



## MONTHLY ELECTRONIC NEWSLETTER - JULY 2021 ISSUE

### NACRA 2021

NACRA 2021 is open to all companies incorporated or registered in Malaysia, both listed and non-listed, as well as the public sector and other organisations established in the country. If your company is interested, register & submit your Annual Reports by July 31, 2021. For more info, click [HERE](#).



### 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

### IASB - Invitation to Comment on the IASB Exposure Draft Management Commentary

#### Issue Date

June 1

#### Description

MICPA wishes to inform that the International Accounting Standards Board ("IASB") has recently published the Exposure Draft 'Management Commentary' ("Proposed Framework") for public comment. Management commentary, in some countries, referred to as management discussion and analysis (MD&A) which is a report that complements a company's financial statements.

## MICPA TECHNICAL UPDATES (CONT'D)

### **SSM - Practice Directive No. 8/2021: Extension of Time for Circulation of Financial Statements and Reports, Holding of Annual General Meeting and Lodgement of Financial Statements for Companies Affected by the Implementation of Movement Control Order**

**Issue Date** June 1

**Description** With the surge of COVID-19 cases in Malaysia recently and the implementation of various Movement Control Orders, MICPA recognised that companies are facing difficulties in obtaining the information needed for reporting purposes and having challenges in meeting their reporting timelines due to the impediments presented by the COVID-19 pandemic.

### **IRB - Usage of Stamp Assessment and Payment System (STAMPS) for Assessment and Stamp Duty Payment with effect from July 1, 2021**

**Issue Date** June 1

**Description** Members are informed that the Inland Revenue Board (IRB) has in its media release dated May 28, 2021 announced that the Stamp Assessment and Payment System (STAMPS) will replace the Digital Franking System 2.0 (DFS 2.0) with effect from July 1, 2021. The DFS 2.0 at all Stamping Office Branches, Satellite Offices, Customer Service Centres and Urban Transformation Centres is only available until June 30, 2021.

### **IRB - Relaxation on Tax Payment and Penalty under the Additional Strategic Programme to Empower the People and the Economy (PEMERKASA+) and Frequently Asked Questions on Tax Matters under the Movement Control Order 3.0**

**Issue Date** June 4

**Description** Members are informed that the Inland Revenue Board (IRB) has in its media release dated June 3, 2021 announced that following the Additional Strategic Programme to Empower the People and the Economy (PEMERKASA+) as announced by the Prime Minister on May 31, 2021, the IRB will offer relaxation on tax payment and penalty only to taxpayers affected by the COVID19 pandemic and the implementation of the Movement Control Order (MCO).

## MICPA TECHNICAL UPDATES (CONT'D)

### **SC - Flexibilities to Capital Markets Services Licence Holders and Registered Persons**

**Issue Date** June 8

**Description** MICPA wishes to inform that the Securities Commission Malaysia ("SC") has recently announced that temporary relief has been granted to Capital Markets Services Licence ("CMSL") Holders and Registered Persons arising from the current Movement Control Order 3.0 commencing from June 1, 2021 to address the COVID-19 pandemic in Malaysia.

### **IRB - Automatic Deferment of Payment of Estimated Tax Payable for Selected Industries under 'Program Strategik Memperkasa Rakyat dan Ekonomi (PEMERKASA)'**

**Issue Date** June 11

**Description** Members are informed that the Inland Revenue Board (IRB) has in its media release issued on June 10, 2021 announced the automatic deferment of estimated tax payable for selected industries under the 'Program Strategik Memperkasa Rakyat dan Ekonomi (PEMERKASA).'

### **IAASB - New Quality Management Implementation Guidance**

**Issue Date** June 15

**Description** MICPA wishes to inform that the International Auditing and Assurance Standards Board ("IAASB") has recently released two guides to help stakeholders implement its suite of quality management standards

### **BURSA - Additional Relief Measures to Support Listed Issuers/Corporations Amid COVID-19 Pandemic**

**Issue Date** June 18

**Description** In view of the extended nationwide total lockdown to June 28, 2021, MICPA conducted consultations with our members and accounting firms regarding the impact of the extended total lockdown on the reporting deadlines of listed issuers/corporations in Malaysia. MICPA recognised that the listed issuers/corporations and their auditors are facing difficulties in obtaining the information needed for reporting purposes and having challenges in meeting their reporting deadlines due to the impediments presented by the COVID-19 pandemic.

## MICPA TECHNICAL UPDATES (CONT'D)

### **IRB - Increase in Maximum Limit for Income Tax Payments via FPX**

**Issue Date** June 22

**Description** Members are informed that the Inland Revenue Board (IRB) has in its media release dated June 20, 2021 announced the increase in the maximum limit for income tax payments via Financial Process Exchange (FPX) with immediate effect.

### **IRB - Response to Appeal for Extension of Time for Filing of Income Tax Return Form and Tax Payments**

**Issue Date** June 28

**Description** The Institute is pleased to inform its members that the relaxation given by the IRB is in response to our joint appeal submitted with the Malaysian Institute of Accountants (MIA) for the IRB to reconsider the appeal for extension of time for filing of income tax return form (ITRF) and tax payments vide our letter dated June 15, 2021 due to severe challenges faced by tax practitioners arising from the total lockdown.

### **IRB - Guidelines on Dispute Resolution Proceeding**

**Issue Date** June 28

**Description** Members are informed that the Inland Revenue Board (IRB) has announced on its official portal on June 27, 2021 on the release of the Guidelines on Dispute Resolution Proceeding issued on June 15, 2021.

**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)

#### Launch of the Cross-Border QR Payment Linkage between Malaysia and Thailand

**Issue Date** June 18

**Description** Bank Negara Malaysia (BNM) and the Bank of Thailand (BOT) today launched a cross-border QR payment linkage between Malaysia and Thailand. Under this linkage, consumers and merchants in both countries will be able to make and receive instant cross-border QR code payments.

[Read more](#)

#### International Reserves of Bank Negara Malaysia as at 15 June 2021

**Issue Date** June 22

**Description** The international reserves of Bank Negara Malaysia amounted to USD111.0 billion as at 15 June 2021.

[Read more](#)

#### Detailed Disclosure of International Reserves as at end-May 2021

**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 2021

**Issue Date** June 30

**Description** Click link for more info.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### THE SECURITIES COMMISSION (SC)

#### SC Seeks Public Help to Locate Former Unit Trust Consultant

**Issue Date** June 8

**Description** The Securities Commission Malaysia (SC) is seeking information from members of the public to locate Harani bin Kamarudin, a former unit trust consultant suspected of several misconducts in relation to a unit trust investment.

[Read more](#)

#### JC3 to host Flagship Event on Climate Change - FinanceforChange Virtual Conference from 23-25 June 2021

**Issue Date** June 10

**Description** The Joint Committee on Climate Change (JC3) is pleased to announce that it will host its flagship event on climate change, FinanceforChange Virtual Conference, from 23 to 25 June 2021. The conference aims to share knowledge, best practices and solutions in tackling climate change.

[Read more](#)

#### Auditors Play Important Role in Promoting Integrity of Financial Statement

**Issue Date** June 23

**Description** In the light of recent events the Securities Commission Malaysia (SC) wishes to reiterate that under the Capital Markets and Services Act 2007, auditors have a statutory obligation to immediately report to the SC, if they reasonably believe that there are any matters which may constitute a breach or non-performance of any requirement of securities laws, rules of the stock exchange or any matter which may adversely affect to a material extent the financial position of the listed company.

[Read more](#)

## REGULATORY BODIES' UPDATES (CONT'D)

### ROYAL MALAYSIAN CUSTOMS DEPARTMENT (CUSTOMS)

**Service Tax Policy No. 2/2021: Service Tax Treatment on Group A: Accommodation First Schedule Service Tax Regulations 2018 under the People and Economic Strategic Empowerment Programme (PEMERKASA)**

**Description** Click to download the Service Tax Policy.

[Read more](#)

## OTHER PROFESSIONAL BODIES

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

**July 2021 Acuity is out now**

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

Main article: Why you should pay your staff more

[Read more](#)

## OTHER INTERNATIONAL UPDATES

### INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC)

**International Federation of Accountants (IFAC) Continues Drive Against Financial Crime**

**Issue Date** June 2

**Description** The International Federation of Accountants (IFAC) welcomes the work of the World Economic Forum's (the "Forum") Unifying Framework, published today, for the important added visibility it provides in the fight against financial crime from a cross-sectoral perspective.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

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

#### Key Factors to Consider in Designing Partner Compensation Models

**Issue Date** June 14

**Description** With many models to choose from, firms must consider a wide range of possible factors when drawing up a partner compensation scheme. Regardless of which model fits best, success will depend on regularly assessing and refining the arrangement to meet the needs of the firm and its partners.

[Read more](#)

#### How Can Your Firm Harness the Potential of Gen Z in the Workplace?

**Issue Date** June 15

**Description** As Generation Z (presently, 18-25 years of age) comes of age and joins the working world, ACCA and IFAC undertook research into the key issues facing this generation's emerging professionals. Surveying 9,000 Gen Z respondents in late 2020, individuals were asked about their career aspirations, needs, worries, and perceptions of business and employers.

[Read more](#)

#### New Study Reveals Lack of Standardization in Sustainability Assurance

**Issue Date** June 23

**Description** Global practices for sustainability assurance—including the prevalence of assurance, level of assurance, and standard and practitioner used—varies widely by jurisdiction, according to a new study from the International Federation of Accountants (IFAC) and the AICPA & CIMA (representing the Association of International Certified Professional Accountants). The new study is a groundbreaking review that provides a comprehensive global picture of the current status of assurance.

[Read more](#)



## OTHER INTERNATIONAL UPDATES (CONT'D)

### INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

#### **IFRS Foundation Trustees establish Eminent Persons Group to guide work on sustainability-related financial disclosures**

**Issue Date** June 7

**Description** The IFRS Foundation Trustees have today announced the establishment of an Eminent Persons Group, chaired by Jean-Claude Trichet, to provide strategic advice and counsel to the Trustees on the proposed formation of the International Sustainability Standards Board and its connectivity with jurisdictional initiatives.

[Read more](#)

#### **IFRIC Update June 2021**

**Issue Date** June 17

**Description** IFRIC Update is a summary of the decisions reached by the IFRS Interpretations Committee (Committee) in its public meetings. Past Updates can be found in the IFRIC Update archive.

[Read more](#)

#### **IASB Update June 2021**

**Issue Date** June 25

**Description** This IASB Update highlights preliminary decisions of the International Accounting Standards Board (Board). Projects affected by these decisions can be found on the work plan. The Board's final decisions on IFRS® Standards, Amendments and IFRIC® Interpretations are formally balloted as set out in the IFRS Foundation's Due Process Handbook.

[Read more](#)

## OTHER INTERNATIONAL UPDATES (CONT'D)

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

#### Is there a path to global sustainability standards?

**Issue Date** June 29

**Description** Erkki Liikanen, Chair of the IFRS Foundation Trustees, delivered a keynote speech at CFA Institute's Global Financial Regulatory Symposium on 29 June 2021. He talked about the Foundation's work to meet the information needs of investors and other capital market participants by creating a proposed new board that would develop a global baseline of sustainability-related disclosures focused on enterprise value.

[Read more](#)

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