

# MICPA

## e-NEWSLINE

CPA  
MALAYSIA

The Malaysian Institute of  
Certified Public Accountants

MONTHLY ELECTRONIC NEWSLETTER - JULY 2020 ISSUE



As we are adapting to the new norm, always be positive and productive throughout these challenging times. Keep going and look forward to brighter days ahead – we are all together in this.

We will win this fight against COVID-19!

## ANNOUNCEMENTS

### MICPA-CAANZ Programme: Full-time study!

Candidates can now study all 5 modules in the MICPA-CAANZ Programme on a full-time basis. Complete the Programme according to your preference - Start full-time, end part-time; the choice and flexibility is in your hands.

The MICPA-CAANZ Programme is open to both Diploma and Degree in Accounting students accredited by MICPA and CAANZ. The Programme offers dual qualification and open doors to infinite opportunities!

[Click here](#) for more info on the MICPA-CAANZ Programme.



### MICPA Virtual CPD

Check on upcoming virtual training events through our website at [www.micpa.com.my/calendar/training](http://www.micpa.com.my/calendar/training).

For further information on our training events or the registration details, please contact the Institute's CPD Department via e-mail at [cpd@micpa.com.my](mailto:cpd@micpa.com.my).



## MICPA TECHNICAL UPDATES

### IAASB - ISA 540 (Revised) Implementation: Illustrative Examples for Auditing Simple and Complex Accounting Estimates

Issue Date June 2

Description The International Standard on Auditing 540 (Revised) ("ISA 540 (Revised)") Implementation Working Group has prepared illustrative examples for auditing simple and complex accounting estimates.

### IASB - Amendment to IFRS Standard on Leases to Help Lessees Accounting for COVID-19-Related Rent Concessions

Issue Date June 2

Description The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform members that the International Accounting Standards Board ("IASB") has recently issued an amendment to IFRS 16 Leases to make it easier for lessees to account for COVID-19-related rent concessions such as rent holidays and temporary rent reductions.

### MICPA - Accounting Considerations due to the Impact of COVID-19

Issue Date June 5

Description The World Health Organisation declared the COVID-19 outbreak to be a pandemic. In Malaysia, the Government is monitoring the development of the COVID-19 pandemic closely as well as taking stringent steps to contain the spread of the virus.

### IRB - Minutes of Meeting of Working Group with Accounting Bodies – DESIRE No. 1/2020

Issue Date June 5

Description Members are informed that the minutes of the DESIRE Working Group Meeting No. 1/2020 is now available on the MICPA's website at [www.micpa.com.my](http://www.micpa.com.my) in the Members' Area.

### IRB - Public Ruling No. 2/2020 and Public Ruling No. 3/2020

Issue Date June 5

Description Members are informed that the Inland Revenue Board has issued Public Ruling No. 2/2020.

## MICPA TECHNICAL UPDATES (CONT'D)

### MASB - MASB Published Several Amendments to MFRSs

Issue Date June 9

Description The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform members that the Malaysian Accounting Standards Board ("MASB") has issued several narrow-scope amendments to MFRSs.

### IRB - Practice Note No. 3/2020: Clarification on Determining the Gross Income from Business Sources of Not More Than RM50 Million of a Company or Limited Liability Partnership

Issue Date June 9

Description Members are informed that the Inland Revenue Board had issued Practice Note No. 3/2020.

### MICPA - A Guide on New Corporate Liability for Corruption Offences Section 17A of the MACC Act 2009

Issue Date June 12

Description In Malaysia, authority has been trying to combat corruption and has introduced a corporate liability provision.

### SSM - Commencement of the 30-Day Moratorium for the Submission of Statutory Documents

Issue Date June 16

Description "The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform members that the Companies Commission of Malaysia ("SSM") recently made an announcement on the 30-day moratorium for the submission of statutory documents to the SSM.

### IRB - Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 for Purchase of Place of Religious Worship Fund

Issue Date June 16

Description Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines for Approval of Director General of Inland Revenue under Subsection 44(6) of the Income Tax Act 1967 (ITA 1967) for Purchase of Place of Religious Worship Fund (Guidelines) on June 8, 2020.

## MICPA TECHNICAL UPDATES (CONT'D)

### **SSM - Registration of Businesses (Amendment) (No. 2) 2020 Rules Came Into Force with Effective from May 7, 2020**

**Issue Date** June 16

**Description** The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform members that the Companies Commission of Malaysia ("SSM") recently announced the Registration of Businesses (Amendment) (No. 2) 2020 Rules has come into force with effect from May 7, 2020, to amend the Registration of Businesses Rules 1957.

### **IRB - Public Ruling No. 4/2020: Tax Treatment of Any Sum Received and A Debt Owning That Arises in Respect of Services to be Rendered**

**Issue Date** June 19

**Description** Members are informed that the Inland Revenue Board (IRB) has issued Public Ruling No. 4/2020: Tax Treatment of Any Sum Received and A Debt Owning that Arises in Respect of Services to be Rendered on June 16, 2020.

### **IIRC - Invitation to Comment on the IIRC Consultation Draft "International Integrated Reporting Framework"**

**Issue Date** June 19

**Description** The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform members that the International Integrated Reporting Council ("IIRC") released a Consultation Draft entitled "International Integrated Reporting <IR> Framework".

### **MASB - Questions and Answers in relation to Malaysian Financial Reporting Standards that Reporting Entities may need to Consider due to the Impact of COVID-19**

**Issue Date** June 19

**Description** The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform that the Malaysian Accounting Standards Board ("MASB") has recently issued a list of Questions and Answers ("Q&As") in relation to Malaysian Financial Reporting Standards ("MFRS") that reporting entities may need to consider due to the impact of COVID-19.

## MICPA TECHNICAL UPDATES (CONT'D)

### SSM - Frequently Asked Questions (1) Extension of Time For Circulation and Lodgement of Financial Statements (2) Annual General Meetings and Filing of Documents during the Movement Control Order

Issue Date June 19

Description The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform that the Companies Commission of Malaysia ("SSM") has recently issued two sets of Frequently Asked Questions ("FAQs").

### IRB - Frequently Asked Questions (FAQ) on Advance Pricing Arrangement (APA) Treatment Due To Covid-19 Pandemic

Issue Date June 19

Description Members are informed that the Inland Revenue Board (IRB) has issued the Frequently Asked Questions (FAQ) on Advance Pricing Arrangement (APA) Treatment due to COVID-19 Pandemic on June 16, 2020.

### RMCD - Announcement on Goods and Services Tax Refund

Issue Date June 23

Description Members are informed that the Royal Malaysian Customs Department (RMCD) had on June 16, 2020 issued a notification pertaining to the Goods and Services Tax (GST) refund in line with the Goods and Services (Repeal) Act 2018.

### BURSA - Disclosure Guidance on COVID-19 Related Impacts and Investments

Issue Date June 26

Description Bursa Malaysia Securities Berhad ("the Exchange") takes cognisance of the unprecedented circumstances of the COVID-19 pandemic and noted its potential impact to the business and operations of listed issuers.

### IPSASB - Staff Questions and Answers to Address Climate Change

Issue Date June 26

Description Climate change presents an existential threat for individuals, societies and economies. Compounded by the economic losses that the COVID-19 pandemic presents, there is a need for financial reporting and information that provides a clear, forward-looking, long-term view of an organisation's finances and sustainability, particularly for governments and other public sector entities.

## MICPA TECHNICAL UPDATES (CONT'D)

### IASB - Amendments to IFRS 17 Insurance Contracts to Help Companies With Implementation

Issue Date June 30

Description The International Accounting Standards Board ("IASB") has on June 29, 2020 issued amendments to IFRS 17 Insurance Contracts ("IFRS 17") aimed at helping companies implement the Standard and making it easier for them to explain their financial performance.

For further details on MICPA Technical Updates, log on to  
<http://www.micpa.com.my/resources/for-members/circulars/>

## REGULATORY BODIES' UPDATES

### BANK NEGARA MALAYSIA (BNM)

#### International Reserves of Bank Negara Malaysia as at 29 May 2020

Issue Date June 6

Description The international reserves of Bank Negara Malaysia amounted to USD102.9 billion as at 29 May 2020. The reserves position is sufficient to finance 8.1 months of retained imports and is 1.1 times total short-term external debt.

[Read more](#)

#### Appointment of New Deputy Governor and Assistant Governor of Bank Negara Malaysia

Issue Date June 12

Description Bank Negara Malaysia today announces that the Minister of Finance has approved the appointment of Encik Marzunisham Omar as Deputy Governor for a three-year term effective 15 June 2020.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### BANK NEGARA MALAYSIA (BNM) (CONT'D)

#### International Reserves of Bank Negara Malaysia as at 15 June 2020

**Issue Date** June 22

**Description** The international reserves of Bank Negara Malaysia amounted to USD102.8 billion as at 15 June 2020. The reserves position is sufficient to finance 8.2 months of retained imports and is 1.1 times total short-term external debt.

[Read more](#)

#### Financial Consumer Alert: List of unauthorised companies and websites has been updated

**Issue Date** June 23

**Description** The Bank has updated the Financial Consumer Alert list. The list consists of companies and websites which are neither authorised nor approved under the relevant laws and regulations administered by BNM. Please take note that the list is not exhaustive and only serves as a guide to members of the public based on information and queries received by BNM.

[Read more](#)

#### Detailed Disclosure of International Reserves as at end-May 2020

**Issue Date** June 30

**Description** In accordance with the IMF SDDS format, the detailed breakdown of international reserves provides forward-looking information on the size, composition and usability of reserves and other foreign currency assets, and the expected and potential future inflows and outflows of foreign exchange of the Federal Government and Bank Negara Malaysia over the next 12-month period.

[Read more](#)

#### Monetary and Financial Developments in May 2020

**Issue Date** June 30

**Description** This document is in Portable Document File (PDF) format.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### BANK NEGARA MALAYSIA (BNM) (CONT'D)

Digital on-boarding policy to enable account opening anytime, anywhere

Issue Date June 30

Description Bank Negara Malaysia today issued a policy document on Electronic Know-Your-Customer (e-KYC).

[Read more](#)

### SECURITIES COMMISSION (SC)

Former Unit Trust Consultant Jailed Six Months and Fined RM4 million For Securities Fraud

Issue Date June 13

Description The Kuala Lumpur Sessions Court yesterday convicted Afkariah Md Norani of four charges under section 179(b) of the Capital Markets and Services Act 2007 for defrauding four individuals and sentenced her to imprisonment for a period of six months and a total fine of RM4 million.

[Read more](#)

SC: Appointment Process for CEOs of Licensed Entities

Issue Date June 18

Description The Securities Commission Malaysia (SC) refers to various media articles on the former President & Group Chief Executive (PGCE) of Permodalan Nasional Berhad (PNB) that alluded to the SC's approval process for the appointment of chief executives of licensed entities.

[Read more](#)

SC and Bursa Malaysia Extend Short Selling Suspension Until 31 December 2020

Issue Date June 26

Description The Securities Commission Malaysia (SC) and Bursa Malaysia Berhad (Bursa Malaysia) have decided to further extend the temporary suspension of short-selling to 31 December 2020.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

#### Notice on GST Refund (announced on June 16, 2020)

Description Click to download the Announcement on Sales and Service Tax.

[Read more](#)

#### FAQ on GST Refund (announced on June 16, 2020)

Description Click to download the Announcement on Sales and Service Tax.

[Read more](#)

#### FAQ on Short-Term Economic Recovery Plan (PENJANA) (announced on June 30, 2020)

Description Click to download the Announcement on Sales and Service Tax.

[Read more](#)

#### Approved Major Exporter Scheme (announced on June 30, 2020)

Description Click to download the Announcement on Sales and Service Tax.

[Read more](#)

#### Refund on the Acquisition of Services by Foreign Missions and International Organizations (as at June 23, 2020)

Description Click to download the Specific Guide on Sales and Service Tax.

[Read more](#)

#### Service Tax Policy No. 9/2020 (Amendment No. 1) (amended on June 17, 2020)

Description Click to download the Service Tax Policy on Sales and Service Tax.

[Read more](#)

## OTHER PROFESSIONAL BODIES

### CHARTERED ACCOUNTANTS AUSTRALIA AND NEW ZEALAND (CAANZ)

July 2020 Acuity is out now

**Description** Acuity - CAANZ's bi-monthly magazine on economics, finance and business.

Main article: Open banking: What's in it for accountants?

[Read more](#)

## OTHER INTERNATIONAL UPDATES

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

Summary of Covid-19 Financial Reporting Considerations

**Issue Date** June 3

**Description** The magnitude of disruption from the Covid-19 pandemic has significantly impacted organizations of all sizes, across all industry sectors.

[Read more](#)

Summary of Covid-19 Audit Considerations

**Issue Date** June 3

**Description** The consequences of the Covid-19 pandemic on financial statement reporting and audit engagements are complex and have resulted in challenges for management, those charged with governance (TCWG) and auditors.

[Read more](#)

Crisis Legacy: Organizations Can Emerge Stronger from COVID-19

**Issue Date** June 4

**Description** Times of crisis provide unique opportunities for radical change. This is often by necessity, but a crisis also offers many valuable lessons. The global crisis caused by the COVID-19 pandemic is no different.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC) (CONT'D)

**As Companies Look to Post COVID-19 Recovery, Finance Teams Must Embrace Opportunities to Lead**

Issue Date June 5

Description Professional accountants in business and the public sector have an important role to play in leading their organizations through the challenging times ahead.

[Read more](#)

**Public Interest Responsibilities Must Remain Paramount in an Age of COVID-19**

Issue Date June 9

Description While the long-lasting societal and economic implications of CV-19 have yet to be fully realized, we have already begun to see the toll on the global financial ecosystem.

[Read more](#)

**ASEAN Accountants and COVID-19: We Are in This Together**

Issue Date June 15

Description The COVID-19 pandemic has affected the operational and financial viability of professional accountancy organizations (PAOs) around the world. In April, IFAC and the ASEAN Federation of Accountants (AFA), an IFAC Network Partner, collaborated to convene a virtual conference for AFA members to discuss the impacts of COVID-19.

[Read more](#)

**MIA Launches Free Textbook on Accounting for Islamic Finance**

Issue Date June 22

Description Islamic finance is an emerging high-growth sector and a core economic differentiator for Malaysia.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

**Webcast: A primer for investors on how to get the most out of companies' IFRS 9 and IFRS 7 disclosures**

**Issue Date** June 4

**Description** Many entities may have already reported the second full-year financial statements using IFRS 9 Financial Instruments to determine the Expected Credit Losses (ECL) for their financial assets. Now is therefore a good time to review the usefulness of information related to ECL that entities are likely to disclose.

[Read more](#)

#### May 2020 monthly news summary

**Issue Date** June 9

**Description** Please find below a brief summary of news and events from the International Accounting Standards Board (Board) and the IFRS® Foundation over the past month.

[Read more](#)

#### International Accounting Standards Board to issue Amendments to IFRS 17

**Issue Date** June 22

**Description** The International Accounting Standards Board expects to issue Amendments to IFRS 17 on 25 June 2020.

[Read more](#)

#### IASB issues amendments to IFRS 17 Insurance Contracts to help companies with implementation

**Issue Date** June 25

**Description** The International Accounting Standards Board (Board) has today issued amendments to IFRS 17 Insurance Contracts aimed at helping companies implement the Standard and making it easier for them to explain their financial performance.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) (CONT'D)

#### June 2020 IASB Update available and work plan updated

Issue Date June 26

Description The June 2020 IASB Update has been published.

[Read more](#)

#### Combinations of businesses under common control—one size does not fit all

Issue Date June 29

Description The International Accounting Standards Board (Board) is carrying out a research project to consider filling a gap in IFRS Standards by improving the comparability and transparency of reporting on combinations of businesses under common control.

[Read more](#)

#### IFRS Foundation publishes 2019 Annual Report

Issue Date June 30

Description The IFRS Foundation has today published its annual report and audited financial statements for the year ended 31 December 2019.

[Read more](#)

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