



## MONTHLY ELECTRONIC NEWSLETTER - NOVEMBER 2020 ISSUE

### ANNOUNCEMENTS



#### MICPA-MARC MALAYSIA ECONOMIC UPDATE & OUTLOOK REPORT 2021

The Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Rating Corporation Berhad (MARC) are pleased to present to you the Economic Outlook Report 2021. This Report is released to provide useful insights and timely intelligence on Malaysia’s economic growth for the benefit of professional accountants and their clients.

Click [here](#) to access the full report.

#### MICPA CPD

Check out upcoming CPD 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

#### IRB - Alert on Implementation of Malaysian Income Tax Reporting System (MITRS)

**Issue Date**

October 2

**Description**

Members are informed that the Inland Revenue Board (IRB) has issued a letter dated September 28, 2020 to the Institute to alert on the availability of an online platform for electronic submission of working papers to the IRB.

## MICPA TECHNICAL UPDATES (CONT'D)

### **MASB - MASB Published 'Interest Rate Benchmark Reform - Phase 2' (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)**

**Issue Date** October 2

**Description** The Malaysian Accounting Standards Board ("MASB") has recently issued Interest Rate Benchmark Reform – Phase 2.

### **IAASB – Staff Audit Practice Alert on Climate-Related Risks**

**Issue Date** October 6

**Description** MICPA wishes to inform that the International Auditing and Assurance Standards Board ("IAASB") has recently issued a Staff Audit Practice Alert, The Consideration of Climate-Related Risks in an Audit of Financial Statement as climate change is increasingly front of mind for investors and other IAASB stakeholders.

### **IRB - Public Ruling No. 7/2020: Appeal Against an Assessment and Application for Relief**

**Issue Date** October 9

**Description** Members are informed that the Inland Revenue Board (IRB) has issued Public Ruling No. 7/2020: Appeal Against an Assessment and Application for Relief on October 7, 2020.

### **IESBA – Guidance on Important Considerations Regarding the Use of Specialist in the COVID-19 Environment**

**Issue Date** October 9

**Description** MICPA wishes to inform that the American Institute of Certified Public Accountants (AICPA), the International Ethics Standards Board for Accountants (IESBA) and the International Auditing and Assurance Standards Board (IAASB) have recently jointly released the publication 'Using Specialists in the COVID-19 Environment: Including Considerations for Involving Specialists in Audits of Financial Statements'.

## MICPA TECHNICAL UPDATES (CONT'D)

### **IRB - Guidelines on Deduction for Expenses Relating to Secretarial Fee and Tax Filing Fee with Effect from Year of Assessment 2020**

**Issue Date** October 9

**Description** Members are informed that the Inland Revenue Board (IRB) has issued the Guidelines on Deduction for Expenses Relating to Secretarial Fee and Tax Filing Fee with Effect from Year of Assessment 2020 on October 7, 2020.

### **IRB - Public Ruling No. 8/2020: Taxation of a Resident Individual Part I – Gifts or Contributions and Allowable Deductions**

**Issue Date** October 13

**Description** Members are informed that the Inland Revenue Board (IRB) has issued Public Ruling No. 8/2020: Taxation of a Resident Individual Part I – Gifts or Contributions and Allowable Deductions on October 9, 2020.

### **IRB - Guidelines for Approval of Director General of Inland Revenue under Subsection 44(11D) of the Income Tax Act 1967 for Endowment**

**Issue Date** October 13

**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(11D) of the Income Tax Act 1967 for Endowment (available in Malay version only) on October 6, 2020.

### **IRB - Guidelines for Approval of Director General of Inland Revenue Under Subsection 44(11D) of the Income Tax Act 1967 for Wakaf**

**Issue Date** October 13

**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(11D) of the Income Tax Act 1967 for Wakaf (available in Malay version only) on October 8, 2020.

### **IFRS Foundation - Invitation to Comment on the IFRS Foundation Consultation Paper “Sustainability Reporting”**

**Issue Date** October 13

**Description** MICPA wishes to inform that the IFRS Foundation (“the Foundation”) has recently released a consultation paper entitled “Sustainability Reporting”.

## MICPA TECHNICAL UPDATES (CONT'D)

### **SSM - Invitation to Comment on the Consultation Paper on the Proposed Amendments to the Schedule under Regulation 8 of the Companies Regulations 2017**

**Issue Date** October 13

**Description** The Institute wishes to inform that the Companies Commission of Malaysia (SSM) has recently released the Consultation Paper on the Proposed Amendments to the Schedule under Regulation 8 of the Companies Regulations 2017.

### **MICPA - Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services**

**Issue Date** October 16

**Description** Please be informed that the Council of the Institute has, in October 2020, approved the adoption of the revised International Auditing and Assurance Standards Board ("IAASB")'s International Standard entitled 'Conforming Amendments to the IAASB International Standards as a Result of the Revised IESBA Code.'

### **BNM - Financial Stability Review for First Half 2020**

**Issue Date** October 20

**Description** MICPA wishes to inform that the Bank Negara Malaysia ("BNM") has recently published Financial Stability Review – First Half 2020 which provides BNM's assessment on current and potential risks to financial stability and the resilience of the Malaysian financial system to sustain its financial intermediation role in the economy.

### **IPSASB - Invitation to Comment on IPSASB Exposure Draft 74, IPSAS 5 Borrowing Costs - Non-Authoritative Guidance**

**Issue Date** October 23

**Description** The International Public Sector Accounting Standards Boards ("IPSASB") has recently released the Exposure Draft 74 'IPSAS 5 Borrowing Costs – Non-Authoritative Guidance' ("ED 74").

## MICPA TECHNICAL UPDATES (CONT'D)

### **BNM - Targeted Repayment Assistance Better Serves Borrowers' Needs**

**Issue Date** October 23

**Description** MICPA wishes to inform that the Bank Negara Malaysia ("BNM") recently announced that repayment assistance will remain available for borrowers whose incomes have been affected by COVID-19.

### **SSM - Revised Extension of Time for Holding of Annual General Meeting and Circulation and Lodgement of Financial Statements**

**Issue Date** October 23

**Description** MICPA wishes to inform that the Companies Commission of Malaysia ("SSM") has recently issued a revised Practice Directive No. 6/2020 'Extension of Time ("EOT") for Annual General Meeting and Lodgement of Financial Statements'.

### **MASB - Recognition of Revenue Progressively from Sale of Residential Property in Accordance with MFRS 15 Revenue from Contracts with Customers upon enactment of COVID-19 Bill 2020**

**Issue Date** October 27

**Description** MICPA wishes to inform members that the Malaysian Accounting Standards Board ("MASB") has recently released a Staff Paper on the Recognition of Revenue Progressively from Sale of Residential Property in accordance with MFRS 15 Revenue from Contracts with Customers ("MFRS 15") upon enactment of the Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 ("COVID-19") Bill 2020 ("COVID-19 Bill 2020").

### **Frequently Asked Questions ("FAQs") on the Anti-Money Laundering, Countering Financing of Terrorism ("AML/CFT") and Targeted Financial Sanctions ("TFS") for Designated Non-Financial Businesses and Professions ("DNFBPs") & Non-Bank Financial Institutions ("NBFIs") Policy Document for Professional Accountants in Public Practice**

**Issue Date** October 27

**Description** The Institute is pleased to release a set of the "Frequently Asked Questions ("FAQs") on the Anti-Money Laundering, Countering Financing of Terrorism ("AML/CFT") and Targeted Financial Sanctions ("TFS") for Designated Non-Financial Businesses and Professions ("DNFBPs") & Non-Bank Financial Institutions ("NBFIs") Policy Document for Professional Accountants in Public Practice".

## MICPA TECHNICAL UPDATES (CONT'D)

### SC - Guidelines on Digital Assets

**Issue Date** October 30

**Description** The Malaysian Institute of Certified Public Accountants ("MICPA") wishes to inform that the Securities Commission Malaysia ("SC") has recently revised its Guidelines on Digital Assets ("Guidelines"), which came into force immediately to regulate Initial Exchange Offerings ("IEO") and Digital Asset Custodians ("DAC").

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

## REGULATORY BODIES' UPDATES

### BANK NEGARA MALAYSIA (BNM)

#### Targeted Repayment Assistance better serves borrowers' needs

**Issue Date** October 19

**Description** Bank Negara Malaysia (BNM) wishes to assure borrowers that repayment assistance will remain available for borrowers whose incomes have been affected by the pandemic. Depending on their circumstances, borrowers facing challenges have generally requested for reductions in monthly repayment instalments or an extension of the moratorium.

[Read more](#)

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

**Issue Date** October 30

**Description** Click link to read more.

[Read more](#)

## REGULATORY BODIES' UPDATES

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

#### Monetary and Financial Developments in September 2020

**Issue Date** October 30

**Description** This document is in Portable Document File (PDF) format. Click link to download the document.

[Read more](#)

### SECURITIES COMMISSION (SC)

#### Adoption of Corporate Governance Best Practices Remains Positive

**Issue Date** October 8

**Description** More listed companies adopted best practices as outlined in the Malaysian Code on Corporate Governance (MCCG) in 2019, compared to the year before. When releasing its annual Corporate Governance Monitor (CG Monitor 2020) today, the Securities Commission Malaysia (SC) noted that the areas which show an increase in adoption are the Step Up practices, the two-tier voting process and board practices to determine remuneration of directors and senior management.

[Read more](#)

#### Format of the SC's CG Monitor has not been changed

**Issue Date** October 17

**Description** The Securities Commission Malaysia (SC) refers to an article by the Ekonomi Rakyat titled "Suruhanjaya Sekuriti Ubah Format Laporan, Pendapatan CEO Tidak Lagi Didedahkan" published on 16 October 2020. The SC would like to clarify that the article is inaccurate. We have not changed the format of reporting for the Corporate Governance Monitor (CG Monitor).

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### SECURITIES COMMISSION (SC) (CONT'D)

#### Audit Firm and Auditors Fined and Barred From Auditing for A Year

**Issue Date** October 19

**Description** The Securities Commission Malaysia's Audit Oversight Board (AOB) today announced that the audit firm, RSL PLT (RSL), and its partners are prohibited from accepting as clients and auditing public interest entities (PIEs) or schedule funds for a period of 12 months commencing from 1 November 2020.

[Read more](#)

### ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

#### Specific Guide

**Description** Click to download the following Specific Guide on Sales and Service Tax:

- **Guide on Sales Tax and Service Tax (Return & Payment) (as at October 13, 2020)**
- **Guidelines: SST-02 & SST-02A Return (Manual Submission)**

[Read more](#)

#### Service Tax Industry Guides

**Description** Click to download the Service Tax Industry Guides on Sales and Service Tax:

- **Guide on Accommodation (Version 2) (as at October 13, 2020) (available in English and Malay version)**
- **Panduan Perkhidmatan Pengurusan Penggudangan (as at October 6, 2020) (available in Malay version only)**
- **Guide on Professional Services (as at October 6, 2020) (available in English version only)**
- **Panduan Perkhidmatan Pengurusan (as at October 1, 2020) (available in Malay version only)**

[Read more](#)



## OTHER PROFESSIONAL BODIES

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

#### November 2020 Acuity is out now

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

Main article: How to get your invoices paid (and boost your cash flow!)

[Read more](#)

#### Take the Capability+ Challenge

**Issue Date** October 27

**Description** Create a personalised game plan to support and develop your professional capabilities.

[Read more](#)

## OTHER INTERNATIONAL UPDATES

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

#### IAASB Undertakes Post-Implementation Review of its Revised Auditor Reporting Standards

**Issue Date** October 7

**Description** The auditor's report is the key deliverable communicating the results of the audit process.

[Read more](#)

#### Risk, Scenarios and Reporting: Three Key Areas for Accountants to Advance Climate Action

**Issue Date** October 9

**Description** Climate risk has significant financial implications and threatens value creation at portfolio and company levels.

[Read more](#)

## OTHER INTERNATIONAL UPDATES

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

#### Global Ethics Day: Ethics and Remote Learning in the Pandemic

**Issue Date** October 21

**Description** It's simply a business reality in the 21st century. The individual behavior of employees, from top management to front-line workers, can make or break an organization's reputation.

[Read more](#)

#### Online Examinations

**Issue Date** October 30

**Description** Assessments are a key feature of the journey to becoming a professional accountant. Every year, thousands of aspiring professional accountants write low- to high-stakes in-person paper-based or computer-based examinations.

[Read more](#)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

#### Hope for a New Paradigm—Sustainability Reporting

**Issue Date** October 9

**Description** IFRS Foundation Trustee Teresa Ko asks whether there is a need for a global set of internationally-recognised sustainability standards, and what possible role the IFRS Foundation could play in their development.

[Read more](#)

#### Applying IFRS Standards in 2020—impact of covid-19

**Issue Date** October 28

**Description** An overview of the key financial reporting considerations that may be on the minds of preparers, auditors, investors and regulators as they tackle the complexities associated with covid-19.

[Read more](#)

## OTHER INTERNATIONAL UPDATES

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

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

**Issue Date** October 30

**Description** The October 2020 IASB Update 2020 has been published.

[Read more](#)

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**The Malaysian Institute of Certified Public Accountants (MICPA)**

No.15 Jalan Medan Tuanku  
50300 Kuala Lumpur  
Tel: 03-2698 9622

Email: [micpa@micpa.com.my](mailto:micpa@micpa.com.my) | Website: [www.micpa.com.my](http://www.micpa.com.my)