defined in the proposed *PAIB Strategy and Work Plan 2010-12*, these roles have received wide support so far.

The discussion questions that precede the Consultation Paper ask for feedback on, for example, the usefulness of developing an international competency framework that would cover the roles and domain of professional accountants in business, among other key topics.

To access the Consultation Paper or submit a comment, please visit www.ifac.org/PAIB/ExposureDrafts.php. Comments on the Consultation Paper are requested by **November 30, 2010**.

Linda de Beer Appointed Chairman of IAASB Consultative Advisory Group

Prof. Linda de Beer has been appointed chairman of the Consultative Advisory Group (CAG) to the International Auditing and Assurance Standards Board (IAASB). The IAASB CAG** is an independent body and provides the forum in which the representatives of its various member organisations—including regulators, preparers, and others with an interest in international auditing and assurance—provide advice on technical and public interest matters relating to the drafts of IAASB standards and strategy. The IAASB is an independent standard-setting board that establishes in the public interest International Standards on Auditing (ISAs) and other pronouncements for use by professional accountants around the world.

As a representative of the Johannesburg Stock Exchange (JSE), Prof. de Beer currently represents the World Federation of Exchanges on the CAG. She was elected by the CAG membership to succeed the current CAG chairman, David Damant, who since June 2004 has served as the first independent IAASB CAG chairman. Prof. de Beer's appointment—a three-year term effective October 1, 2010—has been approved by the International Public Interest Oversight Board (PIOB).*

The chairman of the IAASB CAG provides leadership direction to the CAG, overseeing the achievement of the CAG's objectives and liaising with the PIOB and the IAASB. The PIOB oversees the activities of the IAASB and of the CAG.

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

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

Library of High Level Summary “Snapshot” Documents Now Available

An online library of 'Snapshot' documents has been made available on the IFRS Foundation website.

Snapshot documents are published by the IASB and IFRS Foundation to accompany due process documents. They provide a high level summary of proposals and are available to download free of charge from this website.

This page can also be accessed by clicking on **Standards development** in the grey bar at the top of every IFRS Foundation web page and selecting **High level summaries** from the drop down box.

IASB and FASB Publish Webcast on Financial Statement Presentation Available

The IASB and the Financial Accounting Standards Board (FASB) have recorded a webcast entitled Financial Statement Presentation: presenting cash flow information.

In the webcast, board members Patricia McConnell (IASB) and Marc Siegel (FASB) discuss the cash flow proposals in the July 2010 staff draft of an exposure draft on Financial Statement Presentation. This webcast provides an explanation of the following:

- the boards' rationale for their tentative decisions
- the changes to the proposals that were in the October 2008 discussion paper; and
- how the proposals differ from present practice.

In June 2010, the boards decided to undertake additional outreach activities before finalising and publishing an exposure draft on Financial Statement Presentation.

IASB Proposes to Amend One Aspect of Accounting for Deferred Tax

The IASB has published for public comment an exposure draft *Deferred Tax: Recovery of Underlying Assets*.

The proposal would amend one aspect of IAS 12 *Income Taxes*. Under IAS 12, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using the asset or by selling the asset. In some cases, it is difficult and subjective to assess whether recovery will be through use or through sale.

To provide a practical approach in such cases, the proposed amendment would introduce a presumption that an asset is recovered entirely through sale unless the entity has clear evidence that recovery will occur in another manner.

The presumption would apply when investment properties, property, plant and equipment or intangible assets are remeasured at fair value or revalued at fair value.

The exposure draft, *Deferred Tax: Recovery of Underlying Assets* is open for comment until **November 9, 2010** and can be accessed via the 'Comment on a Proposal' section of www.ifrs.org.

IASB and ASBJ Meet to Discuss Convergence with and Intended Adoption of IFRSs in Japan

The IASB and the Accounting Standards Board of Japan (ASBJ) have held their twelfth meeting to further progress their convergence activities, and to review preparations for the intended adoption of International Financial Reporting Standards (IFRSs) in Japan. Led by Sir David Tweedie, Chairman of the IASB and Ikuo Nishikawa, Chairman of the ASBJ, the meeting took place on September 9 and 10 2010 in London.

The IASB and the ASBJ have accelerated their work towards the convergence of IFRSs currently in effect and Japanese generally accepted accounting principles (GAAP) by June 2011, as described in their Memorandum of Understanding, known as the Tokyo Agreement.

Japanese listed companies meeting certain criteria are permitted to prepare consolidated financial statements in accordance with IFRSs from fiscal years ended March 31, 2010. The ASBJ, supported by the IASB, is working with Japanese constituents to support interpretative and practical issues relating to the voluntary adoption of IFRSs in Japan.

Representatives of both boards stated that the ASBJ's continuing participation in the IASB's standard-setting process contributes to the development of a single set of high quality global accounting standards. They also believe that the IASB's and the ASBJ's ongoing work towards convergence of Japanese GAAP and IFRSs is an important step on the path towards Japanese adoption of IFRSs.

The next meeting of the boards is scheduled to be held in April, 2011 in Tokyo, Japan.

Public Roundtables on Revenue Recognition, Insurance Contracts and Leases Announced

The IASB and the US Financial Accounting Standards Board (FASB) plan to hold a series of public roundtable meetings between November 2010 and January 2011 for the Revenue Recognition, Insurance Contracts and Leases projects.

Registration will be opened shortly, and details of how to register to participate (including the deadline for registrations) will be announced soon on the **Revenue Recognition, Insurance Contracts, and Leases** project pages.

IASB and US FASB Complete First Stage of Conceptual Framework

In a press release dated September 28, 2010, the IASB and the US Financial Accounting Standards Board (FASB) announced the completion of the first phase of their joint project to develop an improved conceptual framework for International Financial Reporting Standards (IFRSs) and US generally accepted accounting practices (GAAP).

The objective of the conceptual framework project is to create a sound foundation for future accounting standards that are principles-based, internally consistent and internationally converged. The new framework builds on existing IASB and FASB frameworks. The IASB has revised portions of its framework; while the FASB has issued 'Concepts Statement 8' to replace 'Concepts Statements 1 and 2'.

This first phase of the conceptual framework deals with the objective and qualitative characteristics of financial reporting. As part of the consultation process, the IASB and FASB jointly published a discussion paper and exposure draft that resulted in more than 320 responses.

A **feedback statement** providing an overview of how the IASB responded to comments received through the consultation process is available. An **IASB webcast** introducing this first phase of the conceptual framework project will be held at 10:00 a.m. London time on Thursday, September 30, 2010 and repeated for the convenience of interested parties in different time zones at 4:00 p.m. London time on the same day.

An **IASB podcast summary** of the project is available for download in individual mp3 files or from iTunes. On Friday, October 1, 2010, a podcast will be posted by the FASB on www.fasb.org that will examine and explain the purpose of a concepts statement.

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

News from Professional Bodies

MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA)

World Congress of Accountants 2010

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

The MICPA in collaboration with The Institute of Chartered Accountants in Australia will be participating as an Exhibitor at WCOA 2010. Please visit us at Booths Number 94 & 97.

THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA

2010 National Conference on Internal Auditing

The Institute of Internal Auditors Malaysia is proud to host the *2010 National Conference on Internal Auditing* with the theme "New Directions for the New Decade" which will be held from October 4 - 5, 2010 at the Kuala Lumpur Convention Centre (KLCC). The MICPA is a supporting organisation of the conference and MICPA members who register for the conference will be able to enjoy a preferential rate of registration fee. For further information, please click [here](#).

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

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