

Annual Report  
**2015**

# A REFLECTION OF PRESTIGE

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A REFLECTION  
OF PRESTIGE

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fifty Eighth Annual General Meeting of the Institute will be held at **Roof Garden Lounge, RG Floor, Sime Darby Convention Centre, Jalan Bukit Kiara, 60000 Kuala Lumpur, on Saturday, June 25, 2016 at 10:00 a.m.** for the following purposes:

1. To receive and adopt the Report of the Council and the Financial Statements of the Institute for the year ended December 31, 2015.
2. To elect ten Council members from the following nominees:

Ab Halim bin Mohyiddin, Dato'

Abdul Rauf bin Rashid, Dato'

Beh Tok Koay

Fadzilah bte Saad, Datin

Johan bin Idris, Datuk

Lee Tuck Heng

Loh Lay Choon

Megat Iskandar Shah bin Mohamad Nor

Mohammad Faiz bin Mohammad Azmi, Dato'

Ng Gan Hooi

3. To appoint two auditors.
4. Any other business.

By order of the Council

**FOO YOKE PIN (Mr)**

Secretary

Kuala Lumpur

May 30, 2016

**Note:**

A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy must be a member of the Institute. The instrument appointing a proxy must be deposited at the office of the Institute at No 15, Jalan Medan Tuanku, 50300 Kuala Lumpur, not less than 48 hours before the time set for holding the meeting.

1. Pursuant to bye-law 89, the following are lists of members nominated for membership of the Council and for appointment as auditors:

i. In accordance with bye-law 5, the following Council members shall retire at the Annual General Meeting:

Ab Halim bin Mohyiddin, Dato'

Abdul Rauf bin Rashid, Dato'

Ahmad Fuaad bin Mohd Kenali, Dato'

Beh Tok Koay

Fadzilah bte Saad, Datin

Lee Tuck Heng

Loh Lay Choon

Mohammad Faiz bin Mohammad Azmi, Dato'

Ng Gan Hooi

Pursuant to bye-law 6, these Council members are deemed to be nominated for re-election except for Dato' Ahmad Fuaad bin Mohd Kenali who has signified in writing that he does not desire to offer himself for re-election.

ii. The following nomination has been received for election to the Council in accordance with bye-law 7:

Johan bin Idris, Datuk

iii. The following member who was appointed during the year to fill casual vacancy in the Council shall retire at the Annual General Meeting in accordance with bye-law 13:

Megat Iskandar Shah bin Mohamad Nor (Appointed on May 14, 2016)

Pursuant to bye-law 6, the Council member is deemed to be nominated for re-election.

iv. In accordance with bye-law 120, the following members shall retire as auditors of the Institute at the Annual General Meeting. Pursuant to bye-law 121, they are deemed to be nominated for re-appointment as auditors for the ensuing year:

Khoo Pek Ling, Datin

Leong Kok Tong

2. The following member was appointed during the year to fill casual vacancy in the Council in accordance with bye-law 13:

Megat Iskandar Shah bin Mohamad Nor

The member appointment is to be confirmed at the Annual General Meeting.

3. During the year, Sukanta K Dutt has resigned as a member of the Council.

## OBJECTS, VISION AND MISSION

### Objects of the Institute

The principal objects of the Institute as set out in the Memorandum and Articles of Association are as follows:

- To advance the theory and practice of accountancy in all its aspects.
- To recruit, educate, train and assess by means of examination or otherwise a body of members skilled in these areas.
- To preserve at all times the professional independence of accountants in whatever capacities they may be serving.
- To maintain high standards of practice and professional conduct by all its members.
- To do all such things as may advance the profession of accountancy in relation to public practice, industry, commerce, education and the public service.

### Our VISION

To be the premier business qualification in Malaysia, comparable to the best in the world.

### Our MISSION

#### TO ENHANCE

the value and distinctiveness of the Certified Public Accountant (CPA) qualification.

#### TO PROMOTE

high standards of professional conduct and technical competence of members to safeguard public interest.

#### TO PROVIDE

quality professional education and training thereby creating a competitive advantage for members.

# MICPA COUNCIL

## 2015/2016



Dato' Ab Halim bin Mohyiddin | Abdul Halim bin Md Lassim | Dato' Ahmad Fuaad bin Mohd Kenali | Beh Tok Koay | Datin Hjhd Fadzilah bte Saad | Dato' Gan Ah Tee | Dato' Abdul Rauf bin Rashid (President) | Tan Theng Hooi (Vice-President) | Goh Lee Hwa | Khaw Hock Hoe | Lee Tuck Heng | Lim Thiam Kee | Loh Lay Choon | Megat Iskandar Shah bin Mohamad Nor | Dato' Mohammad Faiz bin Mohammad Azmi



Ng Gan Hooi | Ng Kim Tuck | Ong Chee Wai | Poon Yew Hoe | Pushpanathan a/l S A Kanagarayar | Rozaini Mohd Sani | Tang Seng Choon | Dr Teh Chee Ghee | Teo Swee Chua | Thong Foo Vung | Dr Veerinderjeet Singh | Venkatramanan Viswanathan | Yeoh Siew Ming | Datuk Robert Yong Kuen Loke | Yong Yoon Shing

## MICPA COUNCIL 2015/2016

				Attendance at Council Meetings
<b>President</b>				
Dato' Abdul Rauf bin Rashid	(2011)	Kuala Lumpur		6
<b>Vice-President</b>				
Tan Theng Hooi	(2009)	Kuala Lumpur		6
<b>Members</b>				
●■ Dato' Ab Halim bin Mohyiddin	(1987)	Selangor		3
■ Abdul Halim bin Md Lassim	(2006)	Selangor		5 (LOA – 1)
■ Dato' Ahmad Fuaad bin Mohd Kenali	(2013)	Selangor		1 (LOA – 1)
● Beh Tok Koay	(1989)	Selangor		5 (LOA – 1)
■ Datin Hjh Fadzilah bte Saad	(1987)	Selangor		6
Dato' Gan Ah Tee	(2008)	Kuala Lumpur		6
Goh Lee Hwa	(2006)	Kuala Lumpur		5
Khaw Hock Hoe	(2014)	Selangor		4 (LOA – 1)
Lee Tuck Heng	(2007)	Kuala Lumpur		6
Lim Thiam Kee	(2002)	Kuala Lumpur		6
Loh Lay Choon	(2004)	Kuala Lumpur		3 (LOA – 2)
Megat Iskandar Shah bin Mohamad Nor (Appointed on May 14, 2016)	(2016)	Kuala Lumpur		N/A
Dato' Mohammad Faiz bin Mohammad Azmi	(2012)	Kuala Lumpur		4 (LOA – 1)
Ng Gan Hooi	(2012)	Kuala Lumpur		4 (LOA – 2)
Ng Kim Tuck	(2005)	Kuala Lumpur		5
Ong Chee Wai	(2012)	Kuala Lumpur		5 (LOA – 1)
Poon Yew Hoe	(1998)	Kuala Lumpur		4
●■ Pushpanathan a/l S A Kanagarayar	(2001)	Kuala Lumpur		4 (LOA – 2)
■ Rozaini Mohd Sani	(2015)	Johor		3 (LOA – 1)
Sukanta K Dutt (Resigned on September 12, 2015)	(1999)	Kuala Lumpur		1 (LOA – 1)
Tang Seng Choon	(2015)	Kuala Lumpur		4 (LOA – 2)
■ Dr Teh Chee Ghee	(2015)	Kuala Lumpur		5
Teo Swee Chua	(2010)	Kuala Lumpur		4 (LOA – 1)
Thong Foo Vung	(2012)	Selangor		3 (LOA – 1)
Dr Veerinderjeet Singh	(2004)	Kuala Lumpur		5
Venkatramanan Viswanathan	(1986)	Melaka		3 (LOA – 1)
Yeoh Siew Ming	(2015)	Perak		4
■ Datuk Robert Yong Kuen Loke	(1998)	Selangor		1 (LOA – 1)
Yong Yoon Shing	(2010)	Selangor		4 (LOA – 2)

### Secretary

Foo Yoke Pin

### Registered Office

No. 15, Jalan Medan Tuanku  
50300 Kuala Lumpur

### Auditors

Khoo Pek Ling, Datin  
Leong Kok Tong

- Denotes Past President
- Denotes member not in practice
- ( ) Denotes year in which member first joined Council
- LOA Leave of Absence

# MICPA COMMITTEES

## 2015/2016

### EXECUTIVE COMMITTEE

NO. OF MEETINGS: 5

	Attendance
Dato' Abdul Rauf bin Rashid ( <i>Chairman</i> )	5
Tan Theng Hooi	4 (LOA – 1)
Dato' Ab Halim bin Mohyiddin	4 (LOA – 1)
Beh Tok Koay	4 (LOA – 1)
Dato' Gan Ah Tee	5
Dato' Mohammad Faiz bin Mohammad Azmi	2
Poon Yew Hoe	5
Pushpanathan a/l S A Kanagarayar	3
Dr Veerinderjeet Singh	4
Datuk Robert Yong Kuen Loke	3

#### Terms of Reference:

1. To identify and implement plans of action on specific issues of current concern affecting members, the Institute and the accountancy profession.
2. To co-ordinate liaison with the Government on policies or any other matters pertaining to accounting and the profession.
3. To establish and supervise liaison committees with the Government, its Ministries or agencies in relation to Corporate Law.
4. To co-ordinate reviews of legislation or draft legislation as and where appropriate.
5. To be responsible for the smooth running of the Secretariat.
6. To be responsible for the preparation of the budgets and financial statements of the Institute.
7. To liaise with the Trustees of the MACPA Educational Trust Fund with regard to the maintenance of the Building and the administration of the Fund.

### ACCOUNTING & AUDITING TECHNICAL COMMITTEE

NO. OF MEETINGS: 7

	Attendance
Sukanta K Dutt ( <i>Chairman</i> ) ( <i>Resigned on September 12, 2015</i> )	– (LOA – 1)
Ng Kim Tuck ( <i>Alternate Chairman</i> ) ( <i>Retired as Alternate Chairman and Appointed as Chairman on September 12, 2015</i> )	7
Thong Foo Vung ( <i>Alternate Chairman</i> ) ( <i>Appointed on September 12, 2015</i> )	4 (LOA – 1)
Loh Lay Choon	2 (LOA – 1)
Megat Iskandar Shah bin Mohamad Nor ( <i>Appointed on October 21, 2015</i> )	2 (LOA – 1)
Dato' Mohammad Faiz bin Mohammad Azmi	0
Rozaini Mohd Sani	2 (LOA – 1)
Tang Seng Choon	3
Teo Swee Chua	2
Venkatramanan Viswanathan	2
Yeoh Siew Ming	1

#### Co-opted Members

Audrey Chan	7
Chia Kum Cheng ( <i>Resigned on July 1, 2015</i> )	–
Stephen Khoo	2 (LOA – 1)
Lee Hin Kan	5 (LOA – 1)
Ooi Chee Kun	4
Oong Kee Leong, Stephen	3
Siew Kah Toong, David	4 (LOA – 2)
Siew Kar Wai	1 (LOA – 1)

## MICPA COMMITTEES 2015/2016

### MICPA-MIA JOINT WORKING GROUP ON NEW & REVISED STANDARDS ON AUDITOR REPORTING

NO. OF MEETINGS: 2

	Attendance
Sukanta K Dutt ( <i>Chairman</i> ) ( <i>Resigned on September 12, 2015</i> )	1
Ng Kim Tuck ( <i>Chairman</i> ) ( <i>Appointed on September 12, 2015</i> )	1
Tang Seng Choon	2
Teo Swee Chua	0
Thong Foo Vung	2
Manohar Benjamin	2
Ooi Chee Koon	0
Oong Kee Lung, Stephen	1
Siew Kah Toong, David	2

### MASB WORKING GROUPS

NO. OF MEETINGS: 7

	Attendance
Khaw Hock Hoe	0
Ng Kim Tuck	1
Teo Swee Chua	0

#### **Co-opted Members**

Chia Kum Cheng ( <i>Resigned on July 1, 2015</i> )	0
Loo Chee Chou	0
Ooi Chee Kun	0

### MIA FINANCIAL REPORTING STANDARDS IMPLEMENTATION COMMITTEE (FRSIC)

NO. OF MEETINGS: 6

	Attendance
Ng Kim Tuck	4

#### **Terms of Reference:**

1. To recommend the adoption of new or revised International Auditing and Assurance Standards and guidance for approval by Council.
2. To review and if deemed necessary to recommend to Council to respond to the exposure drafts and other consultative documents issued by the Malaysian Accounting Standards Board, Malaysian Institute of Accountants and the International Auditing and Assurance Standards Board.
3. To review and provide guidance on financial reporting requirements, auditing and assurance standards and listing regulations.
4. To recommend topics in contemporary accounting and auditing issues for research.
5. To establish and supervise working committees formed to produce recommendations on financial reporting and auditing standards and guidelines.

## MICPA COMMITTEES 2015/2016

### COMMERCE & INDUSTRY COMMITTEE

NO. OF MEETINGS: 1

	Attendance
Dato' Ahmad Fuaad bin Mohd Kenali ( <i>Chairman</i> )	1
Poon Yew Hoe ( <i>Alternate Chairman</i> )	0
Abdul Halim bin Md Lassim	1
Datin Hjh Fadzilah bte Saad	0
Ng Gan Hooi	0
Rozaini Mohd Sani	0
Datuk Robert Yong Kuen Loke	0

#### **Co-opted Members**

Christine Cho Oi Kwan	0
Ben Lee Keen Pong	1
Vincent Seow	0

#### **Terms of Reference:**

1. To ensure that the interests and views of members in commerce and industry are properly reflected in the Institute's policies and activities.
2. To develop, in conjunction with other Committees of the Institute, such activities that are of interest to members in commerce and industry, particularly in relation to continuing professional development programmes in management accounting and other topics.
3. To develop the management accounting and reporting guidelines for recommendation to Council.
4. To provide a consultative media for members in commerce and industry.
5. To co-ordinate liaison with local, regional and international bodies on all matters concerning management accounting and reporting.

### DISCIPLINARY COMMITTEE

NO. OF MEETINGS: 0

	Attendance
Dato' Mohammad Faiz bin Mohammad Azmi ( <i>Chairman</i> )	0
Sukanta K Dutt ( <i>Resigned on September 12, 2015</i> )	0
Teo Swee Chua	0
Yeoh Siew Ming ( <i>Appointed on September 12, 2015</i> )	0

#### **Lay Persons**

Chua See Hua	0
Prof Dr Rozainun Hj Abd Aziz	0

#### **Terms of Reference:**

1. On receipt of a formal complaint, to inform the defendant of the Committee's intention to consider the complaint and to hear the complaint.
2. Where the committee finds that a complaint has been proved, to take appropriate disciplinary action against the defendant which includes exclusion or suspension from membership in the case of a member and exclusion from the relevant register in the case of a registered student, censure, reprimand, admonishment or payment of a fine/costs.
3. To give notice of its finding and decision to the defendant.
4. To refer the complaint to the Council for a final decision if no unanimity is reached by the Committee.
5. To report all findings and decisions of the Committee to the Council for recording.

## MICPA COMMITTEES 2015/2016

### EDUCATION & TRAINING COMMITTEE

NO. OF MEETINGS: 1

	Attendance
Dato' Ab Halim bin Mohyiddin ( <i>Chairman</i> )	0
Tan Theng Hooi ( <i>Alternate Chairman</i> )	1
Dato' Ahmad Fuaad bin Mohd Kenali	0
Khaw Hock Hoe	1
Ng Gan Hooi	1
Ong Chee Wai	0
Pushpanathan a/l S A Kanagarayar	1
Dr Teh Chee Ghee	1

#### **Co-opted Members**

Dr Amirul Shah Md Shahbudin	1
Dr Anbalagan Krishnan	0
Prof Dr Arfah Salleh	(LOA – 1)
Dr Chee Hong Kok	1
Prof Dr Ibrahim Kamal Abdul Rahman	0
Prof Dr Mahamad bin Tayib	0
Asso Prof Dr Mazlina Mat Zain	0
Asst Prof Ng Kean Kok	1
Asso Prof Dr Nor Aziah Abdul Manap	0
Asso Prof Dr Suhaiza Ismail	0
Prof Dr Takiah Mohd Iskandar	0
Joyce Tjoa	0
Dr Zarina Zakaria	0

#### **Terms of Reference:**

1. To organise education and training programmes for students.
2. To plan and administer continuing professional development programmes for members.
3. To liaise with institutions of higher learning and other local and overseas professional organisations in matters pertaining to education and training.
4. To evaluate courses/qualifications referred to the Committee by the Membership Affairs Committee for the purpose of student registration and/or exemption from the Institute's examinations.
5. To regularly review the Institute's examination syllabus.
6. To develop and maintain a library to provide reference and research facilities for members and students

### EXAMINATION COMMITTEE

NO. OF MEETINGS: 2

	Attendance
Dr Veerinderjeet Singh ( <i>Chairman</i> )	2
Beh Tok Koay ( <i>Alternate Chairman</i> )	2
Abdul Halim bin Md Lassim	1
Goh Lee Hwa	1
Lee Tuck Heng	1
Sukanta K Dutt ( <i>Resigned on September 12, 2015</i> )	–
Thong Foo Vung	1

## MICPA COMMITTEES 2015/2016

### Terms of Reference:

1. With Council's approval, to issue from time to time, regulations for the:
  - (a) conduct of the examinations, and
  - (b) eligibility of students to sit for the examinations.
2. To give notice in writing to all students when entry for examination is opened.
3. With Council's approval, to appoint and remunerate examiners and moderators.
4. To recommend to Council the fees to be charged for the examinations.
5. To appoint and remunerate invigilators at each examination centre.
6. To consider reports of examiners and moderators and determine the examination results.
7. To notify students of their performance at the examinations.
8. To issue certificates to successful students at each examination.

### FINANCIAL STATEMENTS REVIEW COMMITTEE

NO. OF MEETINGS: 8

	Attendance
Loh Lay Choon ( <i>Chairman</i> )	7 (LOA – 1)
Ng Kim Tuck ( <i>Alternate Chairman</i> )	6 (LOA – 1)
Khaw Hock Hoe	4 (LOA – 1)
Ong Chee Wai	5
Tang Seng Choon	3 (LOA – 1)
Teo Swee Chua	4
Venkatramanan Viswanathan	4

#### **Co-opted Members**

Chua Guan Heng, Herbert	1 (LOA – 1)
Chua Wai Hong	1
Chua Lei Choon, Florence	2
Ooi Thiam Poh, Alex	2
Siew Kah Toong, David	4 (LOA – 1)
Wong Kar Choon	0
Yeo Beng Yean	0

### Terms of Reference:

1. To uphold the standards of the accountancy profession in Malaysia by supporting members in enhancing the quality of financial statements reporting. This is to be done by the review of financial statements selected at random by the Committee or referred by a person to the Committee and by drawing the attention of the members responsible for preparing and those reporting on them to any areas in which the presentation or content appears to fall short of such compliance with regulatory requirements and applicable approved accounting standards in Malaysia. The Committee will also consider the independent auditors report issued in conjunction with the review of the selected financial statements.
2. To respond appropriately to questions and problems submitted to the Institute by members who may have difficulty in complying with the recommendations of this Committee.
3. As and when appropriate, to refer special items of difficulty or interest to the relevant committees or the Council of the Institute.
4. Where the matter arising out of the work undertaken by the committee within its terms of reference is justified, to authorise a member of the Committee to refer the matter to the Investigation Committee for further investigative action.

## MICPA COMMITTEES 2015/2016

### INSOLVENCY PRACTICE COMMITTEE

NO. OF MEETINGS: 4

	Attendance
Dato' Gan Ah Tee ( <i>Chairman</i> )	4
Lim Thiam Kee ( <i>Alternate Chairman</i> )	4
Yong Yoon Shing	3

#### Co-opted Members

Dato' Adam Primus Varghese Abdullah	3
Ahmad Shazli Kamarulzaman	0
Chua See Hua	3
Duar Tuan Kiat, Stephen ( <i>Appointed on August 6, 2015</i> )	2
Fazlina Pawan Teh	1
Hong Boo Kiat, Adrian	4
Kumar Kanagasingam	3
Lim San Peen	4
Dr Lim Swee Geok	4
Lim Tian Huat	1
Mak Kum Choon	4
Ng Chih Kaye	1
Ng Pyak Yeow	0
Norhaslinda Salleh ( <i>Appointed on June 30, 2015</i> )	3
Pauline Teh Abdullah	1
Shamsol Zakri bin Zakaria ( <i>Resigned on May 11, 2016</i> )	2
S Suhendran	0
Tan Gin Han ( <i>Appointed on May 11, 2016</i> )	1
Wong Chee Lin	4
Yap Wai Fun ( <i>Resigned on May 9, 2016</i> )	1

#### Terms of Reference:

- To provide a forum for the exchange of ideas and discussion of issues faced by practitioners in relation to:
  - the law and practice of insolvency and corporate restructuring;
  - their dealings with Malaysia Department of Insolvency, Companies Commission of Malaysia and other relevant authorities; and
  - making the necessary representations and/or recommendations to such authorities.
- To prepare guidance notes on insolvency & corporate restructuring practice as and when required.
- To create awareness among members in insolvency and corporate restructuring practice in this country on the highest degree of integrity, objectivity and competency and to consistently evaluate the current framework of insolvency and corporate restructuring law and its practice in Malaysia.
- To encourage and facilitate greater cooperation and communication amongst insolvency and corporate restructuring practitioners in Malaysia.
- To deal with any other matters relating to insolvency and corporate restructuring.

### INVESTIGATION COMMITTEE

NO. OF MEETINGS: 3

	Attendance
Pushpanathan a/l S A Kanagarayar ( <i>Chairman</i> )	2
Datin Hjh Fadzilah bte Saad ( <i>Alternate Chairman</i> )	2 (LOA – 1)
Dato' Gan Ah Tee	2
Lee Tuck Heng	3
Rozaini Mohd Sani ( <i>Appointed on September 12, 2015</i> )	1
Thong Foo Vung	1 (LOA – 1)

## MICPA COMMITTEES 2015/2016

### Terms of Reference:

1. To consider any facts or complaints laid before it indicating that a member, provisional member or registered student of the Institute has become liable to disciplinary action.
2. Where the Committee is of the opinion that a prima facie case has been made out, it shall make a formal complaint to the Disciplinary Committee.
3. To request a member to support the formal complaint during a hearing before the Disciplinary Committee.
4. To request a member to support the decision of the Disciplinary Committee during a hearing before the Appeal Committee.

### MEMBERSHIP AFFAIRS COMMITTEE

NO. OF MEETINGS: 5

	Attendance
Goh Lee Hwa ( <i>Chairman</i> )	3
Lee Tuck Heng ( <i>Alternate Chairman</i> )	4
Dato' Ab Halim bin Mohyiddin	1
Datin Hj Fadzilah bte Saad	4 (LOA - 1)
Ong Chee Wai	2
Dr Teh Chee Ghee	2

### Terms of Reference:

1. To consider applications for membership.
2. To consider applications for practising certificates.
3. To consider enquiries of members pertaining to membership.
4. To consider applications from students for registration and exemption from examinations.
5. To recommend to Council fees to be charged for membership and issue of practising certificates.
6. To prepare guidance notes on various aspects of the MICPA Code of Ethics.
7. To provide counselling services to members on professional conduct and ethics (in accordance with the above Code) and other professional matters where possible, but so as not to infringe on matters within the purview of other Committees.
8. To promote the profession to the public in liaison with other relevant Committees.
9. To deal with correspondence from members and public where the subject matter does not fall within the ambit of other Committees.

### PUBLIC AFFAIRS COMMITTEE

NO. OF MEETINGS: 1

	Attendance
Datuk Robert Yong Kuen Loke ( <i>Chairman</i> )	1
Tan Theng Hooi ( <i>Alternate Chairman</i> )	1
Abdul Halim bin Md Lassim	0
Dato' Ahmad Fuaad bin Mohd Kenali	0
Khaw Hock Hoe	0
Loh Lay Choon	0
Ng Gan Hooi	0
Ng Kim Tuck ( <i>Appointed on September 12, 2015</i> )	(LOA - 1)
Dr Teh Chee Ghee ( <i>Appointed on September 12, 2015</i> )	(LOA - 1)
Yong Yoon Shing	1

### Co-opted Members

Ahmad Faris Yahaya	0
Chia Kum Cheng	0

## MICPA COMMITTEES 2015/2016

### Terms of Reference:

1. To organise programmes to enhance and project the image of the Institute and the profession.
2. To coordinate and organise all public relations activities of the Institute.
3. To develop and maintain contacts with the media.
4. To foster better understanding, relationship and co-operation between the Institute, the Government and the financial and business communities.
5. To be responsible for publication of promotional materials, including the Institute's Journal and press releases.
6. To plan and organise the Institute's annual and regional conferences hosted by the Institute, and joint conferences with other professional bodies.

### PUBLIC PRACTICE COMMITTEE

NO. OF MEETINGS: 3

	Attendance
Lim Thiam Kee ( <i>Chairman</i> )	3
Poon Yew Hoe ( <i>Alternate Chairman</i> )	3
Ng Kim Tuck ( <i>Retired on September 12, 2015</i> )	0
Tang Seng Choon ( <i>Appointed on September 12, 2015</i> )	1
Venkatramanan Viswanathan	0 (LOA – 1)
Yeoh Siew Ming	2
Yong Yoon Shing	1

### Co-opted Members

Abu Bakar Rajudin	1
Chong Sai Sin ( <i>Appointed on February 5, 2016</i> )	2
Dato' Liew Lee Leong, Raymond	1 (LOA – 1)
Lim Kien Chai	3
Mohd Afrizan Husain	0
Mohd Noor Abu Bakar	3
Siew Kah Toong, David	2 (LOA – 1)

### Terms of Reference:

1. To identify the professional development needs of smaller practices.
2. To promote the professional standing of members in practice.
3. To assist members in practice management.
4. To provide a forum for interaction and consultation for members in practice.
5. To formulate and provide training courses for staff of smaller practices.
6. To assist the professional development needs of practitioners.

## MICPA COMMITTEES 2015/2016

### TAX PRACTICE COMMITTEE

NO. OF MEETINGS: 2

	Attendance
Beh Tok Koay ( <i>Chairman</i> )	2
Dr Veerinderjeet Singh ( <i>Alternate Chairman</i> )	2
Goh Lee Hwa	2
Lim Thiam Kee	0
<b>Co-opted Members</b>	
Fo Wai Lan	2
Goh Kean Hoe ( <i>Appointed on September 23, 2015</i> )	2
Khoo Guat Eean, Heather	0
M J Monteiro	0
Phoon Sow Cheng	2
Tai Lai Kok	0 (LOA – 1)
Wan Chee Khei	0
Woon Yoke Lee	2
Yeo Eng Ping	2

#### Terms of Reference:

1. To serve as key liaison between the Institute and Government on taxation matters.
2. To participate in Government's consultation process on the development, revision and implementation of tax legislation and regulations.
3. To consider practical problems faced by members relating to the application of tax legislation and compliance with the regulations of the Inland Revenue Board.
4. To be responsible for the Institute's publications on taxation and related matters

# PRESIDENT'S STATEMENT



As the only homegrown professional body for accountants in Malaysia, MICPA has stood the test of time, not only in enduring but also remaining relevant in the face of changes that have occurred with the passage of time. The Institute's Certified Public Accountant (CPA) Programme is renowned for its high standards and has since produced many professional accountants in Malaysia that have gone on to contribute significantly to the growth of the profession.

Over the years, the Programme has continued to evolve and develop its professional pedigree through collaboration with Chartered Accountants Australia and New Zealand (CAANZ) and through MICPA's active participation in the setting and implementation of accounting guidelines and standards in the country. Throughout my two-year term as President, I've observed how MICPA has continued to maintain and cultivate its prominence as depicted in the theme of this year's annual report – **A Reflection of Prestige.**

**DATO' ABDUL RAUF BIN RASHID**

President



## PRESIDENT'S STATEMENT

As emissaries of the CPA qualification, MICPA members contribute enormously to the Institute's prestigious reputation through their professional performance and achievements. In the last year, the Institute has persisted in its efforts to attract more members by providing a wider range of options and support for potential candidates to pursue the MICPA qualification. Our partnership with CAANZ has played an instrumental role in enhancing the appeal of the CPA, and the qualification is now also recognised in Australia and New Zealand through the joint MICPA-CAANZ Programme. This partnership has provided us with access to a wider pool of candidates as we can now reach out to Malaysian students studying in Australia and New Zealand. Our outreach efforts in this area are ongoing every year with visits to selected universities in Australia and New Zealand to promote the joint MICPA-CAANZ Programme.

On the local front, we are just as active, filling the calendar every year with outreach activities for students on local campuses. These range from more conventional programmes such as delivering career talks and participating in career fairs to our signature initiatives such as the MICPA-CAANZ Accountancy Week and the newly-introduced MICPA Accountant's Dash. In fact, there was a noticeable uptick last year in the number of accounting students from local universities who registered as candidates for the MICPA-CAANZ Programme. This is credited to the MICPA-TalentCorp Par Excellence Programme, which attracted many students with good academic track records. This year, we are excited to embark on another collaboration to provide more scholarship opportunities to potential candidates. We are partnering with Yayasan Peneraju Pendidikan Bumiputera and the Malaysia Professional Accountancy Centre (MyPAC) to offer scholarships to young and motivated Bumiputera candidates for the MICPA-CAANZ Programme.

We also continue to join forces with universities to promote the accounting profession and its career opportunities to students. In addition to the Memorandum of Agreements (MoAs) we have with Universiti Sains Malaysia (USM) and Universiti Teknologi MARA (UiTM), we have also signed a similar MoA with Universiti Malaya (UM) to develop accounting-related educational programmes that focus on academia, training and student development. MICPA will also work closely with the universities to create platforms for information sharing and intellectual discourse. These initiatives are in support of the Government's target to increase the number of accounting professionals in the country to 60,000 by 2020 to meet the needs of a developed nation.

The past year has seen some interesting developments in the accounting landscape with the announcements of the new Auditor Reporting Standards and the New Companies Bill 2015. MICPA assists members in staying on top of these developments so that they may perform their work with integrity and in compliance with the various laws and regulations. Our Committees form working groups and participate in taskforces that aim to clarify and address the implementation and transition to new standards and regulations, which we then communicate to our members. In 2015, we organised several events in collaboration with our partners such as CAANZ, Bursa Malaysia Berhad and the Malaysian Institute of Accountants (MIA) to help members gain a better understanding of the new Auditor Reporting Standards and its implications. These events were all well-attended and featured prominent representatives from the industry who provided the audience with a clearer picture of what to expect from the changes and how to prepare for them.



1 1 Student visit to the Institute

Every year, MICPA conducts various Continuing Professional Development Programmes (CPD) to keep our members updated and assist them in understanding a range of accounting-related topics including auditing, accounting and taxation – particularly in preparation of areas that carry an implication to the industry. Many of these programmes are targeted at helping our members apply newly-issued or updated financial reporting standards. They also address various areas with new developments such as the implementation of the Goods and Services Tax (GST) in April last year. The Institute held many programmes on GST in 2015 including Evening Talks that addressed its implications on professional services for practitioners as well as post-implementation issues for directors. We also had a programme on understanding the Malaysian Private Entities Reporting Standard (MPERS), which was launched in October last year by the Malaysian Accounting Standards Board (MASB) and came into effect in January this year.

In addition, MICPA represents our members' interests in the consultation process for the development, revision and implementation of various laws and regulations. As a member of the Corporate Practice Consultative Forum (CPCF), we provided input to Suruhanjaya Syarikat Malaysia (SSM) on the expected challenges of the New Companies Act, particularly in understanding and implementing the requirements of the new legal framework. We have raised concerns voiced by our members on various issues to authorities such as the Internal Revenue Board (IRB), National Housing Department and Ministry of Finance, as well as compiled and put forward our feedback and recommendations to these authorities.

MICPA continues to play a leading role towards realizing the recommendations of the Committee to Strengthen the Accounting Profession (CSAP). The past year has seen us forging stronger ties with MIA and other stakeholders. All these have been carried out with the objective of taking the profession further in Malaysia.

## ACKNOWLEDGEMENT AND APPRECIATION

It gives me great pleasure to announce that we are now making it a tradition to acknowledge the contributions of our Life Members. At last year's Annual Dinner, we paid tribute to 189 Life Members who have been with MICPA for 30 years or more. I think that this is a fitting move given that we are closing in on our sixth decade in operation. The longevity and continued relevance of this Institute is testament to our members, especially those who have stood by us over the long haul. These members are the embodiment of our theme this year. They are the reflection of the prestige that has come to be associated with the CPA qualification and by extension, MICPA.

It goes without saying that the same can be said for my colleagues on the Council whose wisdom and expertise are renowned in the accounting fraternity. Their knowledge, experience and support have been invaluable to me and this Institute. My gratitude also goes out to the Secretariat led by Executive Director, Mr Foo Yoke Pin, for their tireless efforts on the ground on behalf of members and candidates. I commend them for their diligence and dedication.

I am grateful for the support we've garnered from our committed members over the years. I would like to encourage more members to come alongside us to share their invaluable experience and ideas in our various Committees and outreach activities.

MICPA has certainly come a long way and this Institute's stature is now well established in the accounting industry, but let us not be complacent. We must strive to constantly preserve and earn our good standing. We do this by upholding the standards of the accounting profession and by performing our duties responsibly. This not only protects the integrity of this profession, it will also solidify MICPA's good reputation and hopefully inspire more candidates to join us in contributing to the progress of the accounting industry in Malaysia.

**Dato' Abdul Rauf bin Rashid**

President

# PERFORMANCE

## FINANCE

The Institute achieved a net operating surplus of RM199,400 for the year, a decrease of RM72,300 (26.6%) from RM271,700 in 2014.

Total income rose by RM561,800 or 10.6% due mainly to the increase in income generated from conducting examinations and student's workshops for the MICPA-CAANZ Programme.

Total expenses increased by RM634,100 or 12.6% due mainly to expenses incurred to promote and to conduct examinations and student's workshops for the MICPA-CAANZ Programme and higher staff costs. Additional staff were employed by the Institute to promote the MICPA-CAANZ Programme.

Total assets increased by RM340,100 or 7.6%, due mainly to the increase in fixed deposits and bank balances and GST chargeable on members' annual fees due from members. Total liability increased by RM140,600 or 7.0% resulting mainly from higher technical fee payable to the Chartered Accountants Australia and New Zealand. The Institute had an accumulated fund of RM2,690,800 as at December 31, 2015 compared to an accumulated fund of RM2,491,400 in the previous year.

The financial position of the Institute has strengthened over the years through prudent and careful stewardship of resources. As the financial position of the Institute continues to improve, the Institute is able to organise more activities that will benefit members and students and intensify the publicity and communications programme in promoting the MICPA-CAANZ Programme. A special task force was formed by the Institute to look into it.

### FIVE-YEAR SUMMARY

	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000
Total income	5,850	5,289	5,086	4,782	4,060
Total expenses	(5,651)	(5,017)	(4,486)	(4,217)	(3,587)
<b>Net operating surplus</b>	<b>199</b>	<b>272</b>	<b>600</b>	<b>565</b>	<b>473</b>
Non-current assets	57	37	171	327	227
Current assets	4,777	4,458	3,938	3,315	2,643
Non-current liabilities	–	–	(135)	(281)	(225)
Current liabilities	(2,143)	(2,003)	(1,754)	(1,741)	(1,590)
<b>Total net assets</b>	<b>2,691</b>	<b>2,492</b>	<b>2,220</b>	<b>1,620</b>	<b>1,055</b>
<b>Accumulated Fund</b>	<b>2,691</b>	<b>2,492</b>	<b>2,220</b>	<b>1,620</b>	<b>1,055</b>

## MEMBERSHIP

The Institute has four classes of members who are admitted in accordance with the Institute's Articles of Association and Bye-laws. These classes are Certified Public Accountants (CPA), Provisional Members, Associate Certified Public Accountants (Associate CPA) (previously known as Certified Financial Accountants (CFIA)) and Accounting Technicians. As of December 31, 2015, the membership of the Institute stood at 3,139.

MEMBERSHIP STATISTICS			
	As at December 31		Net Increase/ (Decrease)
	2015	2014	
Certified Public Accountants	3,048	3,032	16
Provisional Members	29	33	(4)
Associate Certified Public Accountants	62	63	(1)
<b>Total</b>	<b>3,139</b>	<b>3,128</b>	<b>11</b>

### CERTIFIED PUBLIC ACCOUNTANT (CPA)

As of December 31, 2015, the total number of CPA members is 3,048. After taking into account members who had resigned or were excluded from membership due to failure to pay annual subscriptions or practising certificate fees, a net increase of 16 members was recorded.

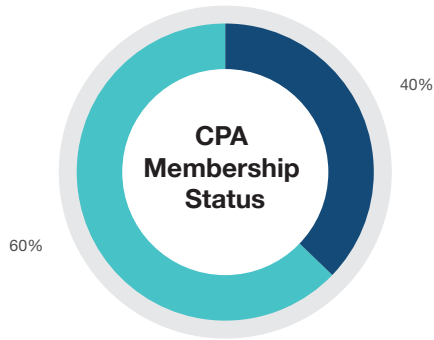
During the year, there was a total of 61 new admissions. Of the new admissions, 50 members were admitted under Bye-law 34(1)(a) to (d), having completed the Institute's examinations and fulfilled the prescribed practical experience requirements. Another 9 members were admitted under Bye-law 34(1)(f) who were full members of approved foreign accounting bodies. Out of the 9 members admitted, 7 had been granted an exemption from the admitting examination on the basis that they have had adequate working experience in the relevant fields in Malaysia after qualifying as an accountant whilst 2 were admitted after completing the Institute's admitting examination. There were also 2 provisional members admitted during the year.

As of December 31, 2015, 33% of members worked in public practice firms, of whom 12% were members holding practising certificates. A total of 53% of the members were employed in the business community and 1% was in the public sector. Retired members accounted for 13% of the total CPA membership. There is no significant change in the membership profile as compared to 2014.

A total of 31 female members were admitted during the year, contributing towards 51% of total new admissions. The proportion of female members remained unchanged at 40% in 2015.

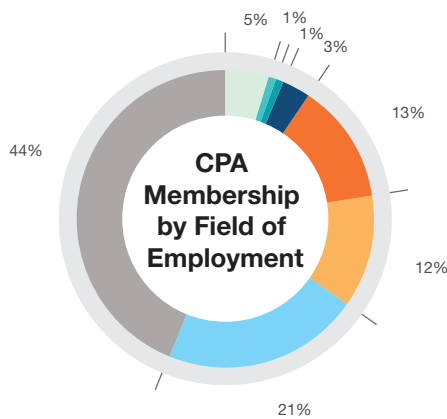
CPA MEMBERSHIP STATISTICS			
	As at December 31		Net Increase/ (Decrease)
	2015	2014	
In Practice	371	396	(25)
Not In Practice	2,677	2,636	41
<b>Total</b>	<b>3,048</b>	<b>3,032</b>	<b>16</b>

**PERFORMANCE**



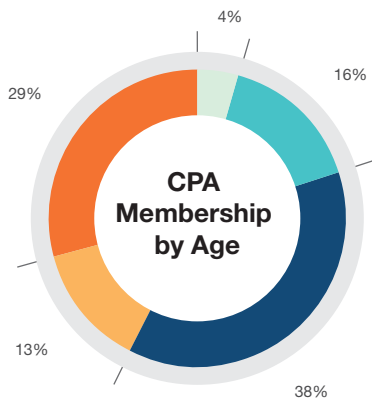
**CPA MEMBERSHIP STATUS**

Female	40%	1,214
Male	60%	1,834
<b>Total</b>	<b>100%</b>	<b>3,048</b>



**CPA MEMBERSHIP BY FIELD OF EMPLOYMENT**

Financial Institutions	5%	147
Public Sector	1%	25
Education	1%	28
Consultancy and Others	3%	89
Retired	13%	400
Public Practice	12%	371
Employees of Accounting Firms	21%	653
Commerce and Industry	44%	1,335
<b>Total</b>	<b>100%</b>	<b>3,048</b>

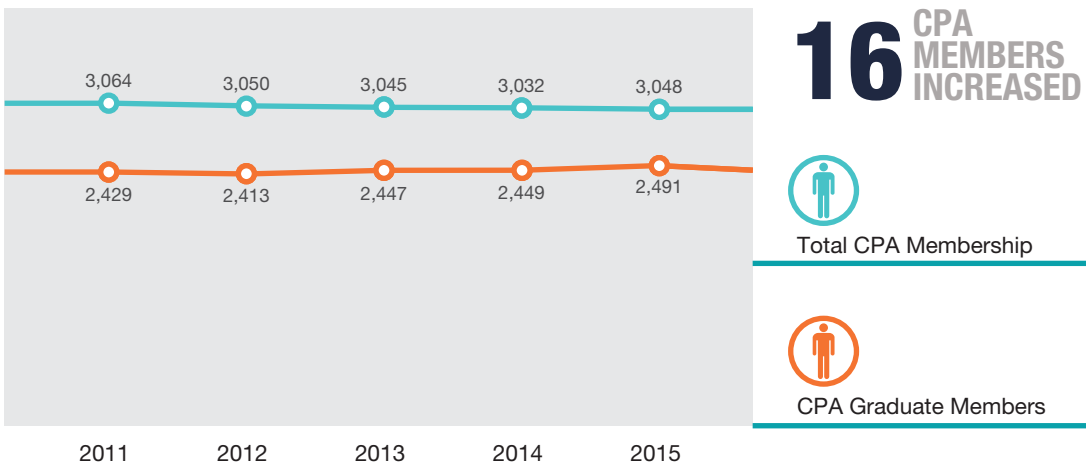
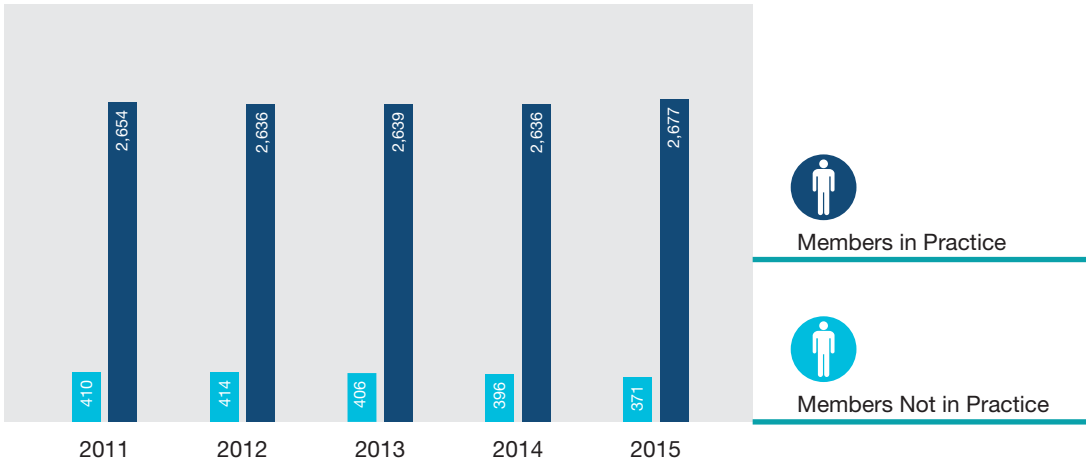


**CPA MEMBERSHIP BY AGE**

21-30	4%	137
31-40	16%	477
41-50	38%	1,145
51-55	13%	404
56 & above	29%	885
<b>Total</b>	<b>100%</b>	<b>3,048</b>

## CPA MEMBERSHIP STATISTICS

as at December 31, 2015



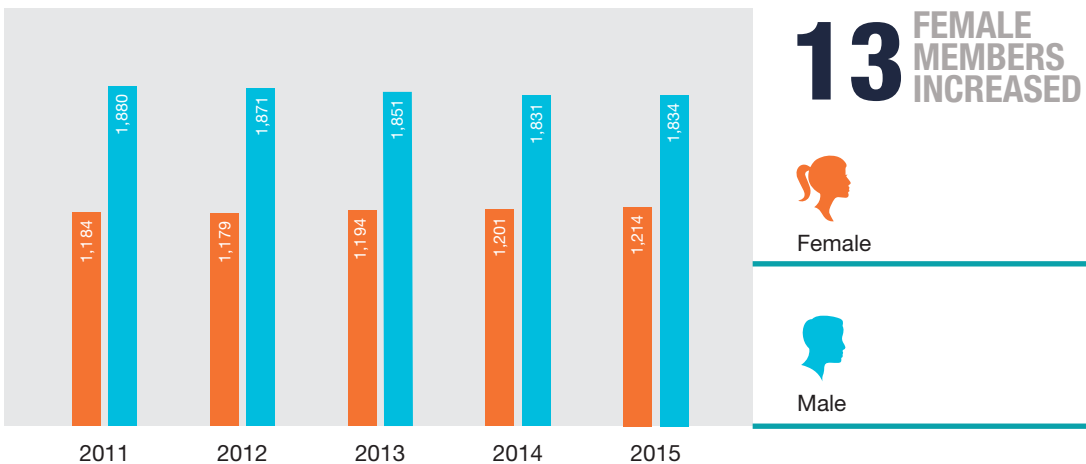
**16** CPA MEMBERS INCREASED



Total CPA Membership



CPA Graduate Members



**13** FEMALE MEMBERS INCREASED



Female



Male

## PERFORMANCE

### PROVISIONAL MEMBER

There were no new provisional members admitted during the year. However, the Institute saw a decrease of 4 provisional members in 2015 as compared to 2014. This was due to the fact that 2 provisional members had been admitted as full CPAs whilst another 2 members had tendered their resignation to the Institute.

Provisional members are graduate members who have completed the Institute's examinations but have not fulfilled the practical experience requirement for admission as full members.

Provisional members enjoy the full range of the Institute's membership services and other privileges of a qualified member with the exception of the right to vote in any general meeting of members, the right to carry out any duty reserved to members of the Institute, and the right to hold himself out as a principal or partner of an accounting firm.

### ASSOCIATE CERTIFIED PUBLIC ACCOUNTANT (ASSOCIATE CPA) (Previously known as Certified Financial Accountant (CFIA))

There were 5 new Associate CPAs admitted during the year. After taking into account Associate CPA members who were excluded from membership for failure to pay the annual subscription, a net decrease of 1 member was recorded. This brings the total Associate CPA membership to 62 members as of December 31, 2015.

These members are mainly senior lecturers from accounting departments of local public and private universities. They were admitted under the Institute's special provisions for admission as an Associate CPA.

They have the same rights of membership as a Certified Public Accountant (CPA) with the exception of the right to seek election to the MICPA Council, to attend general meetings of the Institute and to carry out any duty reserved for CPA members. Associate CPA members are entitled to access the full range of services provided by the Institute to members.



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1, 2 & 4 – MICPA Life Members with Council Members

3 MICPA 58th Annual Dinner – A night to remember

5 CAANZ-MICPA Audit Forum 2015



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## SERVICES TO MEMBERS

As the face of MICPA, members play a crucial role in maintaining the Institute's good standing and the integrity of the accounting profession. To assist our members in upholding the highest standards of professional excellence and technical competence, the Institute conducts and participates in a range of initiatives and programmes each year. Through these activities, the Institute equips its members with knowledge, provides them with opportunities, enhances their profiles, and represents their interests at meetings with stakeholders. The prime objective is to empower our members to be able to perform optimally in their profession, which will reflect well on the Institute. It helps preserve and promote not just the Institute's good reputation but also the work it does to support the development of the accounting profession in Malaysia.

### CONTINUING PROFESSIONAL DEVELOPMENT

Every year, the Institute runs a range of Continuing Professional Development (CPD) programmes to help members remain informed and updated about developments in the profession. The programmes are planned and formulated after taking into account the needs of members and current issues of concern to the industry. From February to December 2015, the Institute organised a total of 30 programmes that were attended in total by almost 1,000 members. Seven of the CPD programmes were on the Goods and Services Tax (GST), which was introduced last year. A topic of huge interest, the Institute's programmes on the GST covered, among others, its implementation and implication on practitioners. Aside from GST, other CPD programmes covered a wide range of accounting-related topics such as understanding and applying newly-issued or updated financial reporting standards, as well as various taxation topics.

### Auditor Reporting Standards

A suite of new and amended Auditor Reporting Standards is set to change the auditor reporting landscape for public listed companies. Introduced by the International Auditing and Assurance Standards Board (IAASB) after a six-year process informed by academic research, public consultations and stakeholder outreach, the new requirements respond to calls for more informative and communicative audit reports in the public interest. These demands extend to all participants in the financial reporting chain. Directors are being challenged to explain complex affairs more clearly, while auditors are being challenged to explain their work and focus. In collaboration with other parties, the Institute organised a couple of events last year that were aimed at educating members and local practitioners about the new Auditor Reporting Standards and their implications.

### CAANZ-MICPA Audit Forum

The annual Audit Forum by CAANZ-MICPA was held at Connexion@Nexus, Bangsar South on October 26, 2015. The main topic of the forum was *'The Future of Auditor Reporting – The Practical Impact'*, a hot button issue amongst the audit and accounting community. The Audit Forum is intended to assist practitioners in the adoption of the new and revised Auditor Reporting standards and the crafting of a sound communications strategy to ensure that the impact of the changes are understood by key stakeholders.

This year, Forum attendees had the opportunity to hear from Mr Lee White, CEO of CAANZ, Mr Ong Chee Wai, Audit Partner at EY Malaysia and Mr Stanley Teo, Audit Partner at Deloitte Malaysia. Mr Ong and Mr Teo are also MICPA Council Members. The three gentlemen spoke on different aspects of the new Auditor Reporting standards.

Mr Tan Theng Hooi, MICPA Vice President officiated the Forum and was also a moderator for the final Q&A session. He explained that the new requirements are meant to increase confidence in the audit process and financial statements. Mr Tan informed the audience that the Institute had formed a joint working group with the Malaysian Institute of Accountants (MIA) to address the implementation of, and transition to the new standards. In addition, the Securities Commission Malaysia has also established a Steering Committee to manage the implementation of these new standards, and MICPA is represented in the Steering Committee.



## PERFORMANCE

### AuditWorld 2015

The Institute together with MIA jointly organised the AuditWorld 2015 conference in November 2015. Themed ‘efficient \*effective \*accomplished’, the Conference brought audit professionals from big, medium and small firms together to discuss the latest trends, techniques and issues that were affecting audit professionals and their deliverables in upholding public confidence in audited financial statements.

Among the speakers who spoke were Mr Lee Tuck Heng – Council Member of MICPA and Chairman of the Auditing & Assurance Standards Board of MIA, Mr Thong Foo Vung – Council Member of MICPA and Committee Member of the Financial Reporting Standards Implementation Committee (FRSIC) of MIA, Mr James Chan – Partner of Crowe Horwath and Committee Member of the Financial Statements Review and Practice Review of MIA, Mr Mark Thomson from Deloitte and Mr David Chuah from Moore Stephens.

Participants also took the opportunity to ask questions to the speakers during the sessions as well as network with their peers.

### **PUBLIC PRACTICE**

The Public Practice Committee’s (PPC) role is to identify the professional development needs of members in public practice, especially that of small and medium sized practices. The PPC also functions as a forum for consultation and discussion of issues relevant to members in practice.

### Audit Guide

The *Audit Guide for Practitioners*, which was first published in 2006, and subsequently revised in 2008 and 2011, is currently being updated. The latest edition will reflect the approved standards on auditing and other pronouncements adopted and issued by the Institute as at December 31, 2015. This guide is intended to provide guidance on the performance of audits of financial statements in accordance with the approved auditing standards in Malaysia and to maintain quality control of audit work.

During the year, three (3) two-day *Basic Practical Guide to Auditing* workshops on the usage of the *Audit Guide for Practitioners* were conducted. The objective of the workshops was to equip participants with practical knowledge and skills in conducting audits of financial statements in accordance with the Clarified International Standards on Auditing, which have been adopted for application in Malaysia.

### Illustrative Audit Work Documentation Task Force

As part of the Institute's initiative to look into the practice and professional development needs of smaller practices, the Illustrative Audit Work Documentation Task Force was set-up in the year under review to undertake the development of extended training materials for the *Audit Guide for Practitioners* workshops. The Audit Work Documentation which is prepared based on the International Federation of Accountants (IFAC) audit methodology for Small-and Medium-Sized Entities audits is aimed at providing participants of the workshops with

- 1 *Audit World 2015*
- 2 *Understanding MPERS Evening Talk*
- 3 *CAANZ-MICPA Audit Forum 2015*



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the necessary guidance of how the IFAC methodology can be implemented in practice in a simplified manner but yet adhere to the requirements of the International Standards on Auditing.

### Activities

The Committee had also organised an Evening Talk during the year on “*Goods & Services Tax Implications on Professional Services for Practitioners*” and a seminar on “*Understanding the Malaysian Private Entity Reporting Standard (MPERS)*” which were held on August 21, 2015 and November 16, 2015 respectively.

The Evening Talk on *Goods & Services Tax Implications on Professional Services for Practitioners* aimed to provide members with a better understanding of GST implications on professional services for practitioners that may arise with the implementation of GST on April 1, 2015. The speaker from the Royal Malaysian Customs (RMC) covered the following topics: Interpretation of GST Transitional Rules and Provisions; Highlights of the Director-General's Decisions as issued by the RMC; and Common GST Pitfalls to avoid.

The “*Understanding the MPERS*” seminar is aimed at providing a clear understanding of the concepts of major sections of the MPERS and the significant differences between the MPERS which is effective for financial statements beginning on or after January 1, 2016, the Private Entity Reporting Standards (PERS) and the Malaysian Financial Reporting Standards (MFRS) frameworks.

### Technical Reference Panel

The Technical Reference Panel, which provides free advisory services to members, receives enquiries throughout the year. The enquiries received are largely pertaining to application of the new and updated MFRSs, Bursa Malaysia Listing Requirements, clarified International Standards of Auditing, tax legislation, and company law.

## **COMMERCE AND INDUSTRY**

Almost half of the Institute's members are from the commerce and industry segment of the profession and this Committee is dedicated to creating programmes that address their needs and concerns. The Committee organised an *Evening Talk on Goods and Services Tax Post Implementation Issues: What Directors Need to Know* at the Renaissance Hotel, Kuala Lumpur on July 6, 2015. The event explored the essentials of post-implementation issues for GST that owners and directors of businesses need to be aware of. It also focused on the issued guidelines and Director General's decisions issued by the Royal Malaysian Customs and Excise Department. There was also a discussion on the major challenges encountered during implementation and how outstanding issues can be resolved to avoid non-compliance with GST. The Evening Talk concluded with a buka puasa event with the Institute's Council members.



## PERFORMANCE

## GOVERNMENT RELATIONS

The Institute maintains a consultative relationship with the Government and regulatory bodies to reinforce the Institute's leadership roles on professional and business issues. At a time when there have been significant policy measures and changes introduced to taxation laws, company laws and other business legislations implemented by the Government, the role the Institute plays in this area remains crucial.

Some of our ongoing activities in this area include making submissions and representations to the Ministry of Finance, Securities Commission (SC), Suruhanjaya Syarikat Malaysia (SSM), the Inland Revenue Board (IRB), Royal Malaysian Customs (RMC) and other Government departments. We are constantly proposing and providing views in response to the proposed legislative reforms which represent crucial insights into the profession and the business entity it serves. We also channel members' concerns on regulatory guidelines relating to the operation of the capital market, governance of companies, income tax system and the listing requirements.

The Institute also engages in dialogue sessions held by the Government with the private sector which includes the annual dialogue with the Ministry of Domestic Trade and Consumer Affairs, the annual dialogue with the Companies Commission of Malaysia, half-yearly meetings with the Customs – Private Sector Consultative Panel and regular dialogues with the Inland Revenue Board. In technical meetings with the Securities Commission and Bursa Malaysia, the Institute shares a strong voice on implementation issues which arises from the new or proposed changes to the rules and regulations affecting the capital market.

The Institute regularly participates in discussion with the Audit Oversight Board (AOB) on key aspects, observations and other matters related to the oversight activities. These discussions, through the enforcement of professional standards adopted by the Institute, are central to aiding the Institute in setting a standard quality in auditing across the board. Regular dialogue and discussion sessions are held with the AOB on issues and challenges faced by the audit industry.

The Institute continues its close working ties with Talent Corporation Malaysia Berhad (TalentCorp) to upskill accountants in Malaysia, as well as in reaching out to Malaysians studying locally and abroad. The Institute is working on the ongoing PAR Excellence Programme which is an upskilling programme to encourage accounting undergraduates to pursue the MICPA-CAANZ professional qualification in their final year of a 4-year degree programme.

During the year, the Institute participated in courtesy visits to the Accountant General of Malaysia, Bursa Malaysia, SSM, Bank Negara Malaysia and also the Inland Revenue Board of Malaysia. Through such visits, knowledge on the changes and developments in the accounting profession are shared and exchanged. The visit also allowed the Institute to provide briefings on the current programmes offered by the Institute and its core activities, particularly the CPA education and training programmes.

- 1 *Evening Talk on GST Implications on Professional Services for Practitioners.*
- 2 *Recognition of new Approved Training Employers*
- 3 *MICPA-Monash Investment Challenge for University Students 2015*



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## TECHNICAL ACTIVITIES

Technical activities are an integral facet of the Institute's operations as it is through these activities that members are kept informed and aware of the latest developments in the profession. This assists them in complying with the requirements and upholding the standards of the profession, while discharging their responsibilities in accordance with the various laws and regulations. In turn, this will maintain public confidence in the work performed by the Institute's members and the integrity of the accounting profession.

The Institute's technical activities are conducted by a number of committees that were each formed to focus on a specific topic related to the accounting profession, and its associated concerns and issues.

### ACCOUNTING AND AUDITING STANDARDS

The Accounting and Auditing Technical Committee (AATC) is responsible for developing and reviewing accounting, auditing, as well as reporting standards and guidelines. They are supported by specialist working groups and ad hoc task-forces appointed to undertake specific projects.

In auditing, the AATC regularly reviews pronouncements by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). These pronouncements include:

- (a) International Standard on Quality Control (ISQC)
- (b) International Standards on Auditing (ISAs)
- (c) International Standards on Assurance Engagements (ISAEs)
- (d) International Standards on Review Engagements (ISREs)
- (e) International Standards on Related Services (ISRSs)

Through due process, the Institute has substantially adopted all the standards and guidance issued by the IAASB to date. These standards and guidance are subsequently issued to members for compliance.

In financial reporting and accounting, the Institute contributes to the Malaysian Accounting Standard Board's (MASB) standard-setting process. During the consultation stage, the Institute submits its views on proposed new standards and discussion documents.

The Institute participates and contributes in the MIA's Financial Reporting Standards Implementation Committee (FRSIC) which provides assistance on matters of common interest relating to financial reporting standards by way of providing guidance to both preparers and auditors. Particular attention is focused where unsatisfactory or divergences of interpretations have developed or seem likely to develop. After due process, implementation guidance in the form of a FRSIC Consensus is issued, which should be regarded as best practice and read in conjunction with the relevant financial reporting standards.

### New Standards on Auditor Reporting

In late 2014, the AATC established a working group with the aim of preparing the business community and other stakeholders in Malaysia for the changes in standards on auditor reporting as announced by the IAASB. This working group is a contributor to the MICPA-MIA Joint Working Group that was formed to address the implementation of and transition to the new standards. The MICPA-MIA Joint Working Group has actively engaged with various stakeholders especially the regulators which included the Audit Oversight Board, Bursa Malaysia and Bank Negara Malaysia.

As a result of the active consultation with the regulators, Bursa Malaysia in collaboration with the MICPA-MIA Joint Working Group has held three sessions of Bursa's Corporate Governance Breakfast Series on *Future of Auditor Reporting – The Game Changer for Boardrooms* targeted at directors of public listed companies. A final session is scheduled for June 2016.

The MICPA-MIA Joint Working Group also collaborated with the FIDE Forum to organise a session specifically for the financial services sector titled *The New and Revised Auditor Reporting Standards: Implications to Financial Institutions*. Both events were well-attended.

During the year, the AATC issued the suite of new and revised auditing standards, as well as a few other pronouncements for our members' guidance and compliance:



## PERFORMANCE

- (a) New and revised auditing standards:
- (i) ISA 260 (Revised 2015), *Communication with Those Charged with Governance*
  - (ii) ISA 570 (Revised 2015), *Going Concern*
  - (iii) ISA 700 (Revised 2015), *Forming an Opinion and Reporting on Financial Statements*
  - (iv) ISA 701, *Communicating Key Audit Matters in the Independent Auditor's Report*
  - (v) ISA 705 (Revised 2015), *Modifications to the Opinion in the Independent Auditor's Report*
  - (vi) ISA 706 (Revised 2015), *Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report*
  - (vii) Conforming Amendments to ISAs 210, 220, 230, 510, 540, 580, 600 and 710
- (b) ISA 720 (Revised 2015), *The Auditor's Responsibilities Relating to Other Information and Related Conforming Amendments*
- (c) International Auditing Standards (ISA), *Addressing Disclosures in the Audit of Financial Statements – Revised ISAs and Related Conforming Amendments*
- (d) MIA Recommended Practice Guide (RPG) 5 (Revised 2015), *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report*

### Malaysian Financial Reporting Standards Framework

The MASB's Malaysian Financial Reporting Standards (MFRS) Framework is to be applied by all entities other than private entities for annual periods beginning on or after January 1, 2012, with the exception of Transitioning Entities (TEs). TEs were initially allowed to defer adoption of the MFRS Framework for two years and have the option of either applying the MFRS Framework or the FRS Framework for annual periods beginning or after January 1, 2012. With the announcement by the MASB in August 2013 to extend the transitional period for TEs by another year, the adoption of the MFRS Framework would have then become mandatory for all companies for annual periods beginning on after January 1, 2015.

Following the issuance of MFRS 15, *Revenue from Contracts with Customers* and *Agriculture: Bearer Plants* (Amendments to MFRS 116 and MFRS 141) in 2014, the MASB announced that the effective date of the MFRS Framework for TEs should be for annual periods beginning on or after January 1, 2017.

However, in September 2015, the MASB confirmed that the effective date of MFRS 15 would be deferred to annual periods beginning on after January 1, 2018, following the International Accounting Standards Board's

(IASB) decision to defer IFRS 15, *Revenue from Contracts with Customers* by one year. As a result, the effective date for TEs to apply the MFRS Framework was also deferred to the annual periods beginning on or after January 1, 2018.

In April 2016, the MASB issued limited amendments to two (2) MFRSs and FRSs and a new MFRS 16, *Leases* to replace the existing MFRS 117, *Leases*. MFRS 16 which is word-for-word IFRS 16, *Leases* issued by the IASB, has an effective date of January 1, 2019.

### Malaysian Private Entities Reporting Standard

In October 2015, the MASB launched the Malaysian Private Entities Reporting Standard (MPERS) which is equivalent to the International Financial Reporting Standards (IFRSs) for SMEs as issued by the IASB. Following the launch of MPERS, the Private Entity Reporting Standards (PERS) were withdrawn from application with effect from January 1, 2016 to coincide with the effective date of MPERS beginning on or after January 1, 2016.

### Exposure Drafts and Other Consultation Papers

In addition, the MASB sought comment on 10 exposure drafts, two draft IFRIC interpretations, and a Request for Views, *2015 Agenda Consultation* issued by the IASB. MICPA has officially responded to all the IASB's exposure drafts, draft IFRIC interpretations and Request for Views.

During the year the Accountant General's Department of Malaysia (AG Department) continued to issue exposure drafts, which are based on the International Public Sector Accounting Standards (IPSASs) published by the International Public Sector Accounting Standards Board (IPSASB) of IFAC. Once finalised, they will be adopted as the Malaysian Public Sector Accounting Standards (MPSASs) in Malaysia. The AATC has reviewed and provided feedback for six (6) exposure drafts issued by the AG Department.

Feedback and comments were also submitted to Bursa Malaysia for:

- (a) Consultation Paper No. 1/2015, *Proposed Amendments to the Listing Requirements Relating to Sustainability Statement in Annual Reports and the Sustainability Reporting Guide*
- (b) Consultation Paper No. 2/2015, *Proposed Review of the Listing Requirements Relating to Disclosure and Corporate Governance Requirements and Post Listing Disclosure Obligations for Mineral, Oil, and Gas Listed Issuers*

The IFAC through its independent standard-setting boards released exposure drafts in order to continue its objectives to serve the public interest by setting high quality standards and other pronouncements for professional accountants worldwide. Throughout the year, the Institute has officially submitted its comments to five (5) exposure drafts issued by three of IFAC's standard-setting boards: IAASB, IPSASB, and the International Ethics Standards Board for Accountants (IESBA). Selected working groups conducted the reviews of the exposure drafts, as well as provide feedback to the respective organisations.

## COMPANY LAW

The Corporate Practice Consultative Forum (CPCF) was established by SSM with the aim of providing a platform for professional bodies to provide feedback, views and proposals on the practices, regulations and programmes implemented by SSM in accordance with the Companies Act (CA) 1965 until the coming into operations of the new Companies Act subsequent to the passing of the Companies Bill 2015 by the Parliament on April 4, 2016. CPCF comprises 10 members including the Institute. During the year, the Institute's representatives attended one CPCF meeting on December 15, 2015.

### CPCF Sub-Committees

Challenges are expected ahead of the enactment of the new Companies Act, particularly in understanding and implementing the requirements of the new legal framework. As such, SSM has proposed for the establishment of three sub-committees: Insolvency Sub-Committee, Secretarial Practice Sub-Committee and Accounting and Audit Sub-Committee (i.e. collectively known as the CPCF Sub-Committees) to determine best practices for practitioners in their respective areas of specialisation. The CPCF Sub-Committees which will replace the Technical Committee under the CPCF will provide input to SSM via the CPCF for consideration in developing new circulars, practice notes and other related guidance which include the relevant regulations, laws and guidelines.

### Practice Notes

Since 2008, the SSM has issued 18 Practice Notes to assist stakeholders in understanding the various sections of the CA 1965. In 2015, SSM issued Practice Note 17/2015 to provide clarification on the treatment of queries issued on documents and applications lodged with the Registrar. In 2016, SSM issued Practice Note 1/2016 to clarify the requirements relating to the lodgement of annual declaration by a limited liability partnership.

## SECURITIES LAW

The Securities Commission (SC) is continuously introducing measures and development initiatives to enhance the framework for the enforcement of securities law allowing more effective action to be taken against corporate impropriety. The Institute maintains an on-going consultative relationship with the SC to discuss practical issues relating to existing regulations and proposals for change with the view to provide a more facilitative environment for the raising of capital. The SC has also invited the Institute to submit issues pertaining to the capital market that the Institute may wish the SC to consider as part of its submission to the Ministry of Finance for the Federal Budget 2017.

The Institute also participates in the consultative process of Bursa Malaysia relating to changes in the listing requirements. In addition, the Institute participates in various focus groups on new measures or products being introduced by Bursa Malaysia.

## INSOLVENCY

The Insolvency Practice Committee (IPC) consists of representatives from all interest groups including the Institute's members in practice, the Bar Council, the Association of Banks in Malaysia, Suruhanjaya Syarikat Malaysia (SSM) and the Malaysia Department of Insolvency (MDI). The Committee provides a platform for the discussion of practical issues arising from insolvency management and administration.

### Engagement with the Authorities

During the year, the IPC together with MIA's Insolvency Practice Committee, the Insolvency Practitioner's Association of Malaysia (IPAM) and the MDI had a meeting with the Legal Advisor from the Legal Department of the Ministry of Urban Wellbeing, Housing and Local Government (KPKT). The meeting provided the IPC a platform to brief the KPKT on its proposed amendments to the *Housing Development (Control and Licensing) Regulations 1989* and the rationale for seeking such amendments to the *Housing Development (Control and Licensing) Act 1966* and exemptions from certain provisions of the said Act. The proposed amendments to the Regulations were put forth to the KPKT due to the implications on liquidators and provisional liquidators arising from the amendment to the definition of "housing developer" of the said Act to include a person or body appointed by a court of competent jurisdiction to be the liquidator or provisional liquidator for the housing developer in the case where the housing developer is under liquidation.

## PERFORMANCE

### Proposed Pathway to Become Liquidators and Syllabus Outline for Insolvency Examination

In anticipation of the enactment of the new Companies Act following the passing of the new Companies Bill 2015 by the Parliament on April 4, 2016, the Committee together with its MIA counterpart revisited their respective proposals on the criteria and examination syllabus for future insolvency practitioners together with that of IPAM with the view to jointly submit a comprehensive proposal to SSM where appropriate.

### Insolvency Sub-Committee

IPC will also engage with SSM through the Insolvency Sub-Committee established by the latter under the main Corporate Practice Consultative Forum (CPCF). The Insolvency Sub-Committee along with the Secretarial Practice Sub-Committee and Audit Sub-Committee, which were established under the same umbrella, will look into subsidiary legislation including the relevant regulations, laws and guidelines of the new Companies Act.

### GST Task Force

In light of the various issues faced by insolvency practitioners since the implementation of GST on April 1, 2015, the GST Task Force was jointly established by the Institute and MIA with the subsequent inclusion of IPAM to address GST issues related to insolvency practice. The Task Force was set up to consider and deliberate a range of technical and practical issues confronting insolvency practitioners and where applicable, make representations to the relevant authorities.

### Insolvency Guidance Notes

The IPC along with its MIA counterpart also acknowledged the need for the Insolvency Guidance Notes (IGNs) to be updated and expanded in line with the new Companies Act and latest practices including looking into developing an IGN for GST in terms of insolvency. The IGNs are issued as a guidance for members undertaking insolvency work but they are not intended as a definite interpretation of the law.

### International Association of Restructuring, Insolvency, and Bankruptcy Professionals

As a member of the International Association of Restructuring, Insolvency, and Bankruptcy Professionals (INSOL), the Institute provides its members engaged in insolvency practice with opportunities to keep updated with global changes and developments in insolvency law and practices. Since January 2007, INSOL has issued 32 Technical Papers Series. The INSOL journal and technical series serves as useful reference on significant insolvency issues and developments.

## TAXATION

As the key liaison body between the Institute and the Government on taxation matters, the Tax Practice Committee (TPC) makes regular representation to the Government and the revenue authorities on behalf of members. The TPC also participates in the Government's consultation process on the development, revision and implementation of tax laws and regulations.

### Inland Revenue Board (IRB)

The Institute works closely with MIA and the Chartered Tax Institute of Malaysia (CTIM) in making submissions to the IRB concerning practical issues encountered by members in the application of tax legislation, as well as the rules and regulations issued by the IRB.

During the year, several dialogue sessions were held with the IRB to seek clarification and practical solutions to a number of issues raised by members. The IRB has formed a Working Group comprising their personnel and representatives from professional bodies to resolve issues that may arise from time to time.

The Committee continues to participate in the IRB's consultation process relating to the development of the Public Rulings. The Public Rulings provide guidance on the Director General's interpretation of provisions in the tax law, as well as the policies and procedures that should be applied. The Public Rulings serve as a guide to both tax payers and the IRB officers in the application of the law.

### Joint Tax Working Group on Financial Reporting Standards

On February 12, 2009, the Institute, MIA and CTIM formed the Joint Tax Working Group on Financial Reporting Standards (JTWG-FRS) to analyse and highlight changes brought about by the MFRSs that have tax implications. The group also proposes to the relevant tax authorities the appropriate tax treatments with respect to the MFRSs, where applicable.

The JTWG-FRS is in the process of reviewing the following MFRSs to identify tax implications related to their implementation:

Standard	Title
MFRS 15	Revenue from Contracts with Customers
IC 15	Agreements for the Construction of Real Estate

Subsequent to the various dialogues held by the JTWG-FRS with the Ministry of Finance (MOF) and IRB to discuss tax implications arising from the implementation of several MFRSs, the MOF/IRB had to-date provided their responses (either vide amendments to the Income Tax Act, 1967, Guidelines issued by the IRB, IRB's feedback to the MOF and Public Rulings) in respect of the following MFRSs:

Standard	Title
MFRS 2	Share-based Payment
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 6	Exploration for and Evaluation of Mineral Resources
MFRS 102	Inventories
MFRS 111	<i>Construction Contracts and IC 12: Service Concession Arrangement</i>
MFRS 116	Property, Plant and Equipment
MFRS 117	Leases
MFRS 119	Employee Benefits
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 136	Impairment of Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instruments: Recognition and Measurement (for Non-Financial Institutions)

### **Royal Malaysian Customs (RMC)**

The TPC also represented the Institute at the half-yearly meetings of the Customs-Private Sector Consultative Panel. This meeting provides a platform for discussion of practical issues and suggestions related to customs and excise matters that are submitted by the private sector. The Institute was also invited by the RMC to attend the "Private Sector Engagement Forum" held in conjunction with the 17th Regional Heads of Customs Administrations Conference, "Hari Sedunia Kastam", "u-Customs" related engagements with stakeholders, amongst others during the year.

### **Goods and Services Tax**

The Goods and Services Tax Working Group (GST-WG) was set up by TPC with support from several large accounting firms, as well as small and medium practices. The GST-WG continues to assist Institute members to be GST-compliant and administratively ready for its implementation. Last year, the GST-WG considered and addressed various practical and technical issues raised by members relating to GST as well as broadcast GST updates on the Institute's website.

In 2015, the Institute was invited by the RMC to serve on the GST Technical Issues Committee. This Committee provides a platform for the Institute to discuss, make representations or recommendations to the RMC on technical GST related implementation issues received from its members. Four meetings were held during the year under review.

### **Publications**

TPC is responsible for managing the publishing of two annual titles by the Institute:

#### **(a) CPA Tax & Investment Review**

This publication contains annual updates on tax laws and regulations, Government policies and guidelines on investments and incentives, as well as other related information on doing business in Malaysia. It also provides a summary of recent tax cases and an index of current amendments to the Income Tax Act 1967 and related legislation. The publication is undertaken with the technical support of six large accounting firms.

#### **(b) Budget Commentary and Tax Information**

This publication is a joint-venture project with MIA and CTIM. A total of 103,322 copies of the 2016 *Budget Commentary and Tax Information* were printed. Apart from the 30,808 copies sent to members of the three Institutes as part of the membership service rendered and to the recipients of complimentary copies, a total sales volume of 72,408 was achieved. The success of the project was the result of teamwork between the three Institutes and contributions from the editorial board consisting of more than 90 members drawn from nine large accounting firms.

## PERFORMANCE

## COMMUNICATIONS AND PUBLIC RELATIONS

The Institute adopts a multi-faceted approach to increasing its visibility and strengthening the brand name of the CPA qualification. The Institute communicates the professional opportunities and advantages it offers to the wider public by highlighting them through various channels.

### EVENTS

Every year, the Institute organises a number of events to facilitate networking among members, raise awareness on industry related issues, celebrate achievements and promote the Institute. Many of these events are recurring on the Institute's annual calendar and they present a great opportunity for members to become acquainted with each other.

#### MICPA 57th Annual Dinner

The Institute celebrated its 57th anniversary during its annual dinner last year, which was held at Grand Hyatt Kuala Lumpur on June 12, 2015. The dinner was graced by Datuk Chua Tee Yong, Deputy Minister of Finance II. It was also attended by various government and regulatory bodies, prominent corporate organisations, institutes of higher learning and accounting firms. The event was an occasion for celebration, camaraderie and networking. The Institute's Council, members, graduates, past presidents and employees also joined in the festivities.

In his welcome address, the Institute' President, Dato' Abdul Rauf Rashid highlighted the numerous projects and achievements that the Institute had accomplished in the last year. He briefly elaborated on the MoAs signed between the Institute with USM and UiTM respectively. The MoAs aim to develop accounting-related educational programmes whilst promoting institutional exchanges through intellectual discourse and knowledge sessions

between the parties involved to help develop important areas in academia, training and student development. He also touched on the Institute's continued working relationship with TalentCorp and Peneraju. The collaboration with both parties is aimed at increasing the number of professional accountants to support government's aim of having 60,000 professional accountants in the country by 2020.

The audience also learned about the Institute's participation in CSAP and contribution towards the working committee for the implementation of the new and revised Auditor Reporting Standards. Dato' Abdul Rauf also mentioned the Institute's MoU with the Chartered Institute of Public Finance and Accountancy (CIPFA) and MIA, which is aimed at strengthening Public Financial Management (PFM) through developing skills and increasing capacity within Malaysia.

Guest of Honour, YB Datuk Chua Tee Yong also acknowledged the Institute's achievements in the last year while urging the Institute and other professional bodies to continue training young accountants. These efforts would be in line with the country's economic transformation programme, which aims at improving the quality of Malaysia's chartered accountants through professional programmes and developments of expertise in specialised areas of accounting. Datuk Chua added that it was important for Malaysia to become an accounting hub in the region in view of liberalisation of the services sector across ASEAN. He said that through the liberalisation, there would be greater mobility among Malaysian professional accountants within the region and higher exports of accounting services beyond Malaysia's shores.

During the dinner, the Institute conferred the 'Anugerah Presiden' award to Dato' Larry Seow Thiam Fatt, a Past President and Life Member of the Institute for his exceptional contributions to the Institute, profession and



- 1 MICPA 57th Anniversary Commemorative Lecture & Luncheon
- 2 MICPA 58th Annual Dinner
- 3 Excellence Awards 2015
- 4 Commemorative Lecture

society. This year's Dinner was also made memorable by the Institute's inaugural celebration of 189 Life Members. These members, aged 70 and above, have faithfully served as members of the Institute for 30 years or more. The Life Members were honoured in a video presentation. Those who were able to attend the dinner personally received a certificate of Life Membership from the Institute's Council Members.

Guests enjoyed a sumptuous 9 course Chinese dinner accompanied by excellent entertainment from popular band, Dotters' Division. Tan Sri Dato' Azman Hashim, a MICPA Life Member, also entertained guests with an impromptu rendition of 'What A Wonderful World' and famous Mandarin song, 'Yue Liang Dai Biao Wo De Xin'.

### **MICPA Excellence Awards**

Graduating candidates of the prestigious MICPA-CAANZ Programme received their examination certificates at MICPA's annual Excellence Awards. MICPA Past President Dato' Zainal Abidin bin Putih was the Guest of Honour for the night and he was accompanied by Mr Tan Theng Hooi, MICPA Vice President and Mr Lee White, Chief Executive Officer of CAANZ. They presented the awards to the top achievers.

Top scorers in a module received Gold Medals for their excellent results. Each module and its respective gold medal is sponsored by a specific firm or individual. Certificates of Merit were awarded to candidates with outstanding performance in a module examination.

Awards were also presented to Best Accounting Graduates from Malaysian universities for displaying outstanding academic performance, exemplary leadership qualities and the enthusiasm to excel. Finalists for this category did not walk away empty-handed as they too received a Certificate of Meritorious Achievement.

The Excellence Award for The Most Outstanding CPA Student 2014 was presented to Ms Lim Ju Anne who completed her articleship with EY Malaysia. She was recognised for excelling in the joint professional exams whilst displaying exemplary career development and an outstanding personality. She enrolled for the Joint Programme in 2012 and went on to complete the examinations within 2 years.

During the ceremony, the Institute also took the opportunity to present appreciation awards to four new Approved Training Employers (ATEs): Johor Corporation, IJM Corporation Berhad, Kuala Lumpur Kepong Berhad and MSM Malaysia Holdings Berhad. The Institute currently has more than 400 ATEs comprising Approved Accounting Firms and Approved Training Organisations (ATOs) from commerce and industry. Candidates will have to complete three years of relevant practical training experience with any of these ATEs.

### **MICPA'S 56th Anniversary Commemorative Lecture**

An annual event since 1988, the Institute's Commemorative Lecture is a platform to listen, discuss and learn about some of the hot topics within the industry. It is attended by corporate leaders, representatives from the various regulatory bodies, members of academia and the accounting profession.

Tan Sri Dato' Azman Hj. Mokhtar, Managing Director of Khazanah Nasional Berhad was the Guest of Honour and speaker at the Institute's 56th Commemorative Lecture on November 12, 2015. His chosen topic was "*Sense & Sensibility, Accounting & Accountability: A Practitioner's Perspective*". Tan Sri Azman's presentation was enlivened by anecdotes as he shared his professional journey and experience at Khazanah Nasional. He concluded by reminding the audience of the significance of the accounting profession as it enables clients and organisations to be accountable to the public and society.



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## PERFORMANCE

During the lecture, the Institute also took the opportunity to officiate an earlier signing ceremony between the Institute and UM with an exchange of a signed Memorandum of Understanding (MoU). The MoU signifies the Institute's commitment towards the development of the accounting profession in Malaysia and is aimed at developing accounting-related educational programmes whilst promoting institutional exchanges between both parties to help develop important areas in academia, training and student development.

### MICPA-CAANZ Accountancy Week

During the 16th MICPA-CAANZ Accountancy Week, accounting students from various MICPA and CAANZ accredited universities and polytechnics participated in a battle of wits and brawn. Approximately 500 students from 13 higher education institutions participated in the event, which was held from November 23 to 28, 2015. The Institute joined forces with the Universiti Malaya Accounting Club (UMAC) to organise this much anticipated annual event.

The week-long event kicked off with career talks from November 23-26, 2015 followed by an Accounting Students Quiz and Networking Cocktail on November 27, 2015. This year also saw the reintroduction of the Business Strategy Challenge – Management Simulation Game after a one year hiatus. The Challenge was held on November 25, 2015 hosted by UKM and organised in partnership with UKM's Accounting Club.

The week ended with a Sports and Games Competition on November 28, 2015. During the Sports and Games Competition, participants competed in various activities such as Badminton, Basketball, Dodgeball, Futsal, Netball, Paintball and Escape Room. The games drew to a close in the evening and it ended with a Closing and Prize-Giving ceremony.

### MICPA Accountant's Dash

A newly-created event, the MICPA Accountant's Dash was held for the first time on May 1, 2015 at Universiti Putra Malaysia (UPM), Serdang. It was a 5 km fun run especially organised for accounting students with an aptly coined tagline – 'Go M.A.D.!' Fashioned after a colour fun run, the MICPA Accountant's Dash had some added twists to it, challenging its participants with brain teasers along the way.

The event saw over 500 students from 12 MICPA-accredited universities across Malaysia participating in the run with some participants coming from as far as Kedah and Penang. There were also several current candidates of the MICPA-CAANZ Programme and Institute employees who joined in the run, lending their support and building rapport with the participants.

The students had a truly enjoyable time and proved that accountants really do know how to have fun. This event will continue to be organised annually for accounting students nationwide.

### National Annual Corporate Report Awards (NACRA)

The National Annual Corporate Report Awards (NACRA) is jointly organised by the Malaysian Institute of Accountants (MIA), The Malaysian Institute of Certified Public Accountants (MICPA) and Bursa Malaysia Berhad. NACRA was launched in 1990 with the aim to promote excellence in annual corporate reporting. With the theme *Towards Accountability and Excellence*, NACRA recognises the need for greater transparency and accountability in corporate reporting.

1 & 2 MICPA-CAANZ Accountancy Week 2015

3 MICPA Accountant's Dash 2015

4 NACRA 2015



In 2015, Malayan Banking Berhad (Maybank) made a successful return to the NACRA awards by emerging as the winner of the Overall Excellence Platinum Award after a two-year hiatus. Maybank was presented with the prestigious award by Guest of Honour, Datuk Chua Tee Yong, Deputy Minister of Finance at NACRA's 25th Awards Presentation Ceremony. The banking giant last won the Platinum Award back in 2012. The Awards Ceremony was held at Intercontinental Hotel, Kuala Lumpur on November 26, 2015. Maybank also won the Silver for Best Annual Report in Bahasa Malaysia, the Platinum for Best Corporate Social Responsibility Reporting Award, the Silver for Best Designed Annual Report and the Industry Excellence Award for main board company in the Finance category.

Telekom Malaysia Berhad (TM) who was the Overall Excellence Platinum Award winner in 2013 and 2014, walked away with the Gold Award this year with Public Bank Berhad taking the Silver Award. TM also took home top awards for the Best Designed Annual Report and the Industry Excellence Award for a main board company in the Trading & Services category. Meanwhile, Felda Global Ventures Holdings Berhad won the Platinum Award for the Best Annual Report in Bahasa Malaysia.

The Special Award for the Best Annual Report of Non-Listed Organisations went to Ekuiti Nasional Berhad, which is an admirable feat for a first time entrant in NACRA. Eleven companies were also presented with Certificates of Merit.

While there was no Platinum Award presented for the new Inclusiveness & Diversity Reporting category, CIMB Group Holdings Berhad won the Gold Award in this category, while Nestle (Malaysia) Berhad and Astro Malaysia Holdings Berhad tied for the Silver Award.

## MEDIA RELATIONS AND OUTREACH

Through traditional media, the Institute continues to maintain its presence in the New Sunday Times special supplement called Excellence in Education where the Institute advertises the MICPA-CAANZ Programme as well as highlight its programmes and activities for students. In the last year, the Institute also gained media mention in other mainstream newspapers such as The Star Online and Sin Chew online, as well as in niche publications like The Edge Financial Daily.

On the social media front, the Institute has sustained its activities on Facebook, Twitter and YouTube. Since the previous year, the number of 'Likes' on the Institute's Facebook page has increased by almost two thousand from approximately 6,000 to close to 8,000.

Every year, the Institute organises a number of programmes and activities for students. Aside from outreach to potential MICPA members, these activities are also intended to promote the growth of the profession by educating students about the accounting industry and the career possibilities it provides.

The Institute works closely with various organisations including educational institutions, government agencies, professional bodies and the private sector to provide students with the opportunity to get a better understanding of the industry through a range of events including networking sessions, outreach at universities, and career talks. The Institute also encourages those interested in pursuing a career in accounting by providing scholarships and a number of options to pursue membership with the Institute.



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## PERFORMANCE

### Marketing and Promotions

The Institute's marketing and promotion activities play a significant role in attracting potential candidates for membership. The Institute employs a wide range of outreach activities including career talks, networking events, exhibitions and orientation sessions in accounting firms to reach out to potential candidates. Over the past year, the Institute has engaged with over 3,000 students from universities across Malaysia to share the benefits and details of the MICPA-CAANZ qualification.

### Outreach Down Under

The Institute's efforts to engage with students are not limited to Malaysia, as the Institute also engages with students abroad through Malaysian student clubs in various universities in Australia and New Zealand. In October 2015, the Institute continued its annual participation in the Graduan Recruitment Drive in Australia which continues to increase the awareness and reception of the MICPA-CAANZ Programme among returning Malaysian students. Year on year, there has been a steady increase in the number of graduates from Australian universities. The Institute also held several information sessions in Auckland, New Zealand in April 2016. In the same month, the Institute organised an Investment Challenge for the first time in Melbourne, in partnership with Monash University, which proved to be a great success among Malaysian students there.

## PROFESSIONAL REGULATION

### FINANCIAL STATEMENTS REVIEW

The maintenance of high standards of practice and professional conduct by all the Institute's members is one of the principal objects of the Institute. To accomplish this, the Financial Statements Review Committee undertakes the important task of monitoring members' compliance with technical and professional standards in order to uphold the standards of the accounting profession in Malaysia.

The Institute achieves effective monitoring through an on-going programme of review of published financial statements audited by the Institute's members. The objective is to assess these financial statements for their compliance with approved accounting standards, approved auditing standards, listing regulations and statutory financial reporting requirements. Where departures are noted, the Committee would then communicate its observations to members responsible for the preparation of financial statements as well as the members in practice involved in auditing and expressing an audit opinion on the set of financial statements in order to seek clarification.



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In situations where the Committee feels that certain accounting information could be better presented, the Committee will make recommendations to the members concerned. In cases of significant departures, the matter may be referred to the Investigation Committee for further investigative action.

The Committee is pleased to report that members are in support of the objective of the review process in view of their positive responses to matters raised by the Committee.

During the year, the Financial Statements Review Committee compiled a list of common findings arising from the Committee's review of random selections of published financial statements audited by the Institute's members. This list was published in the July-August 2015 issue of the Institute's bi-monthly journal, *The Malaysian Accountant*. The Committee believes the list of common findings would assist members to comply with technical and professional standards with the objective of helping users of financial statements to appreciate and understand the financial statements better.

## INVESTIGATION AND DISCIPLINARY

During the year under review, the Investigation Committee considered 19 cases of complaints, 1 of which was brought forward from the previous year. The Committee completed the inquiry into 13 of the cases and have made an order against the members concerned by consent that the members be reprimanded and fined. The remaining 6 cases were still under consideration at the time of this report.

The Disciplinary Committee did not receive any new complaints during the year.

- 1 *Anugerah Presiden 2015*
- 2 *56th Commemorative Lecture*
- 3 *Excellence Awards 2014*
- 4 *Melbourne Outreach 2015*



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## PERFORMANCE

### INTERNATIONAL RELATIONS

The Institute maintains an active relationship with international accounting organisations and fellow professional bodies around the world. Keeping abreast of significant international development in accounting, auditing, education and other professional standards is crucial when operating in a global environment.

The Institute continues to contribute to and support the work of IFAC by actively promulgating convergence with international auditing standards issued by the IAASB of IFAC. The Institute continues to review and provide feedback on exposure drafts and discussion documents issued by the IAASB.

The Institute participated in IFAC's 38th Council Meeting held in Singapore in November 2015, followed by the Singapore Accountancy Convention 2015 with the theme *Leading Change, the Asian Way*.

The Institute paved new ground in the ASEAN region through its admission into the ASEAN Federation of Accountants (AFA) in August 2015, marked by our participation at the 119th AFA Council Meeting followed by a conference in Yangon, Myanmar. The Institute was also represented at the 121st AFA Council Meeting held in Laos in February 2016.

The Institute participated in the UNCTAD's 32nd Session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) held at the Palais des Nations in Geneva in November 2015.

The two main agenda items of the 32nd Session of ISAR addressed:

- Key foundations of high-quality reporting: International audit and assurance requirements and good practices on their implementation; and
- Review of good practices on enhancing the role of corporate reporting in attaining sustainable development goals.

The Institute maintains ongoing professional relationships with fellow professional bodies around the world to keep abreast of significant developments in the profession and to share and exchange technical resources. During the year, the Institute received a number of visitors from professional bodies. These include the Chief Executive Officer, Director, Asia and General Manager, Admission Programs of CAANZ. The Institute continued to support the newly-forged relationship with CIPFA through participation in the CIPFA Conference in July 2015.

1 Melbourne Outreach 2015

2 Networking Night with MMU Cyberjaya students

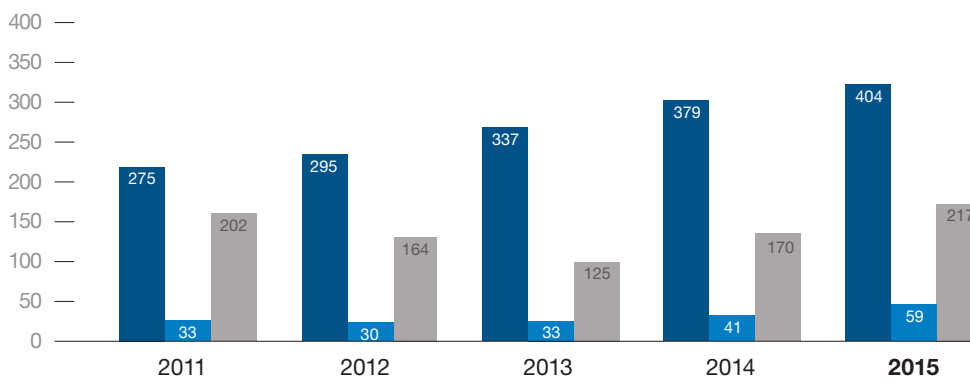


## STUDENT STATISTICS

	2015	2014
Number of registered students at January 1	590	495
Registration during the year	205	222
Less:		
Admitted to membership/provisional membership, excluded or terminated	(115)	(127)
Number of registered students at December 31	680	590
<b>Net Increase</b>	<b>90</b>	<b>95</b>

**205**  
NEW STUDENT  
REGISTRATIONS  
IN 2015

## NUMBER OF STUDENTS



**90**  
INCREASE IN  
TOTAL  
STUDENTS  
REGISTERED



Stream I



Stream II



Special Stream II

## STUDENT REGISTRATION STATISTICS

Qualification	As at December 31, 2015				Total as at December 31, 2014
	Stream I	Stream II	Special Stream II	Total	
Accounting Degrees (Local)	151	30	217	398	336
Accounting Degrees (Overseas)	142	29	–	171	161
Sub-total	293	59	217	569	497
Completed training contract but not examination	111	–	–	111	93
<b>Grand Total</b>	<b>404</b>	<b>59</b>	<b>217</b>	<b>680</b>	<b>590</b>

**680**  
STUDENTS

## PERFORMANCE

### EDUCATION

MICPA's membership consists of individuals who have attained the qualification of Certified Public Accountant (CPA). In order to achieve this qualification and be eligible for MICPA membership, individuals will have to sit for MICPA's professional exams, which are administered in collaboration with Chartered Accountants Australia and New Zealand (CAANZ).

#### REGISTERED STUDENTS

A total of 205 new students were admitted during the year. The new intake comprised predominantly of accounting graduates from local and Australian universities. A total of 680 students were recorded for the year 2015 taking into account the exclusion of 9 students from the register of students for non-payment of annual fees, and 6 students who were barred from taking their exams as they had exceeded the allocated timeframe to enrol for the exam, 39 students who terminated their registration, 47 students who were admitted as members and 14 students excluded for non-transfer of stream.

There was a significant increase in the number of final year accounting students from local universities which can be attributed to the MICPA-TalentCorp PAR Excellence Programme which had attracted students with good academic track records to enrol into the MICPA-CAANZ Programme. As of December 31, 2015, 37% of the new intake comprised MICPA-TalentCorp PAR Excellence Programme candidates while 12% of the new intake comprised MICPA-SSP registered students.

#### TRAINING SCHEMES

The Institute provides for two streams of training, namely Stream I and Stream II. Stream I is the traditional route of training where students sit for the CPA examinations while being employed under the office of a CPA in public practice through a training contract. This stream of training is targeted at students who plan a career growth in public accounting practice.

Stream II does not require students to enter into a training contract but they must maintain a log book as a record of practical experiences, which must be obtained with an Approved Training Organisation (ATO) under the supervision of a MICPA member or one of the professional bodies approved by the Institute. Stream II students may undertake the CPA examination prior to the commencement of practice training or during the training period. Stream II is targeted at students who would like to develop their careers in the commerce, industry or public sector.

The Institute also provides for a special stream of registration for students in the final year programme of an approved degree in accounting and wish to enrol for the Taxation module and the Financial Accounting and Reporting module in the Advanced Stage Examination.

As of December 31, 2015 a total of 404 students were registered under Stream I, with a net increase of 25 students. 59 students were registered under Stream II and a total of 217 students were recorded under Special Stream II. Approximately 337 firms and 96 ATOs provide CPA training under Stream I and Stream II respectively.

#### CONVERSION PROGRAMME

The Institute has introduced a Conversion Programme which allows non-accounting graduates to obtain a professional accounting qualification. The programme is open to non-accounting degree holders and fourth year non-accounting undergraduates from recognised universities. Candidates will undergo the specially-tailored Conversion Programme at Universiti Sains Malaysia (USM) and in 2016, it will also be offered by Universiti Malaya (UM). Upon completion of the programme, candidates may proceed with the MICPA-CAANZ Programme to earn the CPA and CA qualifications.

## MICPA-CAANZ SCHOLARSHIP PROGRAMMES

The following scholarships are available to students who are interested in enrolling the MICPA-CAANZ Programme:

### (a) MICPA-TalentCorp PAR Excellence Programme

The Institute and TalentCorp jointly offer a scholarship which enables accounting undergraduates to embark on the highly-regarded MICPA-CAANZ Programme in their 4th year of study. This Programme leads to a dual qualification from MICPA and CAANZ which entitles graduates to use both the CPA (M) and CA (ANZ) designations. The objective of this scholarship is to increase the number of professional accountants in Malaysia, and to enhance the employability of Malaysian accounting undergraduates. The scholarship focuses on two components: professional education through the MICPA-CAANZ Programme and employment opportunities with reputable firms and organisations. 70 scholarships were awarded under this Scheme for the year 2015.

### (b) MyPAC-MICPA Professional Accounting Scholarship for Diploma Holders

Malaysia Professional Accounting Centre (MyPAC) in collaboration with the Institute is offering a scholarship for Bumiputera aged 25 years and below who wish to embark on the MICPA-CAANZ Programme after completing a Diploma in Accountancy accredited by the Institute. The Programme will commence in July 2016.

## EXAMINATION

The Institute conducts three terms of examinations every year. The Advanced Stage Examination comprises five (5) modules under the joint MICPA-CAANZ Programme which leads to the dual MICPA and CAANZ memberships. The Professional Stage Examination comprises four (4) modules and is tailored for Diploma holders as a prerequisite into the Advanced Stage Examination. These 4 modules also represent a subset of modules offered under the Conversion Programme.

### ADVANCED STAGE EXAMINATION

In 2015, a total of 822 candidates registered for the Advanced Stage MICPA-CAANZ examinations. This was an increase of 29% from 2014, when 639 candidates registered for the examinations. Overall, the MICPA-CAANZ Programme achieved an average pass rate of 68% for the five modules in the examination. The average pass rate the previous year was 79%.

Effective Term 2, 2015, mandatory attendance at focus sessions for the Malaysian Taxation module was discontinued to align with other MICPA-CAANZ technical modules.

### PROFESSIONAL STAGE EXAMINATION

A total of twenty-two (22) examination entries were received for the Professional Stage Examination (PSE) conducted in 2015 compared to eighteen (18) in 2014. The 22% increase in the examination entries was attributed to new intakes of candidates from the Conversion Programme. The candidates' performance in the PSE achieved an average pass rate of 88% for the 4 modules.

There were no entries received for the Admitting Examination which is held annually for the purpose of gaining admission to membership under Bye-law 34(1)(f).

# TECHNICAL PRONOUNCEMENTS

## A APPROVED ACCOUNTING STANDARDS AND GUIDELINES

Statement of Approved Accounting Standards (issued 1988)

### (a) MASB Approved Accounting Standards for Entities Other than Private Entities

	Framework Superseded	MASB Operational Date
Foreword to MASB Standards and Other Technical Pronouncements (Revised)		Jul. 1, 1999
The Conceptual Framework for Financial Reporting	Framework for the Preparation and Presentation of Financial Statements	Nov. 19, 2011
Framework for the Preparation and Presentation of Financial Statements		Jul. 1, 2007

### (i) Malaysian Financial Reporting Standards (MFRS) Framework\*

#### Malaysian Financial Reporting Standards (MFRSs)

	Extant Accounting Standards Superseded	MASB Operational Date
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards		Jan. 1, 2012
MFRS 2 Share-based Payment		Jan. 1, 2012
MFRS 3 Business Combinations		Jan. 1, 2012
MFRS 4 Insurance Contracts		Jan. 1, 2012
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations		Jan. 1, 2012
Amendment to MFRS 5 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016
MFRS 6 Exploration for and Evaluation of Mineral Resources		Jan. 1, 2012
MFRS 7 Financial Instruments: Disclosures		Jan. 1, 2012
Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 (IFRS 9 issued by IASB in Nov. 2009), MFRS 9 (IFRS 9 issued by IASB in Oct. 2010) and MFRS 7)		#
Amendments to MFRS 7 (Annual Improvements to MFRSs 2012-2014 Cycle)		Jan. 1, 2016
MFRS 8 Operating Segments		Jan. 1, 2012
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in Nov. 2009) [will be superseded by MFRS 9 (IFRS 9 as issued by IASB in July 2014)]		#
Financial Instruments (IFRS 9 issued by IASB in Oct. 2010) [will be superseded by MFRS 9 (IFRS 9 as issued by IASB in July 2014)]	IC Int. 9	#
Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 (IFRS 9 issued by IASB in Nov. 2009), MFRS 9 (IFRS 9 issued by IASB in Oct. 2010) and MFRS 7)		#
Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139) [will be superseded by MFRS 9 (IFRS 9 as issued by IASB in July 2014)]		#
Financial Instruments (IFRS 9 issued by IASB in July 2014)		Jan. 1, 2018

		Extant Accounting Standards Superseded	MASB Operational Date
MFRS 10	Consolidated Financial Statements	MFRS 127 & IC Int. 112	Jan. 1, 2013
	Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture ( <i>Amendments to MFR10 and MFRS 128</i> )		Deferred
	Investment Entities: Applying the Consolidation Exception ( <i>Amendments to MFRS 10, MFRS 12 and MFRS 128</i> )		Jan 1, 2016
MFRS 11	Joint Arrangements	MFRS 131 & IC Int. 113	Jan. 1, 2013
	Accounting for Acquisitions of Interests in Joint Operations ( <i>Amendments to MFRS 11</i> )		Jan. 1, 2016
MFRS 12	Disclosure of Interests in Other Entities		Jan. 1, 2013
	Investment Entities: Applying the Consolidation Exception ( <i>Amendments to MFRS 10, MFRS 12 and MFRS 128</i> )		Jan. 1, 2016
MFRS 13	Fair Value Measurement		Jan. 1, 2013
MFRS 14	Regulatory Deferral Accounts		Jan. 1, 2016
MFRS 15	Revenue from Contracts with Customers		Jan. 1, 2018
MFRS 16	Leases		Jan. 1, 2019
MFRS 101	Presentation of Financial Statements		Jan. 1, 2012
	Disclosure Initiative ( <i>Amendments to MFRS 101</i> )		Jan. 1, 2016
MFRS 102	Inventories		Jan. 1, 2012
MFRS 107	Statement of Cash Flows		Jan. 1, 2012
	Disclosure Initiative ( <i>Amendments to MFRS 107</i> )		Jan. 1, 2017
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors		Jan. 1, 2012
MFRS 110	Events After the Reporting Period		Jan. 1, 2012
MFRS 111	Construction Contracts ( <i>will be superseded by MFRS 15, Revenue from Contracts with Customers</i> )		Jan. 1, 2012
MFRS 112	Income Taxes		Jan. 1, 2012
	Recognition of Deferred Tax Assets for Unrealised Losses ( <i>Amendments to MFRS 112</i> )		Jan. 1, 2017
MFRS 116	Property, Plant and Equipment		Jan. 1, 2012
	Clarification of Acceptable Methods of Depreciation and Amortisation ( <i>Amendments to MFRS 116 and MFRS 138</i> )		Jan. 1, 2016
	Agriculture: Bearer Plants ( <i>Amendments to MFRS 116 and MFRS 141</i> )		Jan. 1, 2016
MFRS 117	Leases ( <i>will be superseded by MFRS 16, Leases</i> )		Jan. 1, 2012
MFRS 118	Revenue ( <i>will be superseded by MFRS 15, Revenue from Contracts with Customers</i> )		Jan. 1, 2012
MFRS 119	Employee Benefits		Jan. 1, 2012
	Amendment to MFRS 119 ( <i>Annual Improvements to MFRSs 2012-2014 Cycle</i> )		Jan. 1, 2016
MFRS 120	Accounting for Government Grants and Disclosure of Government Assistance		Jan. 1, 2012
MFRS 121	The Effects of Changes in Foreign Exchange Rates		Jan. 1, 2012
MFRS 123	Borrowing Costs		Jan. 1, 2012
MFRS 124	Related Party Disclosures		Jan. 1, 2012
MFRS 126	Accounting and Reporting by Retirement Benefit Plans		Jan. 1, 2012

## TECHNICAL PRONOUNCEMENTS

	Extant Accounting Standards Superseded	MASB Operational Date
MFRS 127 Consolidated and Separate Financial Statements <i>[Superseded with effect from 1 Jan 2013 by MFRS 127, Separate Financial Statements (IAS 27 as amended by IASB in May 2011) and MFRS 10 Consolidated Financial Statements]</i>		Jan. 1, 2012
Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	MFRS 127	Jan. 1, 2013
Equity Method in Separate Financial Statements <i>(Amendments to MFRS 127)</i>		Jan. 1, 2016
MFRS 128 Investments in Associates <i>[Superseded with effect from 1 Jan 2013 by MFRS 128, Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)]</i>		Jan. 1, 2012
Investments in Associates and Joint Ventures <i>(IAS 28 as amended by IASB in May 2011)</i>	MFRS 128	Jan. 1, 2013
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <i>(Amendments to MFRS 10 and MFRS 128)</i>		Deferred
Investment Entities: Applying the Consolidation Exception <i>(Amendments to MFRS 10, MFRS 12 and MFRS 128)</i>		Jan. 1, 2016
MFRS 129 Financial Reporting in Hyperinflationary Economies		Jan. 1, 2012
MFRS 131 Interests in Joint Ventures <i>[Superseded with effect from 1 January 2013 by MFRS 11]</i>		Jan. 1, 2012
MFRS 132 Financial Instruments: Presentation		Jan. 1, 2012
MFRS 133 Earnings Per Share		Jan. 1, 2012
MFRS 134 Interim Financial Reporting		Jan. 1, 2012
Amendment to MFRS 134 <i>(Annual Improvements to MFRSs 2012-2014 Cycle)</i>		Jan. 1, 2016
MFRS 136 Impairment of Assets		Jan. 1, 2012
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets		Jan. 1, 2012
MFRS 138 Intangible Assets		Jan. 1, 2012
Clarification of Acceptable Methods of Depreciation and Amortisation <i>(Amendments to MFRS 116 and MFRS 138)</i>		Jan. 1, 2016
MFRS 139 Financial Instruments: Recognition and Measurement		Jan. 1, 2012
MFRS 140 Investment Property		Jan. 1, 2012
MFRS 141 Agriculture		Jan. 1, 2012
Agriculture: Bearer Plants <i>(Amendments to MFRS 116 and MFRS 141)</i>		Jan. 1, 2016
Annual Improvements to MFRSs 2012-2014 Cycle issued in November 2014		
Glossary of Terms		

# For entities that have already applied MFRS 9, Financial Instruments (IFRS 9, Financial Instruments issued by IASB in November 2009) or MFRS 9, Financial Instruments (IFRS 9, Financial Instruments issued by IASB in October 2010) or MFRS 9, Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139), the above MFRS would be withdrawn on the application of MFRS 9, Financial Instruments (IFRS 9, Financial Instruments as issued by IASB in July 2014). Other entities may still elect to apply the above MFRSs if and only if, the entity's date of initial application is before February 1, 2015, after which the above Standards would be withdrawn.

**IC Interpretations\*\***

		MASB Operational Date
<b>Preface to IC Interpretations</b>		
<b>Amendments to Preface to IC Interpretations</b>		
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	Jan. 1, 2012
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments	Jan. 1, 2012
IC Interpretation 4	Determining whether an Arrangement contains a Lease <i>(will be superseded by MFRS 16, Leases)</i>	Jan. 1, 2012
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	Jan. 1, 2012
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	Jan. 1, 2012
IC Interpretation 7	Applying the Restatement Approach under MFRS 129, <i>Financial Reporting in Hyperinflationary Economies</i>	Jan. 1, 2012
IC Interpretation 9	Reassessment of Embedded Derivatives <i>[superseded by MFRS 9(IFRS 9 as issued by IASB in July 2014)]</i>	Jan. 1, 2012
IC Interpretation 10	Interim Financial Reporting and Impairment	Jan. 1, 2012
IC Interpretation 12	Service Concession Arrangements	Jan. 1, 2012
IC Interpretation 13	Customer Loyalty Programmes <i>(will be superseded by MFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 2012
IC Interpretation 14	MFRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Jan. 1, 2012
IC Interpretation 15	Agreements for the Construction of Real Estate <i>(will be superseded by MFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	Jan. 1, 2012
IC Interpretation 17	Distributions of Non-cash Assets to Owners	Jan. 1, 2012
IC Interpretation 18	Transfers of Assets from Customers <i>(will be superseded by MFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 2012
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	Jan. 1, 2012
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	Jan. 1, 2013
IC Interpretation 21	Levies	Jan. 1, 2014
IC Interpretation 107	Introduction of the Euro	Jan. 1, 2012
IC Interpretation 110	Government Assistance – No Specific Relation to Operating Activities	Jan. 1, 2012
IC Interpretation 115	Operating Leases – Incentives <i>(will be superseded by MFRS 16, Leases)</i>	Jan. 1, 2012
IC Interpretation 125	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	Jan. 1, 2012
IC Interpretation 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease <i>(will be superseded by MFRS 16, Leases)</i>	Jan. 1, 2012
IC Interpretation 129	Service Concession Arrangements: Disclosures	Jan. 1, 2012
IC Interpretation 131	Revenue – Barter Transactions Involving Advertising Services <i>(will be superseded by MFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 2012
IC Interpretation 132	Intangible Assets – Web Site Costs	Jan. 1, 2012

## TECHNICAL PRONOUNCEMENTS

### (ii) Financial Reporting Standards (FRS) Framework\*

#### Financial Reporting Standards

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 1	First-time Adoption of Financial Reporting Standards	FRS 1 <sub>(issued 2005)</sub>	Jul. 1, 2010
	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ( <i>Amendments to FRS 1</i> )		Jan. 1, 2012
	Government Loans ( <i>Amendments to FRS 1</i> )		Jan. 1, 2013
	Amendment to FRS 1 [ <i>Improvements to FRSs (2012)</i> ]		Jan. 1, 2013
FRS 2	Share-based Payment		Jan. 1, 2006
	Amendments to FRS 2 ( <i>Annual Improvements to FRSs 2010-2012 Cycle</i> )		Jul. 1, 2014
FRS 3	Business Combinations	FRS 3 <sub>(issued 2005)</sub>	Jul. 1, 2010
	Amendments to FRS 3 ( <i>Annual Improvements to FRSs 2010-2012 Cycle</i> )		Jul. 1, 2014
	Amendments to FRS 3 ( <i>Annual Improvements to FRSs 2011-2013 Cycle</i> )		Jul. 1, 2014
FRS 4	Insurance Contracts	FRS 202 <sub>2004</sub> & FRS 203 <sub>2004</sub>	Jan. 1, 2010
FRS 5	Non-current Assets Held for Sale and Discontinued Operations	FRS 135 <sub>2004</sub>	Jan. 1, 2006
	Amendment to FRS 5 [ <i>Improvements to FRSs (2009)</i> ]		Jan. 1, 2010
	Amendment to FRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i>		Jul. 1, 2010
	Amendment to FRS 5 ( <i>Annual Improvements to FRSs 2012-2014 Cycle</i> )		Jan 1, 2016
FRS 6	Exploration for and Evaluation of Mineral Resources		Jan. 1, 2007
FRS 7	Financial Instruments: Disclosures		Jan. 1, 2010
	Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> , FRS 7, <i>Financial Instruments: Disclosures and IC Interpretation 9, Reassessment of Embedded Derivatives</i>		Jan. 1, 2010
	Improving Disclosures about Financial Instruments ( <i>Amendments to FRS 7</i> )		Jan. 1, 2011
	Amendments to FRS 7 [ <i>Improvements to FRSs (2010)</i> ]		Jan. 1, 2011
	Disclosures – Transfers of Financial Assets ( <i>Amendments to FRS 7</i> )		Jan. 1, 2012
	Disclosures – Offsetting Financial Assets and Financial Liabilities ( <i>Amendments to FRS 7</i> )		Jan. 1, 2013
	Mandatory Effective Date of FRS 9 and Transition Disclosures ( <i>Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in Oct. 2010) and FRS 7</i> )		@
	Amendments to FRS 7 ( <i>Annual Improvements to FRSs 2012-2014 Cycle</i> )		Jan 1, 2016

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 8	Operating Segments	FRS 114 <sub>2004</sub>	Jul. 1, 2009
	Amendment to FRS 8 <i>[Improvements to FRSs (2009)]</i>		Jan. 1, 2010
	Amendment to FRS 8 <i>(Annual Improvements to FRSs 2010-2012 Cycle)</i>		Jul. 1, 2014
FRS 9 (IFRS 9 (2009))	Financial Instruments (IFRS 9 issued by IASB in Nov. 2009) <i>[will be superseded by FRS 9 (IFRS 9 as issued by IASB in July 2014)]</i>		@
	Mandatory Effective Date of FRS 9 and Transition Disclosures <i>(Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in Oct. 2010) and FRS 7)</i>		@
FRS 9 (IFRS 9 (2010))	Financial Instruments (IFRS 9 issued by IASB in Oct. 2010) <i>[will be superseded by FRS 9 (IFRS 9 as issued by IASB in July 2014)]</i>	FRS 9 (IFRS 9 (2009)) & IC Int. 9	@
	Mandatory Effective Date of FRS 9 and Transition Disclosures <i>(Amendments to FRS 9 (IFRS 9 issued by IASB in Nov. 2009), FRS 9 (IFRS 9 issued by IASB in Oct. 2010) and FRS 7)</i>		@
FRS 9 (IFRS 9 (2013))	Financial Instruments (Hedge Accounting and Amendments to FRS 9, FRS 7, and FRS 139) <i>[will be superseded by FRS 9 (IFRS 9 as issued by IASB in July 2014)]</i>		@
FRS 9 (IFRS 9 (2014))	Financial Instruments (IFRS 9 as issued by IASB in July 2014)		Jan 1, 2018
FRS 10	Consolidated Financial Statements	FRS 127 & IC Int. 112	Jan. 1, 2013
	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance <i>(Amendments to FRS 10, FRS 11 and FRS 12)</i>		Jan. 1, 2013
	Investment Entities <i>(Amendments to FRS 10, FRS 12 and FRS 127)</i>		Jan. 1, 2014
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <i>(Amendments to FRS 10 and FRS 128)</i>		Deferred
	Investment Entities: Applying the Consolidation Exception <i>(Amendments to FRS 10, FRS 12 and FRS 128)</i>		Jan 1, 2016
FRS 11	Joint Arrangements	FRS 131 & IC Int. 113	Jan. 1, 2013
	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance <i>(Amendments to FRS 10, FRS 11 and FRS 12)</i>		Jan. 1, 2013
	Accounting for Acquisitions of Interests in Joint Operations <i>(Amendments to FRS 11)</i>		Jan 1, 2016

## TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 12	Disclosure of Interests in Other Entities		Jan. 1, 2013
	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ( <i>Amendments to FRS 10, FRS 11 and FRS 12</i> )		Jan. 1, 2013
	Investment Entities ( <i>Amendments to FRS 10, FRS 12 and FRS 127</i> )		Jan. 1, 2014
	Investment Entities: Applying the Consolidation Exception ( <i>Amendments to FRS 10, FRS 12 and FRS 128</i> )		Jan 1, 2016
FRS 13	Fair Value Measurement		Jan. 1, 2013
	Amendment to FRS 13 ( <i>Annual Improvements to FRSs 2011-2013 Cycle</i> )		Jul. 1, 2014
FRS 14	Regulatory Deferral Accounts		Jan 1, 2016
FRS 101	Presentation of Financial Statements	FRS 101 <sub>(revised 2005)</sub>	Jan. 1, 2010
	Amendments to FRS 101 [ <i>Improvements to FRSs (2010)</i> ]		Jan. 1, 2011
	Presentation of Items of Other Comprehensive Income ( <i>Amendments to FRS 101</i> )		Jul. 1, 2012
	Amendment to FRS 101 [ <i>Improvements to FRSs (2012)</i> ]		Jan. 1, 2013
	Disclosure Initiative ( <i>Amendments to FRS 101</i> )		Jan 1, 2016
FRS 102	Inventories	FRS 102 <sub>2004</sub>	Jan. 1, 2006
FRS 107	Statement of Cash Flows	FRS 107 <sub>2004</sub>	Jul. 1, 2007
	Disclosure Initiative ( <i>Amendments to FRS 107</i> )		Jan. 1, 2017
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	FRS 108 <sub>2004</sub>	Jan. 1, 2006
	Amendment to FRS 108 [ <i>Improvements to FRSs (2009)</i> ]		Jan. 1, 2010
FRS 110	Events After the Reporting Period	FRS 110 <sub>2004</sub>	Jan. 1, 2006
FRS 111	Construction Contracts	FRS 111 <sub>2004</sub>	Jul. 1, 2007
FRS 112	Income Taxes	FRS 112 <sub>2004</sub>	Jul. 1, 2007
	Deferred Tax: Recovery of Underlying Assets ( <i>Amendments to FRS 112</i> )	IC Int. 121	Jan. 1, 2012
	Recognition of Deferred Tax Assets for Unrealised Losses ( <i>Amendments to FRS 112</i> )		Jan. 1, 2017
FRS 116	Property, Plant and Equipment	FRS 116 <sub>2004</sub>	Jan. 1, 2006
	Amendment to FRS 116 [ <i>Improvements to FRSs (2012)</i> ]		Jan. 1, 2013
	Amendment to FRS 116 [ <i>Annual Improvements to FRSs 2010-2012 Cycle</i> ]		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation ( <i>Amendments to FRS 116 and FRS 138</i> )		Jan 1, 2016
FRS 117	Leases	FRS 117 <sub>2004</sub>	Oct. 1, 2006
FRS 118	Revenue	FRS 118 <sub>2004</sub>	Jul. 1, 2007
FRS 119	Employee Benefits [ <i>Superseded with effect from Jan. 1, 2013 by FRS 119 issued in November 2011</i> ]	FRS 119 <sub>2004</sub>	Jan. 1, 2003
FRS 119 (2011)	Employee Benefits	FRS 119	Jan. 1, 2013
	Defined Benefits Plans: Employee Contributions ( <i>Amendments to FRS 119</i> )		Jul. 1, 2014

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 119 (2011)	Amendment to FRS 119 (Annual Improvements to FRSs 2012-2014 Cycle)		Jan 1, 2016
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	FRS 120 <sub>2004</sub>	Jul. 1, 2007
FRS 121	The Effects of Changes in Foreign Exchange Rates Amendments to FRS 121 [Improvements to FRSs (2010)]	FRS 121 <sub>2004</sub>	Jan. 1, 2006 Jan. 1, 2011
FRS 123	Borrowing Costs Amendment to FRS 123 [Improvements to FRSs (2009)]	FRS 123 <sub>2004</sub>	Jan. 1, 2010 Jan. 1, 2010
FRS 124	Related Party Disclosures [Superseded with effect from <b>Jan. 1, 2012</b> by FRS 124 issued in November 2010] Related Party Disclosures Amendment to FRS 124 (Annual Improvements to FRSs 2010-2012 Cycle)	FRS 124 <sub>2004</sub> FRS 124 <sub>(revised 2005)</sub>	Oct. 1, 2006 Jan. 1, 2012 Jul. 1, 2014
FRS 126	Accounting and Reporting by Retirement Benefit Plans	FRS 126 <sub>2004</sub>	Jan. 1, 2003
FRS 127	Consolidated and Separate Financial Statements [Superseded with effect from <b>July 1, 2010</b> by FRS 127, issued in January 2010] Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (Amendments to FRS 1 and FRS 127) Amendment to FRS 127 [Improvements to FRSs (2009)] Consolidated and Separate Financial Statements [Superseded with effect from <b>Jan. 1, 2013</b> by FRS 127, Separate Financial Statements and FRS 10, Consolidated Financial Statements]	FRS 127 <sub>2004</sub> FRS 127 <sub>(revised 2005)</sub>	Jan. 1, 2006 Jan. 1, 2010 Jan. 1, 2010 Jul. 1, 2010
FRS 127 (2011)	Separate Financial Statements Investment Entities (Amendments to FRS 10, FRS 12 and FRS 127) Equity method in Separate Financial Statements (Amendments to FRS 127)	FRS 127	Jan. 1, 2013 Jan. 1, 2014 Jan 1, 2016
FRS 128	Investments in Associates [Superseded with effect from <b>Jan. 1, 2013</b> by FRS 128, Investment in Associates and Joint Ventures] Amendments to FRS 128 [Improvements to FRSs (2010)]	FRS 128 <sub>2004</sub>	Jan. 1, 2006 Jan. 1, 2011
FRS 128 (2011)	Investment in Associates and Joint Ventures Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to FRS 10 and FRS 128) Investment Entities: Applying the Consolidation Exception (Amendments to FRS 10, FRS 12 and FRS 128)	FRS 128 <sub>(revised 2005)</sub>	Jan. 1, 2013 Deferred Jan 1, 2016
FRS 129	Financial Reporting in Hyperinflationary Economies Amendment to FRS 129 [Improvements to FRSs (2009)]	FRS 129 <sub>2004</sub>	Jan. 1, 2003 Jan. 1, 2010
FRS 131	Interests in Joint Ventures [Superseded with effect from <b>Jan. 1, 2013</b> by FRS 11 issued in November 2011] Amendments to FRS 131 [Improvements to FRSs (2010)]	FRS 131 <sub>2004</sub>	Jan. 1, 2006 Jan. 1, 2011

## TECHNICAL PRONOUNCEMENTS

		Extant Accounting Standards Superseded	MASB Operational Date
FRS 132	Financial Instruments: Presentation	FRS 132 <sub>2004</sub>	Jan. 1, 2006
	Amendments to FRS 132 [ <i>Improvements to FRSs (2012)</i> ]		Jan. 1, 2013
	Offsetting Financial Assets and Financial Liabilities ( <i>Amendments to FRS 132</i> )		Jan. 1, 2014
FRS 133	Earnings Per Share	FRS 133 <sub>2004</sub>	Jan. 1, 2006
FRS 134	Interim Financial Reporting	FRS 134 <sub>2004</sub>	Jul. 1, 2007
	Amendment to FRS 134 [ <i>Improvements to FRSs (2010)</i> ]		Jan. 1, 2011
	Amendment to FRS 134 [ <i>Improvements to FRSs (2012)</i> ]		Jan. 1, 2013
	Amendment to FRS 134 ( <i>Annual Improvements to FRSs 2012-2014 Cycle</i> )		Jan 1, 2016
FRS 136	Impairment of Assets	FRS 136 <sub>2004</sub>	Jan. 1, 2006
	Recoverable Amount Disclosures for Non-Financial Assets ( <i>Amendments to FRS 136</i> )		Jan. 1, 2014
FRS 137	Provisions, Contingent Liabilities and Contingent Assets	FRS 137 <sub>2004</sub>	Jul. 1, 2007
FRS 138	Intangible Assets	FRS 109 <sub>2004</sub>	Jan. 1, 2006
	Amendment to FRS 138 ( <i>Annual Improvements to FRSs 2010-2012 Cycle</i> )		Jul. 1, 2014
	Clarification of Acceptable Methods of Depreciation and Amortisation ( <i>Amendments to FRS 116 and FRS 138</i> )		Jan 1, 2016
FRS 139	Financial Instruments: Recognition and Measurement	FRS 139 <sub>(issued 2006)</sub>	Jan. 1, 2010
	Amendments to FRS 139 [ <i>Improvements to FRSs (2010)</i> ]		Jan. 1, 2011
	Novation of Derivatives and Continuation of Hedge Accounting ( <i>Amendments to FRS 139</i> )		Jan. 1, 2014
FRS 140	Investment Property	That part of FRS 125 <sub>2004</sub> that deals with investment property	Jan. 1, 2006
	Amendment to FRS 140 ( <i>Annual Improvements to FRSs 2011-2013 Cycle</i> )		Jul. 1, 2014
IAS 41	Agriculture		Jan 1, 2012
FRS 201 <sub>2004</sub>	Property Development Activities	MAS 7	Jan. 1, 2004
FRS 204 <sub>2004</sub>	Accounting for Aquaculture	MAS 5	Sep. 1, 1998
Glossary of terms			

<sup>®</sup> For entities that have already applied FRS 9, Financial Instruments (IFRS 9, Financial Instruments issued by IASB in November 2009) or FRS 9, Financial Instruments (IFRS 9, Financial Instruments issued by IASB in October 2010) or FRS 9, Financial Instruments (Hedge Accounting and Amendments to FRS 9, FRS 7 and FRS 139), the above FRS would be withdrawn on the application of FRS 9, Financial Instruments (IFRS 9, Financial Instruments as issued by IASB in July 2014). Other entities may still elect to apply the above FRSs if and only if, the entity's date of initial application is before February 1, 2015, after which the above Standards would be withdrawn.

**IC Interpretations\*\***

		MASB Operational Date
<b>Preface</b>		
<b>Amendments to Preface to IC Interpretations</b>		
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	Jul. 1, 2007
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments	Jul. 1, 2007
	Amendment to IC Interpretation 2 [ <i>Improvements to FRSs (2012)</i> ]	Jan. 1, 2013
IC Interpretation 4	Determining whether an Arrangement contains a Lease	Jan. 1, 2011
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	Jul. 1, 2007
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	Jul. 1, 2007
IC Interpretation 7	Applying the Restatement Approach under FRS 129 <sub>2004</sub> , <i>Financial Reporting in Hyperinflationary Economies</i>	Jul. 1, 2007
IC Interpretation 9	Reassessment of Embedded Derivatives [ <i>superseded by FRS 9, Financial Instruments (IFRS 9 issued by IASB in July 2014)</i> ]	Jan. 1, 2010
	Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives [ <i>superseded by FRS 9, Financial Instruments (IFRS 9 issued by IASB in July 2014)</i> ]	Jul. 1, 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	Jan. 1, 2010
IC Interpretation 12	Service Concession Arrangements	Jul. 1, 2010
IC Interpretation 13	Customer Loyalty Programmes	Jan. 1, 2010
	Amendments to IC Interpretation 13 [ <i>Improvements to FRSs (2010)</i> ]	Jan. 1, 2011
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Jan. 1, 2010
	Prepayments of a Minimum Funding Requirement ( <i>Amendments to IC Interpretation 14</i> )	Jul. 1, 2011
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	Jul. 1, 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	Jul. 1, 2010
IC Interpretation 18	Transfers of Assets from Customers	Jan. 1, 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	Jul. 1, 2011
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	Jan. 1, 2013
IC Interpretation 21	Levies	Jan. 1, 2014
IC Interpretation 107	Introduction of the Euro	Jan. 1, 2006
IC Interpretation 110	Government Assistance – No Specific Relation to Operating Activities	Jan. 1, 2006
IC Interpretation 115	Operating Leases – Incentives	Jan. 1, 2006
IC Interpretation 125	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	Jan. 1, 2006
IC Interpretation 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	Jan. 1, 2006

## TECHNICAL PRONOUNCEMENTS

	MASB Operational Date
IC Interpretation 129 Disclosure – Service Concession Arrangements	Jan. 1, 2006
IC Interpretation 131 Revenue – Barter Transactions Involving Advertising Services	Jan. 1, 2006
IC Interpretation 132 Intangible Assets – Web Site Costs	Jan. 1, 2006
IC Interpretation 201 Preliminary and Pre-operating Expenditure	Jan. 1, 2001

**Note:**

\* Entities other than private entities that are not subject to the application of MFRS 141, Agriculture, and/or IC Interpretation 15, Agreements for the Construction of Real Estate, shall apply the MFRS Framework.

Entities other than private entities subject to the application of MFRS 141 and IC Interpretation 15 shall apply the FRS Framework. However, these entities shall comply with the MFRS Framework for annual periods beginning on or after Jan. 1, 2018.

MFRS/FRS xx corresponds to the equivalent IFRS issued by the IASB.

MFRS/FRS with 100 prefix corresponds to the equivalent IAS. Hence, FRS 112 is equivalent to IAS 12.

MFRS/FRS with 200 prefix denotes locally developed standards with no equivalent international standard.

\*\* The numbering of the IC Interpretations corresponds to the Interpretations issued by the IFRIC and SIC respectively. For example, IC Interpretation 1 in Malaysia is equivalent to IFRIC Interpretation 1. IC Interpretation with a '100 prefix' corresponds to its equivalent SIC-Interpretation. Thus, IC Interpretation 112 is equivalent to SIC-12. IC Interpretation with a '200 prefix' denotes locally developed interpretation with no equivalent international interpretation. In this regard, the existing Interpretation Bulletin I Preliminary and Pre-operating Expenditure is renamed as IC Interpretation 201.

Hence, IC Interpretation 1 = IFRIC Interpretation 1

IC Interpretation 112 = SIC-12

IC Interpretation 201 = locally developed interpretation

### (b) MASB Approved Accounting Standards for Private Entities (PERS)\*\*\*

	MASB Operational Date
Framework for the Preparation and Presentation of Financial Statements	Jul. 1, 2007
MASB 1 Presentation of Financial Statements	Jul. 1, 1999
MASB 2 Inventories	Jul. 1, 1999
MASB 3 Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies	Jul. 1, 1999
MASB 4 Research and Development Costs	Jul. 1, 1999
MASB 5 Cash Flow Statements	Jul. 1, 1999
MASB 6 The Effects of Changes in Foreign Exchange Rates	Jul. 1, 1999
MASB 7 Construction Contracts	Jul. 1, 1999
MASB 9 Revenue	Jan. 1, 2000
MASB 10 Leases	Jan. 1, 2000
MASB 11 Consolidated Financial Statements and Investments in Subsidiaries	Jan. 1, 2000
MASB 12 Investments in Associates	Jan. 1, 2000
MASB 14 Depreciation Accounting	Jul. 1, 2000
MASB 15 Property, Plant and Equipment	Jul. 1, 2000
MASB 16 Financial Reporting of Interests in Joint Ventures	Jul. 1, 2000

	MASB Operational Date
MASB 19 Events after the Balance Sheet Date	Jul. 1, 2001
MASB 20 Provisions, Contingent Liabilities and Contingent Assets	Jul. 1, 2001
MASB 23 Impairment of Assets	Jan. 1, 2002
MASB 25 Income Taxes	Jul. 1, 2002
MASB 27 Borrowing Costs	Jul. 1, 2002
MASB 28 Discontinuing Operations	Jan. 1, 2003
MASB 29 Employee Benefits	Jan. 1, 2003
MASB 30 Accounting and Reporting by Retirement Benefit Plans	Jan. 1, 2003
MASB 31 Accounting for Government Grants and Disclosure of Government Assistance	Jan. 1, 2004
MASB 32 Property Development Activities	Jan. 1, 2004
IAS 25 Accounting for Investments	Sept. 1, 1998
IAS 29 Financial Reporting in Hyperinflationary Economies	Jan. 1, 2003
MAS 5 Accounting for Aquaculture	Sept. 1, 1998
IB-1 Preliminary and Pre-operating Expenditure	Jan. 1, 2001

\*\*\* PERS is a set of accounting standards issued or adopted by MASB for application by all private entities.

A private entity is a private company incorporated under the Companies Act, 1965 that –

- is not itself required to prepare or lodge any financial statements under any law administered by the Securities Commission or Bank Negara Malaysia; and
- is not a subsidiary or associate of, or jointly controlled by, an entity which is required to prepare or lodge any financial statements under any law administered by the Securities Commission or Bank Negara Malaysia.

### (c) Malaysian Private Entities Reporting Standard (MPERS) Framework

	MASB Operational Date
MPERS#	Jan. 1, 2016

# The MPERS was issued by the MASB in February 2014 and is word-for-word the *IFRS for SMEs* issued by the International Accounting Standards Board (IASB) except for the requirements on income tax and property development activities. All private entities shall apply the MPERS for their financial statements beginning on or after January 1, 2016.

In October 2015, the MASB issued *2015 Amendments to the MPERS* which is equivalent to the IASB's *2015 Amendments to the IFRS for SMEs*. With this issuance, the accounting requirements for Income Tax of the MPERS are word-for-word the *IFRS for SMEs*.

The *2015 Amendments to the MPERS* is effective for annual periods beginning on or after 1 January 2017, with early application permitted

## TECHNICAL PRONOUNCEMENTS

### (d) MASB Technical Releases (TR)

		MASB Operational Date
TR 1 (revised)	Share Buybacks – Accounting and Disclosure	[Superseded]
TR 1 (revised) <sub>2004</sub>	Share Buybacks – Accounting and Disclosure (For FRS)	withdrawn
TR 2	The Year 2000 Issue: Accounting and Disclosure	withdrawn
TR 3	Guidance on Disclosures of Transition to IFRSs	Dec. 31, 2010
TR <i>i</i> -1	Accounting for Zakat on Business	Jul. 1, 2006
TR <i>i</i> -2	ljarah	withdrawn
TR <i>i</i> -3	Presentation of Financial Statements of Islamic Financial Institutions	Jan. 1, 2010
TR <i>i</i> -4	Shariah Compliant Sale Contracts	Jan. 1, 2011

### (e) MASB Statement of Principles (SOP)

		MASB Issue Date
SOP 1 <sub>2004</sub>	Exempt Entities	Jun. 2000
SOP 2	Interim Financial Reporting	[Superseded by FRS 134 <sub>2004</sub> ]
SOP 3	Management Commentary	Feb. 2013
SOP <i>i</i> -1	Financial Reporting from an Islamic Perspective	Sep. 2009

### (f) International Accounting Standards (IAS)

		MICPA Operational Date	MASB Operational Date	IASB Operational Date
IAS 25	Accounting for Investments	1993	1998	1987

### (g) Malaysian Accounting Standards (MAS)

		MICPA Operational Date	MASB Operational Date
<b>(i) Issued</b>			
MAS 1	Earnings Per Share (issued Jan. 1984)		[Superseded by FRS 133]
MAS 2	Accounting for Acquisitions and Mergers (issued Jan. 1989)		[Superseded by FRS 3]
MAS 3	Accounting for General Insurance Business (issued Jan. 1992)		[Superseded by FRS 202 <sub>2004</sub> ]
MAS 4	Accounting for Life Insurance Business (issued Jan. 1992)		[Superseded by FRS 203 <sub>2004</sub> ]
MAS 5	Accounting for Aquaculture (issued Jan. 1992)		[Superseded by FRS 204 <sub>2004</sub> ]
MAS 7	Accounting for Property Development Activities (issued Jan. 1994)		[Superseded by FRS 201]
MAS 8	Accounting for Pre-cropping Costs	1997	–
<b>(ii) Exposure Draft</b>			
MAS 6	Accounting for Goodwill		[Superseded by FRS 3]

**(h) MICPA Technical Bulletins**

		MICPA Issue Date
TB 4	Reporting in Connection with the Capital Adequacy Ratio of Banks	Apr. 1983
TB 6	Auditor's Reports on Financial Statements Published in the Print Media by Financial Institutions	Apr. 1988
TB 7	Accounting for Bankers' Acceptances	Jan. 1989
TB 8	Accounting for Profit Guarantees and Other Contingencies in Business Acquisitions	Dec. 1995
TB 9	Accounting for Securities Borrowing and Lending Transactions by Lenders and Ultimate Borrowers	Sept. 2013

**B APPROVED STANDARDS ON QUALITY CONTROL, AUDITING, REVIEW, OTHER ASSURANCE AND RELATED SERVICES**

Statement of Policy of Council – Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (issued Dec. 2007)

Statement of Policy of Council – Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (issued Apr. 2012)

	IAG/ISA Superseded	MICPA Issue Date	IFAC Issue Date
Structure of Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services and Guidelines Issued by the MICPA	–	Sep. 2006	–
Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (Amended)	–	Jun. 2008	Dec. 2006
Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (Amended)	–	Apr. 2011	Apr. 2010
Amended Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements	–	Apr. 2012	Dec. 2011
Glossary of Terms (Dec. 2006)	–	Nov. 2007	Dec. 2006
Glossary of Terms (Feb. 2009)	–	Apr. 2011	Apr. 2010

**(a) Framework**

	IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
International Framework for Assurance Engagements	ISA 120	Jan. 2007	Jan. 2005

## TECHNICAL PRONOUNCEMENTS

### (b) International Standards on Quality Control (ISQC)

		IAG/ISA/ISQC Superseded	MICPA Operational Date	IFAC Operational Date
ISQC 1	Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements	ISQC 1	Requirements to be established by Jan. 1, 2010	Requirements to be established by Dec. 15, 2009

### (c) International Standards on Auditing (ISA)

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISA 200 <sup>^</sup>	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing	ISA 200	Jan. 2010	Dec. 2009
ISA 210 <sup>^</sup>	Agreeing the Terms of Audit Engagements	ISA 210	Jan. 2010	Dec. 2009
ISA 220 <sup>^</sup>	Quality Control for an Audit of Financial Statements	ISA 220 (Revised)	Jan. 2010	Dec. 2009
ISA 230 <sup>^</sup>	Audit Documentation	ISA 230 (Revised)	Jan. 2010	Dec. 2009
ISA 240 <sup>^</sup>	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	ISA 240 (Revised)	Jan. 2010	Dec. 2008
ISA 250 <sup>^</sup>	Consideration of Laws and Regulations in an Audit of Financial Statements	ISA 250	Jan. 2010	Dec. 2009
ISA 260 <sup>^</sup>	Communication with Those Charged with Governance	ISA 260	Jan. 2010	Dec. 2009
ISA 260 (Revised 2015)	Communication with Those Charged with Governance	ISA 260 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 265 <sup>^</sup>	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	–	Jan. 2010	Dec. 2009
ISA 300 <sup>^</sup>	Planning an Audit of Financial Statements	ISA 300 (Revised)	Jan. 2010	Dec. 2008
ISA 315 (Revised)	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment	ISA 315	Dec. 2013	Dec. 2013
ISA 320 <sup>^</sup>	Materiality in Planning and Performing an Audit	ISA 320	Jan. 2010	Dec. 2009
ISA 330 <sup>^</sup>	The Auditor's Responses to Assessed Risks	ISA 330	Jan. 2010	Dec. 2008
ISA 402 <sup>^</sup>	Audit Considerations Relating to an Entity Using a Service Organisation	ISA 402	Jan. 2010	Dec. 2009
ISA 450 <sup>^</sup>	Evaluation of Misstatements Identified during the Audit	–	Jan. 2010	Dec. 2009
ISA 500 <sup>^</sup>	Audit Evidence	ISA 500	Jan. 2010	Dec. 2009

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISA 501 <sup>^</sup>	Audit Evidence – Specific Considerations for Selected Items	ISA 501	Jan. 2010	Dec. 2009
ISA 505 <sup>^</sup>	External Confirmations	ISA 505	Jan. 2010	Dec. 2009
ISA 510 <sup>^</sup>	Initial Audit Engagements – Opening Balances	ISA 510	Jan. 2010	Dec. 2009
ISA 520 <sup>^</sup>	Analytical Procedures	ISA 520	Jan. 2010	Dec. 2009
ISA 530 <sup>^</sup>	Audit Sampling	ISA 530	Jan. 2010	Dec. 2009
ISA 540 <sup>^</sup>	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	ISA 540 & ISA 545	Jan. 2010	Dec. 2009
ISA 550 <sup>^</sup>	Related Parties	ISA 550	Jan. 2010	Dec. 2009
ISA 560 <sup>^</sup>	Subsequent Events	ISA 560	Jan. 2010	Dec. 2009
ISA 570 <sup>^</sup>	Going Concern	ISA 570	Jan. 2010	Dec. 2009
ISA 570 (Revised 2015)	Going Concern	ISA 570 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 580 <sup>^</sup>	Written Representations	ISA 580	Jan. 2010	Dec. 2009
ISA 600 <sup>^</sup>	Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)	ISA 600	Jan. 2010	Dec. 2009
ISA 610 <sup>^</sup>	Using the Work of Internal Auditors	ISA 610	Jan. 2010	Dec. 2009
ISA 610 (Revised)	Using the Work of Internal Auditors	ISA 610 <sup>^</sup>	Dec. 2013	Dec. 2013
ISA 610 (Revised 2013)	Using the Work of Internal Auditors	ISA 610 (Revised)	Dec. 2014	Dec. 2014
ISA 620 <sup>^</sup>	Using the Work of an Auditor’s Expert	ISA 620	Jan. 2010	Dec. 2009
ISA 700 <sup>^</sup>	Forming an Opinion and Reporting on Financial Statements	ISA 700 (Revised)	Jan. 2010	Dec. 2009
ISA 700 (Revised 2015)	Forming an Opinion and Reporting on Financial Statements	ISA 700 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 701	Communicating Key Audit Matters in the Independent Auditor’s Report	–	Dec. 2016	Dec. 2016
ISA 705 <sup>^</sup>	Modifications to the Opinion in the Independent Auditor’s Report	ISA 701 <sub>2007</sub>	Jan. 2010	Dec. 2009
ISA 705 (Revised 2015)	Modifications to the Opinion in the Independent Auditor’s Report	ISA 705 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 706 <sup>^</sup>	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report	ISA 701 <sub>2007</sub>	Jan. 2010	Dec. 2009

## TECHNICAL PRONOUNCEMENTS

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISA 706 (Revised 2015)	Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report	ISA 706 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 710 <sup>^</sup>	Comparative Information – Corresponding Figures and Comparative Financial Statements	ISA 710	Jan. 2010	Dec. 2009
ISA 720 <sup>^</sup>	The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements	ISA 720	Jan. 2010	Dec. 2009
ISA 720 (Revised 2015)	The Auditor's Responsibilities Relating to Other Information and Related Conforming Amendments	ISA 720 <sup>^</sup>	Dec. 2016	Dec. 2016
ISA 800 <sup>^</sup>	Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks	ISA 800	Jan. 2010	Dec. 2009
ISA 805 <sup>^</sup>	Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement	–	Jan. 2010	Dec. 2009
ISA 810 <sup>^</sup>	Engagements to Report on Summary Financial Statements	–	Jan. 2010	Dec. 2009
ISA 810 (Revised 2016)	Engagements to Report on Summary Financial Statements	ISA 810 <sup>^</sup>	*	Dec. 2016
	Conforming Amendments to ISAs	–	Dec. 2016	Dec. 2016
	Addressing Disclosures in the Audit of Financial Statements – Revised ISAs and Related Conforming Amendments	–	Dec. 2016	Dec. 2016

<sup>^</sup> Clarified International Standards on Auditing issued by the IAASB in 2009.

\* in the process of adoption as at reporting date.

### (d) International Auditing Practice Notes (IAPN)

		MICPA Issue Date	IFAC Issue Date
IAPN 1000	Special Considerations in Auditing Financial Instruments	Mar. 2012	Dec. 2011

**(e) International Auditing Practice Statements (IAPS)**

		<b>MICPA Issue Date</b>	<b>IFAC Issue Date</b>
IAPS 1000	Inter-Bank Confirmation Procedures	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1001	IT Environments – Stand-Alone Personal Computers	withdrawn (Oct. 2007)	withdrawn (Dec. 2004)
IAPS 1002	IT Environments – On-Line Computer Systems	withdrawn (Oct. 2007)	withdrawn (Dec. 2004)
IAPS 1003	IT Environments – Database Systems	withdrawn (Oct. 2007)	withdrawn (Dec. 2004)
IAPS 1004	The Relationship between Banking Supervisors and Banks' External Auditors	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1005	The Special Considerations in the Audit of Small Entities	withdrawn (Jan. 2010)	withdrawn (Jan. 2010)
IAPS 1006	Audits of the Financial Statements of Banks	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1007	Communications with Management	withdrawn (Jan. 2006)	withdrawn (Jun. 2001)
IAPS 1008	Risk Assessments and Internal Control	withdrawn (Jan. 2006)	withdrawn (Dec. 2004)
IAPS 1009	Computer-Assisted Audit Techniques	withdrawn (Oct. 2007)	withdrawn (Dec. 2004)
IAPS 1010	The Consideration of Environmental Matters in the Audit of Financial Statements	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1011	Implications for Management and Auditors of the Year 2000 Issue	withdrawn (Jan. 2006)	withdrawn (Jun. 2001)
IAPS 1012	Auditing Derivative Financial Instruments	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1013	Electronic Commerce – Effect on the Audit of Financial Statements	withdrawn (Mar. 2012)	withdrawn (Dec. 2011)
IAPS 1014	Reporting by Auditors on Compliance with International Financial Reporting Standards	withdrawn (Jan. 2010)	withdrawn (Jan. 2010)

**(f) International Standards on Review Engagements (ISRE)**

		<b>IAG/ISA Superseded</b>	<b>MICPA Operational Date</b>	<b>IFAC Operational Date</b>
ISRE 2400	Engagements to Review Financial Statements (Previously ISA 910)	IAG/ RS 1 & 2	Jul. 2007	Dec. 2006
ISRE 2400 (Revised)	Engagements to Review Historical Financial Statements	ISRE 2400	Dec. 2013	Dec. 2013
ISRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity	–	Jul. 2007	Dec. 2006

## TECHNICAL PRONOUNCEMENTS

### (g) International Standards on Assurance Engagements (ISAE)

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISAE 3000 (Revised)	Assurance Engagements Other than Audits or Reviews of Historical Financial Information	ISA 100	Jan. 2007	Jan. 2005
ISAE 3000 (Revised 2013)	Assurance Engagements Other than Audits or Reviews of Historical Financial Information	ISAE 3000 (Revised)	Dec. 2015	Dec. 2015
ISAE 3400	The Examination of Prospective Financial Information (Previously ISA 810)	IAG 27	Jan. 2000	Jul. 1994
ISAE 3402	Assurance Reports on Controls at a Service Organisation	–	Jun. 2011	Jun. 2011
ISAE 3410	Assurance Engagements on Greenhouse Gas Statements	–	Sep. 2013	Sept. 2013
ISAE 3420	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus	–	Mar. 2013	Mar. 2013

### (h) International Standards on Related Services (ISRS)

		IAG/ISA Superseded	MICPA Operational Date	IFAC Operational Date
ISRS 4400	Engagements to Perform Agreed-upon Procedures Regarding Financial Information (Previously ISA 920)	IAG/RS 3	Jan. 2000	Jul. 1994
ISRS 4410	Engagements to Compile Financial Information (Previously ISA 930)	IAG/RS 4	Jan. 2000	Jul. 1994
ISRS 4410 (Revised)	Compilation Engagements	ISRS 4410	Jul. 2013	Jul. 2013

### (i) Malaysian Auditing Guidelines (MAG)

		MICPA Issue Date
MAG 1	Auditor's Reports: Forms and Qualifications (Issued 1988)	[Superseded by ISA 700]

### (j) MIA Recommended Practice Guide (RPG)

		RPG Superseded	MICPA Issue Date
RPG 5 (Revised 2013)	Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report		[Superseded by RPG 5 (Revised 2015)]
RPG 5 (Revised 2015)	Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report	RPG 5 (Revised 2013)	Mar. 2016

**(k) MICPA Auditing Technical Releases (ATR)**

		ATR Superseded	MICPA Issue Date
ATR 2	Standard Letter of Request for Information from Banks/Finance Companies for Audit Purposes		May 1990
ATR 3	Accountants' Report for Prospectus (issued Jan. 1989)	[Superseded by ISA 810]	
ATR 4	Reporting in Connection with Submission of Proposals to Capital Issues Committee (issued May 1990)	[Superseded by ISA 810]	
ATR 5	Guidance for Auditors on the Review of Directors' Statement on Internal Control (Revised Dec. 2007)	[Superseded by RPG 5 (Revised 2013)]	
ATR 6	Unit Trust Funds – Distribution Equalisation		Jun. 2008
ATR 7	Examples of Auditor's Reports (issued Jun. 2008)	[Superseded by ATR 7 (Revised)]	
ATR 7 (Revised)	Examples of Independent Auditor's Reports	[Superseded by ATR 7 (Revised 2013)]	
ATR 7 (Revised 2013)	Examples of Independent Auditor's Reports	ATR 7 (Revised)	Nov. 2013
ATR 8	Pro forma Letter of Engagement – Statutory Audit for Single Entity and Group (issued Mar. 2009)	[Superseded by ATR 8 (Revised)]	
ATR 8 (Revised)	Illustrative Letter of Engagement – Statutory Audit for Single Entity and Group	ATR 8	Apr. 2012
ATR 9	Sample Auditor's Report in Bahasa Malaysia		Mar. 2009

**(l) MICPA Technical Releases (TR)**

		MICPA Issue Date
TR 1	Guidance on the Role of Reporting Accountant in a Due Diligence Working Group	Aug. 2011

**C MICPA GUIDELINES FOR ACCOUNTING IN PUBLIC SECTOR (GAPS)**

		MICPA Issue Date
	Preface to Guidelines for Accounting in Public Sector	Jan. 1992
GAPS 1	Public Sector Accounting Concepts	Jan. 1992

## TECHNICAL PRONOUNCEMENTS

### D MICPA INSOLVENCY GUIDANCE NOTES (IGN)

		MICPA Issue Date
<b>(i) General</b>		
IGN	Preface to Insolvency Guidance Notes	Nov. 2009
IGN G1	Minimum Standards of Practice by Insolvency Practitioners	Nov. 2009
IGN G2	Professional Conduct and Ethics in Insolvency Practice	Nov. 2009
IGN G3	Remuneration of Insolvency Office Holders	Nov. 2009
IGN G4	The Handling of Funds in a Liquidation Administration	Nov. 2009
IGN G5	Preparation of Statement of Receipts and Payments by Insolvency Practitioners	Nov. 2009
<b>(ii) Liquidation</b>		
IGN L1	Members' Voluntary Winding Up	Nov. 2009
IGN L2	Procedure for Creditor's Voluntary Winding-up	Nov. 2009
IGN L3	A Liquidator's Assessment and Review into the Affairs of the Insolvent Company	Nov. 2009
IGN L4	Summoning and Holding Meetings of Creditors under Court Winding-up	Nov. 2009
<b>(iii) Receivership</b>		
IGN R1	Suggested Receivership Checklist (for Receiver Appointed under a Debenture)	Nov. 2009
IGN R2	A Receiver's Responsibility for the Books and Records of the Company	Nov. 2009
IGN R3	A Receiver's Responsibility to Preferential Creditors	Nov. 2009

### E STATEMENTS ON INTERNATIONAL MANAGEMENT ACCOUNTING

		MICPA Issue Date	IFAC Issue Date
MICPA Statement on International Management Accounting Statements		Dec. 1992	–
Preface to Statements on International Management Accounting		Dec. 1992	Feb. 1987

#### (a) Statements on International Management Accounting Practices (MAP)

		MICPA Issue Date	IFAC Issue Date
MAP 1	Management Accounting Concepts (Revised 1998)	Aug. 1998 <sup>#</sup>	Mar. 1998
MAP 2	The Capital Expenditure Decision	Dec. 1992	Oct. 1989
MAP 3	Foreign Capital Exposure and Risk Management	Sep. 1993	Jul. 1990
MAP 4	Management Control of Projects	Jul. 1993	Oct. 1991
MAP 5	Managing Quality Improvements	Sep. 1993	Mar. 1993
MAP 6	Post Completion Review	Nov. 1994	Apr. 1994
MAP 7	Strategic Planning for Information Resource Management	Nov. 1996 <sup>#</sup>	Feb. 1996

**(b) Statements on International Management Accounting Studies (IMAS)**

		MICPA Issue Date	IFAC Issue Date
<b>(i) Issued</b>			
IMAS 3	An Introduction to Strategic Financial Management (Revised 1995)	Jul. 1993	Apr. 1988
IMAS 4	Reporting Treasury Performance – A Framework for The Treasury Practitioner	Apr. 1996 <sup>#</sup>	Sep. 1995
IMAS 5	The Role of Management Accounting in the Emerging Team Approach to Work	May 1996 <sup>#</sup>	Sep. 1995
IMAS 6	Environmental Management in Organisations – The Role of Management Accounting	Aug. 1998 <sup>#</sup>	Mar. 1998
IMAS 7	The Measurement and Management of Intellectual Capital	Apr. 1999 <sup>#</sup>	Dec. 1998
IMAS 8	Codifying Power and Control: Ethical Codes in Action	Sep. 1999 <sup>#</sup>	May 1999
IMAS 9	Enhancing Shareholder Wealth by Better Managing Business Risk	Sep. 1999 <sup>#</sup>	Jun. 1999
IMAS 10	Target Costing for Effective Cost Management	Sep. 1999 <sup>#</sup>	Jun. 1999

<sup>#</sup> Reviewed by MICPA and issued to members on request basis.

**(ii) Being considered by MICPA for Issuance**

IMAS 11	A Profession Transforming: From Accounting to Management	–	Mar. 2001
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**F MICPA STATEMENTS**

		MICPA Issue Date
No. 1	Recommendations on the Presentations of Accounts (issued 1972)	[Superseded by IAS 1]
No. 2	Audit Reports and Qualifications (issued 1972)	[Superseded by MAG 1]
No. 3	Accountants' Report for Prospectuses (issued 1976)	[Superseded by ATR 3]
No. 4	Directors' Report (issued Nov. 1985) Model Holdings Berhad – Specimen Financial Statements (Revised)	withdrawn Jun. 2004
No. 5	Statement of Source and Application of Funds (issued 1981)	[Superseded by IAS 7]
No. 6	Model Insurance Financial Statements	Jul. 2010

**G STATUS OF OTHER MASB PRONOUNCEMENTS****(a) MASB Feedback Statement**

	MASB Issue Date
Feedback Statement on MASB Discussion Papers on Takaful, Sukuk and Shariah Compliant Profit-sharing Contracts	Dec. 2012

**H STATUS OF OTHER STATEMENTS ON INTERNATIONAL MANAGEMENT ACCOUNTING****(a) Not Issued by MICPA**

	IFAC Issue Date
Study No. 1 Control of Computer Applications	Oct. 1985
Management Accounting Concepts (Revised 1998)	Mar. 1998

## TECHNICAL PRONOUNCEMENTS

### I INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

	IFAC Issue Date
International Public Sector Accounting Standards Board – Terms of Reference	Nov. 2004
Preface to International Public Sector Accounting Standards (Revised)	Mar. 2012
Introduction to the International Public Sector Accounting Standards	Jan. 2007
Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Chapters 1-4)	Superseded by Conceptual Framework issued in Sep. 2014
Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities (Chapter 1-8)	Sep. 2014

#### (a) Standards

	IFAC Operational Date
IPSAS 1 Presentation of Financial Statements	Jan. 2008
IPSAS 2 Cash Flow Statements	Jul. 2001
IPSAS 3 Accounting Policies, Changes in Accounting Estimates and Errors	Jan. 2008
IPSAS 4 The Effects of Changes in Foreign Exchange Rates	Jan. 2010
IPSAS 5 Borrowing Costs	Jul. 2001
IPSAS 6 Consolidated and Separate Financial Statements	Jan. 2008
IPSAS 7 Investments in Associates	Jan. 2008
IPSAS 8 Interests in Joint Ventures	Jan. 2008
IPSAS 9 Revenue from Exchange Transactions	Jul. 2002
IPSAS 10 Financial Reporting in Hyperinflationary Economies	Jul. 2002
IPSAS 11 Construction Contracts	Jul. 2002
IPSAS 12 Inventories	Jan. 2008
IPSAS 13 Leases	Jan. 2008
IPSAS 14 Events After the Reporting Date	Jan. 2008
IPSAS 15 Financial Instruments: Disclosure and Presentation (superseded by IPSAS 28, IPSAS 29 and IPSAS 30)	
IPSAS 16 Investment Property	Jan. 2008
IPSAS 17 Property, Plant and Equipment	Jan. 2008
IPSAS 18 Segment Reporting	Jul. 2003
IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets	Jan. 2004
IPSAS 20 Related Party Disclosures	Jan. 2004
IPSAS 21 Impairment of Non-Cash Generating Assets	Jan. 2006
IPSAS 22 Disclosure of Financial Information About the General Government Sector	Jan. 2008
IPSAS 23 Revenue from Non-Exchange Transactions (Taxes and Transfers)	Jun. 2008
IPSAS 24 Presentation of Budget Information in Financial Statements	Jan. 2009
IPSAS 25 Employee Benefits	Jan. 2011

	IFAC Operational Date
IPSAS 26 Impairment of Cash-Generating Assets	Apr. 2009
IPSAS 27 Agriculture	Apr. 2011
IPSAS 28 Financial Instruments: Presentation	Jan. 2013
IPSAS 29 Financial Instruments: Recognition and Measurement	Jan. 2013
IPSAS 30 Financial Instruments: Disclosures	Jan. 2013
IPSAS 31 Intangible Assets	Apr. 2011
IPSAS 32 Service Concession Arrangement: Grantor	Jan. 2014
IPSAS 33 First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs)	Jan. 2017
IPSAS 34 Separate Financial Statements	Jan. 2017
IPSAS 35 Consolidated Financial Statements	Jan. 2017
IPSAS 36 Investments in Associates and Joint Ventures	Jan. 2017
IPSAS 37 Joint Arrangements	Jan. 2017
IPSAS 38 Disclosure of Interests in Other Entities	Jan. 2017

	IFAC Issue Date
Cash Basis Financial Reporting Under the Cash Basis of Accounting IPSAS – Part 1: Requirements	Jan. 2008
Financial Reporting Under the Cash Basis of Accounting – Part 2: Encouraged Additional Disclosures	Jan. 2008
RPG 1 Reporting on the Long-Term Sustainability of an Entity's Finances	Jul. 2013
RPG 2 Financial Discussion and Analysis	Jul. 2013
Improvements to IPSASs (issued by IPSASB in Jan. 2010)	
Improvements to IPSASs 2010 (issued by IPSASB in Nov. 2010)	
Improvements to IPSASs 2011 (issued by IPSASB in Oct. 2011)	
Improvements to IPSASs 2014 (issued by IPSASB in Jan. 2015)	
Glossary of Defined Terms in IPSAS 1 to IPSAS 32 (Jan. 2012)	

#### (b) Guidelines

	IFAC Issue Date
No. 1 Financial Reporting by Government Business Enterprises (issued Jul. 1989)	withdrawn (Nov. 2002)
No. 2 Applicability of International Standards on Auditing to Audits of Financial Statements of Government Business Enterprises	Jul. 1990
No. 3 Applicability of International Standards on Auditing to the Audits of Financial Statements of Governments and Other Non-Business Public Sector Entities (issued Jan. 1992)	withdrawn (1994)

## TECHNICAL PRONOUNCEMENTS

### (c) Studies

		IFAC Issue Date
Study 1	Financial Reporting by National Governments	Mar. 1991
Study 2	Elements of the Financial Statements of National Governments	Jul. 1993
Study 3	Auditing for Compliance with Authorities – A Public Sector Perspective	Oct. 1994
Study 4	Using the Work of Other Auditors – A Public Sector Perspective	Oct. 1994
Study 5	Definition and Recognition of Assets	Aug. 1995
Study 6	Accounting for and Reporting Liabilities	Aug. 1995
Study 7	Performance Reporting by Government Business Enterprises	Jan. 1996
Study 8	The Government Financial Reporting Entity	Jul. 1996
Study 9	Definition and Recognition of Revenues	Dec. 1996
Study 10	Definition and Recognition of Expenses/Expenditures	Dec. 1996
Study 11	Government Financial Reporting: Accounting Issues and Practices	May 2000
Study 12	Perspectives on Cost Accounting for Governments	Sep. 2000
Study 13	Governance in the Public Sector: A Governing Body Perspective	Jul. 2001
Study 14	Transition to the Accrual Basis of Accounting: Guidance for Public Sector Entities (Third Edition)	Jan. 2011

### (d) Other Statements

	IFAC Issue Date
Invitation to Comment: Impairment of Assets	[Superseded by IPSAS 21]

## J INTERNATIONAL INFORMATION TECHNOLOGY GUIDELINES

### (a) Guidelines

	IFAC Issue Date	
No. 1	Managing Security Information	Jan. 1998
No. 2	Managing Information Technology Planning for Business Impact	Jan. 1999
No. 3	Acquisition of Information Technology	May 2000
No. 4	The Implementation of Information Technology Solutions	May 2000
No. 5	IT Service Delivery and Support	May 2000
No. 6	IT Monitoring	Apr. 2002

### (b) Exposure Draft

	IFAC Issue Date
Outsourcing	Dec. 2001

## K INTERNATIONAL ACCOUNTING EDUCATION STANDARDS BOARD (IAESB) PRONOUNCEMENTS

	IFAC Issue Date
IAESB Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants (2015)	Jul. 2015
IAESB Glossary of Terms (2015)	Apr. 2015

### (a) International Education Standards (IES) for Professional Accountants

	IES Superseded	IFAC Operational Date
IES 1      Entry Requirements to a Program of Professional Accounting Education		Jan. 1, 2005
IES 1      Entry Requirements to Professional Accounting Education (Revised)      Programs	IES 1	Jul. 1, 2014
IES 2      Content of Professional Accounting Education Programs		Jan. 1, 2005
IES 2      Initial Professional Development-Technical Competence (Revised)	IES 2	Jul. 1, 2015
IES 3      Professional Skills and General Education		Jan. 1, 2005
IES 3      Initial Professional Development-Professional Skills (Revised)	IES 3	Jul. 1, 2015
IES 4      Professional Values, Ethics and Attitudes		Jan. 1, 2005
IES 4      Initial professional Development-Professional Values, Ethics and (Revised)      Attitudes	IES 4	Jul. 1, 2015
IES 5      Practical Experience Requirements		Jan. 1, 2005
IES 5      Initial Professional Development – Practical Experience (Revised)	IES 5	Jul. 1, 2015
IES 6      Assessment of Professional Capabilities and Competence		Jan. 1, 2005
IES 6      Initial Professional Development – Assessment of Professional (Revised)      Competence	IES 6	Jul. 1, 2015
IES 7      Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence		Jan. 1, 2006
IES 7      Continuing Professional Development (Redrafted)	IES 7	Jan. 1, 2014
IES 8      Competence Requirements for Audit Professionals		Jul. 1, 2008
IES 8      Professional Competence for Engagement Partners Responsible (Revised)      for Audits of Financial Statements	IES 8	Jul. 1, 2016

## TECHNICAL PRONOUNCEMENTS

### (b) International Education Practice Statements (IEPS) for Professional Accountants

		IFAC Issue Date
IEPS 1	Approaches to Developing and Maintaining Professional Values, Ethics and Attitudes	Oct. 2007
IEPS 2	Information Technology for Professional Accountants	Oct. 2007
IEPS 3	Practical Experience Requirements – Initial Professional Development for Professional Accountants	Dec. 2007

### L CODE OF ETHICS

	MICPA Issue Date	IFAC Issue Date
IFAC Code of Ethics for Professional Accountants	–	Apr. 2015
MICPA Code of Ethics	Jun. 2013	–
Amendments to MICPA Code of Ethics	Apr. 2016	–

### M STATUS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

	IASB Issue Date
Preface to International Financial Reporting Standards	Apr. 2002
The Conceptual Framework for Financial Reporting	Jan. 2013

### (a) International Financial Reporting Standards (IFRS)

	IASB Operational Date	
IFRS 1	First-time Adoption of International Financial Reporting Standards	Jan. 1, 2009
IFRS 2	Share-based Payment	Jan. 1, 2005
IFRS 3	Business Combinations	Jul. 1, 2009
IFRS 4	Insurance Contracts	Jan. 1, 2005
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Jan. 1, 2005
IFRS 6	Exploration for and Evaluation of Mineral Resources	Jan. 1, 2006
IFRS 7	Financial Instruments: Disclosures	Jan. 1, 2007
IFRS 8	Operating Segments	Jan. 1, 2009
IFRS 9	Financial Instruments	Jan. 1, 2013
IFRS 10	Consolidated Financial Statements	Jan. 1, 2013
IFRS 11	Joint Arrangements	Jan. 1, 2013
IFRS 12	Disclosure of Interests in Other Entities	Jan. 1, 2013
IFRS 13	Fair Value Measurement	Jan. 1, 2013
IFRS 14	Regulatory Deferral Accounts	Jan. 1, 2016
IFRS 15	Revenue from Contracts with Customers	Jan. 1, 2017
IFRS 16	Leases	Jan. 1, 2019

**(b) International Accounting Standards (IAS)**

		IASB Operational Date
IAS 1	Presentation of Financial Statements	Jan. 1, 2009
IAS 2	Inventories	Jan. 1, 2005
IAS 7	Statement of Cash Flows	Jan. 1, 1994
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Jan. 1, 2005
IAS 10	Events After the Reporting Period	Jan. 1, 2005
IAS 11	Construction Contracts <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 1995
IAS 12	Income Taxes	Jan. 1, 1998
IAS 16	Property, Plant and Equipment	Jan. 1, 2005
IAS 17	Leases <i>(will be superseded by IFRS 16, Leases )</i>	Jan. 1, 2005
IAS 18	Revenue <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 1995
IAS 19	Employee Benefits	Jan. 1, 2013
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Jan. 1, 1984
IAS 21	The Effects of Changes in Foreign Exchange Rates	Jan. 1, 2005
IAS 23	Borrowing Costs	Jan. 1, 2009
IAS 24	Related Party Disclosures	Jan. 1, 2011
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Jan. 1, 1988
IAS 27	Separate Financial Statements	Jan. 1, 2013
IAS 28	Investments in Associates and Joint Ventures	Jan. 1, 2013
IAS 29	Financial Reporting in Hyperinflationary Economies	Jan. 1, 1990
IAS 32	Financial Instruments: Presentation	Jan. 1, 2005
IAS 33	Earnings Per Share	Jan. 1, 2005
IAS 34	Interim Financial Reporting	Jan. 1, 1999
IAS 36	Impairment of Assets	Mar. 31, 2004
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Jul. 1, 1999
IAS 38	Intangible Assets	Mar. 31, 2004
IAS 39	Financial Instruments: Recognition and Measurement	Jan. 1, 2005
IAS 40	Investment Property	Jan. 1, 2005
IAS 41	Agriculture	Jan. 1, 2003

## TECHNICAL PRONOUNCEMENTS

### (c) Interpretations

		IASB Operational Date
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	Sept. 1, 2004
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments	Jan. 1, 2005
IFRIC 4	Determining whether an Arrangement Contains a Lease <i>(will be superseded by IFRS 16, Leases)</i>	Jan. 1, 2006
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	Jan. 1, 2006
IFRIC 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	Dec. 1, 2005
IFRIC 7	Applying the Restatement Approach under IAS 29, <i>Financial Reporting in Hyperinflationary Economies</i>	Mar. 1, 2006
IFRIC 10	Interim Financial Reporting and Impairment	Nov. 1, 2006
IFRIC 12	Service Concession Arrangements	Jan. 1, 2008
IFRIC 13	Customer Loyalty Programmes <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Jul. 1, 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Jan. 1, 2008
IFRIC 15	Agreements for the Construction of Real Estate <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Jan. 1, 2009
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	Oct. 1, 2008
IFRIC 17	Distributions of Non-cash Assets to Owners	Jul. 1, 2009
IFRIC 18	Transfers of Assets from Customers <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Jul. 1, 2009
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	Jul. 1, 2010
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	Jan. 1, 2013
IFRIC 21	Levies	Jan. 1, 2014
SIC-7	Introduction of the Euro	Jun. 1, 1998
SIC-10	Government Assistance – No Specific Relation to Operating Activities	Aug. 1, 1998
SIC-15	Operating Leases – Incentives <i>(will be superseded by IFRS 16, Leases)</i>	Jan. 1, 1999
SIC-25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	Jul. 15, 2000
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease <i>(will be superseded by IFRS 16, Leases)</i>	Dec. 31, 2001
SIC-29	Service Concession Arrangements: Disclosures	Dec. 31, 2001
SIC-31	Revenue – Barter Transactions Involving Advertising Services <i>(will be superseded by IFRS 15, Revenue from Contracts with Customers)</i>	Dec. 31, 2001
SIC-32	Intangible Assets – Web Site Costs	Mar. 25, 2002

**NOTES:**

- (1) Approved Accounting Standards comprise MASB Standards issued by the Malaysian Accounting Standards Board (MASB) established under the Financial Reporting Act 1997.

MASB Technical Releases (TR) present the MASB's views on the appropriate accounting treatment and disclosures. TR is an authoritative statement that may not have the legal standing of a MASB standard but nonetheless, its application would be considered mandatory.

Technical Bulletins and other statements issued by the Council of the MICPA relating to accounting are to be regarded as opinions on best current practice and thus form part of generally accepted accounting principles (GAAP).

- (2) Approved Standards on Quality Control, Auditing, Review, Other Assurance and Related Services comprise:

- (a) International Standards on Quality Control (ISQC).
- (b) International Standards on Auditing (ISA), International Standards on Assurance Engagements (ISAE), International Standards on Review Engagements (ISRE) and International Standards on Related Services (ISRS) adopted by the MICPA.
- (c) Malaysian Auditing Guidelines (MAG) issued by the MICPA.

To enhance the status of the international auditing pronouncements, International Auditing Guidelines (IAG) have been redesignated as International Standards on Auditing (ISA).

Auditing Technical Releases and other statements issued by the Council of the MICPA relating to auditing are to be regarded as opinions on the best current practice and thus form part of generally accepted auditing standards (GAAS).

- (3) International Financial Reporting Standards (IFRS) are issued by the International Accounting Standards Board (IASB) and ISA, ISAE, ISRE, ISRS are issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

IASB is the standard-setting body of the IFRS Foundation (formerly known as the International Accounting Standards Committee Foundation (IASCF)) and has sole responsibility for setting accounting standards.

IAASB was established by the IFAC Board to develop and issue, under its own authority, standards on auditing, assurance and related services engagements.

- (4) The MICPA considers all MASB Standards, ISQC, ISA, ISAE, ISRE, ISRS and International Auditing Practice Notes (IAPN) for compliance by members. If thought appropriate they are issued with MICPA Foreword as a local exposure draft before formal adoption.
- (5) Statements on International Management Accounting (IMAP) are issued by the Financial and Management Accounting Committee (FMAC) of IFAC. These Statements are in two forms:
- (a) International Management Accounting Practices
  - (b) International Management Accounting Studies

The MICPA considers all IMAP for issuance to members for guidance.

- (6) International Public Sector Accounting Standards, Guidelines and Studies are issued by the International Public Sector Accounting Standards Board (IPSASB) of IFAC.
- (7) MICPA Guidelines for Accounting in Public Sector (GAPS) are issued by the Council of the MICPA and they are to be regarded as opinions on best current practice relating to accounting in the public sector.
- (8) MICPA Insolvency Guidance Notes (IGN) are issued by the Council of the MICPA and they are to be regarded as good practice in stated areas of insolvency.
- (9) MICPA technical pronouncements are given an alphabetical reference in their draft form (e.g. MAS C). On their issue as definitive pronouncements or exposure drafts, a numerical reference is applied.
- (10) Upon its inception in 2001, the International Accounting Standards Board (IASB) adopted the body of International Accounting Standards (IAS) issued by its predecessor, the International Accounting Standards Committee (IASC).

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INDEPENDENT AUDITORS'  
REPORT TO THE  
MEMBERS OF MICPA

# FINANCIAL STATEMENTS



The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## REPORT OF THE COUNCIL

For the year ended 31 December 2015

The Council has pleasure in submitting their report and the audited financial statements of The Malaysian Institute of Certified Public Accountants (“the Institute”) for the financial year ended 31 December 2015.

### PRINCIPAL ACTIVITY

The principal activity of the Institute is the advancement of the accountancy profession.

There has been no significant change in this activity during the financial year.

### RESULTS

	RM
Net operating surplus for the financial year	199,441

### DIVIDENDS

In accordance with the Memorandum of Association, no dividends are payable to the members of the Institute.

### RESERVES AND PROVISIONS

There were no material transfers made to or from provisions account during the financial year other than those disclosed in the financial statements. The Institute does not have any reserve accounts.

### COUNCIL

The Council Members in office since the date of the last report on 9 May 2015 are as follows:

Dato' Ab Halim bin Mohyiddin	
Abdul Halim bin Md Lassim	
Dato' Abdul Rauf bin Rashid	
Dato' Ahmad Fuaad bin Mohd Kenali	
Beh Tok Koay	
Datin HjH Fadzilah bte Saad	
Dato' Gan Ah Tee	
Goh Lee Hwa	
Khaw Hock Hoe	
Lee Tuck Heng	
Lim Thiam Kee	
Loh Lay Choon	
Megat Iskandar Shah bin Mohamad Nor	(Appointed on May 14, 2016)
Dato' Mohammad Faiz bin Mohammad Azmi	
Ng Gan Hooi	
Ng Kim Tuck	
Ong Chee Wai	
Poon Yew Hoe	
Pushpanathan a/l S.A. Kanagarayar	
Rozaini bin Mohd Sani	(Appointed on June 13, 2015)
Sukanta K Dutt	(Resigned on September 12, 2015)
Tan Theng Hooi	
Tang Seng Choon	(Appointed on June 13, 2015)
Dr Teh Chee Ghee	(Appointed on June 13, 2015)

**REPORT OF  
THE COUNCIL**

For the year ended 31 December 2015

**COUNCIL (CONT'D.)**

Teo Swee Chua  
Thong Foo Vung  
Dr Veerinderjeet Singh  
Venkatramanan Viswanathan  
Yeoh Siew Ming  
Datuk Robert Yong Kuen Loke  
Yong Yoong Shing

(Appointed on June 13, 2015)

In accordance with bye-law 5, the following Council Members shall retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election:

Dato' Ab Halim bin Mohyiddin  
Dato' Abdul Rauf bin Rashid  
Beh Tok Koay  
Datin Fadzilah bte Saad  
Lee Tuck Heng  
Loh Lay Choon  
Dato' Mohammad Faiz bin Mohammad Azmi  
Ng Gan Hooi

The following Council Member also retires at the forthcoming Annual General Meeting pursuant to bye-law 5 but does not wish to seek re-election:

Dato' Ahmad Fuaad bin Mohd Kenali

In accordance with bye-law 13, the following Council Member, who was appointed to fill a casual vacancy, shall retire at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election:

Megat Iskandar Shah bin Mohamad Nor

**COUNCIL MEMBERS' BENEFITS**

The Institute is a company limited by guarantee and thus has no shares in which the Council Members could have an interest. The Institute has also not issued any debentures.

Since the end of the previous financial year, no Council Member of the Institute has received or become entitled to receive any benefit by reason of a contract made by the Institute or a related corporation with the Council Member or with a firm of which the Council Member is a member, or with a company in which the Council Member has a substantial financial interest.

Neither during nor at the end of the financial year, was the Institute a party to any arrangements whose object is to enable the Council Members to acquire benefits by means of the acquisition of shares in or debentures of any corporate body.

**OTHER STATUTORY INFORMATION**

- (a) Before the financial statements of the Institute were made out, the Council took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of activities have been written down to an amount which they might be expected so to realise.

**OTHER STATUTORY INFORMATION (CONT'D.)**

- (b) As at the date of this report, the Council is not aware of any circumstances:
- (i) which would render the amount written off for bad debts and the amount of allowance made for doubtful debts in the financial statements of the Institute inadequate to any substantial extent;
  - (ii) which would render the values of current assets in the financial statements of the Institute misleading;
  - (iii) which have arisen which render adherence to the existing method of valuation of assets and liabilities of the Institute misleading or inappropriate; and
  - (iv) not otherwise dealt with in this report or the financial statements of the Institute which would render any amount stated in the financial statements misleading.
- (c) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Institute which has arisen since the end of the financial year which secures the liabilities of any other person; and
  - (ii) any contingent liability in respect of the Institute which has arisen since the end of the financial year.
- (d) In the opinion of the Council:
- (i) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Institute to meet its obligations when they fall due;
  - (ii) the results of the Institute's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
  - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Institute for the financial year in which this report is made.

**AUDITORS**

Khoo Pek Ling and Leong Kok Tong retire as auditors of the Institute at the forthcoming Annual General Meeting pursuant to bye-law 120 and in accordance with bye-law 121, they are deemed to be nominated for re-appointments as auditors for the ensuing financial year.

On behalf of the Council,

**DATO' ABDUL RAUF BIN RASHID**

President

**TAN THENG HOOI**

Vice-President

This report is made pursuant to the Council's resolution passed on 14 May 2016.

Dated: 14 May 2016

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## STATEMENT BY COUNCIL MEMBERS

(Pursuant to Section 169(15) of the Companies Act, 1965)

We, **DATO' ABDUL RAUF BIN RASHID** and **TAN THENG HOOI**, being two of the Council Members of **THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**, do hereby state that, in the opinion of the Council Members, the accompanying financial statements together with the notes attached thereto, are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of:

- (i) the state of affairs of the Institute as at 31 December 2015 and of its results for the year ended on that date; and
- (ii) the cash flows of the Institute for the year ended 31 December 2015.

On behalf of the Council Members,

**DATO' ABDUL RAUF BIN RASHID**

President

**TAN THENG HOOI**

Vice-President

Kuala Lumpur

Dated: 14 May 2016

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## STATUTORY DECLARATION

(Pursuant to Section 169(16) of the Companies Act, 1965)

I, **FOO YOKE PIN**, being the officer primarily responsible for the financial management of **THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**, do solemnly and sincerely declare that the accompanying financial statements together with the notes attached thereto, are to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by )  
the abovenamed **FOO YOKE PIN** )  
at Kuala Lumpur in the Federal Territory )  
this 14th day of May 2016 )

Before me,

**YAP LEE CHIN**  
Commissioner of Oaths

Kuala Lumpur

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

# STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Note	2015 RM	2014 RM
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	4	35,013	36,725
Intangible asset – computer software	5	22,135	–
Development costs of study manuals	6	–	–
		<b>57,148</b>	36,725
<b>Current Assets</b>			
Study manuals, at cost		3,582	4,543
Receivables, prepayments and deposits	7	599,093	503,013
Fixed deposits	8	3,960,197	3,700,667
Cash and bank balances		214,481	249,465
		<b>4,777,353</b>	4,457,688
<b>Total Assets</b>		<b>4,834,501</b>	4,494,413
<b>FUND AND LIABILITIES</b>			
<b>Accumulated Fund</b>			
Balance at 1 January		2,491,388	2,219,655
Net operating surplus for the financial year		199,441	271,733
Balance at 31 December		<b>2,690,829</b>	2,491,388
<b>Non-Current Liability</b>			
Deferred income	9	–	–
<b>Current Liabilities</b>			
Fees in advance		547,846	553,338
Payables and accruals	10	1,595,826	1,449,687
		<b>2,143,672</b>	2,003,025
<b>Total Liabilities</b>		<b>2,143,672</b>	2,003,025
<b>Total Fund and Liabilities</b>		<b>4,834,501</b>	4,494,413

The notes on pages 84 to 110 form an integral part of these financial statements.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Note	2015 RM	2014 RM
<b>INCOME</b>			
Members' annual fees		1,675,718	1,641,442
Examination fees		2,383,200	1,861,200
Practising certificate fees		209,770	217,470
Students' exemption fees		199,050	218,850
Students' annual fees		193,037	138,265
Members' admission fees		36,000	27,000
Students' registration and transfer fees		71,700	75,150
Provisional members' fees		13,996	12,705
		<b>4,782,471</b>	4,192,082
<b>Income from Other Activities</b>	11	<b>907,877</b>	758,682
<b>Other Income</b>	12	<b>160,233</b>	337,972
		<b>5,850,581</b>	5,288,736
<b>Operating Expenses</b>	13	<b>(4,999,370)</b>	(4,521,923)
<b>Expenses of Other Activities</b>	11	<b>(651,770)</b>	(495,080)
		<b>199,441</b>	271,733
<b>Taxation</b>	14	<b>-</b>	-
		<b>199,441</b>	271,733
<b>Net Operating Surplus/ Total Comprehensive Income for the Financial Year</b>		<b>199,441</b>	271,733

The notes on pages 84 to 110 form an integral part of these financial statements.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## STATEMENT OF CHANGES IN MEMBERS' EQUITY

For the year ended 31 December 2015

	Accumulated Fund	
	2015 RM	2014 RM
Balance at 1 January 2014/1 January 2013	2,219,655	1,620,021
Net operating surplus/Total comprehensive income for the financial year	271,733	599,634
Balance at 31 December 2014/31 December 2013	2,491,388	2,219,655
Net operating surplus/Total comprehensive income for the financial year	199,441	271,733
Balance at 31 December 2015/31 December 2014	2,690,829	2,491,388

The notes on pages 84 to 110 form an integral part of these financial statements.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	Note	2015 RM	2014 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash receipts</i>			
Subscriptions		2,384,026	2,202,018
Examination fees		2,363,300	2,153,600
Journal and publications		126,233	129,113
Seminars		343,745	422,655
Others		361,006	236,011
<i>Cash payments</i>			
Operating expenses		(5,311,304)	(4,572,717)
Payments of rental to MACPA Educational Trust Fund		(120,000)	(120,000)
Net cash generated from operating activities		147,006	450,680
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Development cost of study manuals		–	(3,000)
Proceeds from disposal of plant and equipment		–	3,550
Purchase of plant and equipment	4	(15,449)	(28,052)
Purchase of intangible asset	5	(33,038)	–
Interest received from fixed deposits		126,027	119,249
Net cash from investing activities		77,540	91,747
<b>Net Increase in Cash and Cash Equivalents</b>		<b>224,546</b>	<b>542,427</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>		<b>3,950,132</b>	<b>3,407,705</b>
<b>Cash and Cash Equivalents at End of Year</b>	16	<b>4,174,678</b>	<b>3,950,132</b>

The notes on pages 84 to 110 form an integral part of these financial statements.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

# NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2015

## 1. GENERAL INFORMATION

The Malaysian Institute of Certified Public Accountants (“the Institute”) is a company limited by guarantee, incorporated and domiciled in Malaysia.

The registered office and principal place of business of the Institute is located at No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur.

The principal activity of the Institute is the advancement of the accountancy profession.

The number of employees at the end of the financial year is 25 (2014: 23).

The financial statements are presented in Ringgit Malaysia (“RM”), which is the Institute’s functional currency.

The financial statements were approved and authorised for issue in accordance with a resolution of the Council on 14 May 2016.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Preparation

The financial statements of the Institute have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRS”) and the provisions of the Companies Act, 1965 in Malaysia.

The financial statements of the Institute are prepared under the historical cost convention unless otherwise indicated in this summary of significant accounting policies.

The accounting policies applied by the Institute are consistent with those applied in the previous financial year other than the application of the amendments to MFRSs as disclosed in Note 2.2 below.

### 2.2 Application of Amendments to MFRSs

During the financial year, the Institute has applied the following amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for accounting period beginning on or after 1 January 2015:

Amendments to MFRS 119, Defined Benefit Plans: Employee Contributions  
Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2010 – 2012 Cycle”  
Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2011 – 2013 Cycle”

The initial application of the above amendments to MFRSs have no significant impact on the financial statements of the Institute.

### 2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective

The Institute has not early adopted the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective:

#### ***Effective for annual periods beginning on or after 1 January 2016***

MFRS 14, Regulatory Deferral Accounts  
Amendments to MFRS 10, MFRS 12 and MFRS 128 – Investment Entities: Applying the Consolidation Exception  
Amendments to MFRS 11 – Accounting for Acquisitions of Interests in Joint Operations  
Amendments to MFRS 101 – Disclosure Initiative  
Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation  
Amendments to MFRS 116 and MFRS 141 – Agriculture: Bearer Plants  
Amendments to MFRS 127 – Equity Method in Separate Financial Statements  
Amendments to MFRSs Classified as “Annual Improvements to MFRSs 2012 – 2014 Cycle”

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd.)

#### *Effective for annual periods beginning on or after 1 January 2017*

Amendments to MFRS 107 – Disclosure Initiative

Amendments to MFRS 112 – Recognition of Deferred Tax Assets for Unrealised Losses

#### *Effective for annual periods beginning on or after 1 January 2018*

MFRS 15, Revenue from Contracts with Customers

MFRS 9, Financial Instruments (IFRS 9 issued in July 2014)

#### *Effective for annual periods beginning on or after 1 January 2019*

MFRS 16, Leases

#### *Effective for a date yet to be confirmed*

Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Institute will apply the above new MFRSs and amendments to MFRSs that are applicable once they become effective. The main features of these new standards and amendments to standards are summarised below:

#### **(a) Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation**

The Amendments provide additional guidance on how depreciation of property, plant and equipment and amortisation of intangible assets should be calculated.

MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.

The Amendments to MFRS 116 prohibit revenue-based depreciation on the basis that revenue does not reflect the way in which an item of property, plant and equipment is used or consumed. The Amendments to MFRS 138 introduce a rebuttable presumption that an amortisation method that is based on revenue generated by an activity that includes the use of an intangible asset is inappropriate. The presumption can be overcome only in the limited circumstances (i) in which the intangible asset is expressed as a measure of revenue i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or (ii) when it can be demonstrated that revenue and the consumption of the economic benefits of intangible asset are highly correlated.

#### **(b) MFRS 15, Revenue from Contracts with Customers**

MFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 111, MFRS 118 and the related IC Interpretations when it becomes effective.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015**2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd.)****(b) MFRS 15, Revenue from Contracts with Customers (Cont'd.)**

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1 Identify the contract(s) with a customer
- Step 2 Identify the performance obligations in the contract
- Step 3 Determine the transaction price
- Step 4 Allocate the transaction price to the performance obligations in the contract
- Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. MFRS 15 also requires more extensive disclosures.

**(c) MFRS 9, Financial Instruments (IFRS 9 issued in July 2014)**

The Standard replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.

The key enhancements of MFRS 9 are:

- Under MFRS 9, all recognised financial assets are required to be subsequently measured at either amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of both an entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. These requirements improve and simplify the approach for classification and measurement of financial assets as the numerous categories of financial assets under MFRS 139 had been replaced.
- Most of the requirements in MFRS 139 for classification and measurement of financial liabilities were carried forward unchanged to MFRS 9, except for the measurement of financial liabilities designated as FVTPL. Under MFRS 139, the entire amount of the change in the fair value of the financial liability designated as FVTPL is presented in profit or loss. However, MFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's own credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.
- In relation to the impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under MFRS 139. Under MFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd.)

#### (c) MFRS 9, Financial Instruments (IFRS 9 issued in July 2014) (Cont'd.)

The key enhancements of MFRS 9 are (Cont'd.):

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in MFRS 139 i.e. fair value hedges, cash flow hedges and hedges of a net investment in a foreign operation. MFRS 9 incorporates a new hedge accounting model that aligns the hedge accounting more closely with an entity's risk management activities. The new hedge accounting model has also expanded the scope of eligibility of hedge items and hedging instruments respectively.

#### (d) MFRS 16, Leases

MFRS 16 will supersede the existing MFRS 117, Leases, IC Interpretation 4 - Determining whether an Arrangement contains a Lease, IC Interpretation 115 – Operating Leases – Incentives and IC Interpretation 127 – Evaluating the Substance of Transactions Involving the Legal Form of a Lease and it sets out the principles for the recognition, measurement, presentation and disclosures of leases.

Under the existing MFRS 117, lessees and lessors are required to classify their leases as either finance leases or operating leases and account for those two types of leases differently. It requires a lessee to recognise assets and liabilities arising from finance leases but not from operating leases.

The new MFRS 16 introduces a single accounting model and requires a lessee to recognise assets and liabilities for the rights and obligations arising from all leases and hence eliminates the distinction between finance leases and operating leases. As a consequence, a lessee recognises right-of-use assets and lease liabilities arising from operating leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116, Property, Plant and Equipment and the lease liability is accreted over time with interest expense recognised in the profit or loss.

For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

The initial application of MFRS 9 may have an impact on the financial statements of the Institute. However, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

The initial application of other new MFRSs and amendments to MFRSs is not expected to have any significant impact on the financial statements of the Institute.

### 2.4 Plant and Equipment and Depreciation

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Depreciation is calculated on a straight line basis to write off the cost of the plant and equipment to their residual values over their estimated useful lives. The principal annual rates used are as follows:

Furniture and fittings	10%
Security system	10%
Office equipment	20%
Computers	33%

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015**2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)****2.4 Plant and Equipment and Depreciation (Cont'd.)**

The residual values and useful lives of assets are reviewed at each financial year end and adjusted prospectively, if appropriate, where expectations differ from previous estimates. Plant and equipment are reviewed for impairment in accordance with the Institute's accounting policy for impairment of non-financial assets.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

**2.5 Impairment of Non-Financial Assets**

The carrying amounts of non-financial assets (other than inventories of study manuals and deferred tax assets) are reviewed for impairment at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. Impairment losses are provided when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use which is measured by reference to discounted future cash flows.

An impairment loss is charged to the profit or loss in the period in which it arises.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

**2.6 Study Manuals****(i) Development costs of study manuals**

The costs of development of the MICPA study manuals consisting mainly of writers' and reviewers' fees are capitalised and amortised on a straight line basis over the economic lives of the study manuals, which are estimated at 3 to 5 years.

Fees incurred for updating of the MICPA study manuals are expensed in the year the fees are incurred.

Development costs of study manuals are reviewed for impairment in accordance with the Institute's accounting policy for impairment of non-financial assets and are derecognised when no future economic benefits are expected from its use.

**(ii) Inventories of study manuals**

Inventories of study manuals are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis and consists of printing cost. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to sell.

**2.7 Intangible Asset Acquired Separately – Computer Software**

Intangible asset acquired separately is carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period with the effect of any changes in estimate being accounted for on a prospective basis.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.8 Provisions

Provisions are recognised when the Institute has a present legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the amount of a provision due to passage of time is recognised as finance cost.

### 2.9 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with licensed banks and highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The statement of cash flows is prepared using the direct method.

Cash and cash equivalents are categorised and measured as loans and receivables in accordance with policy Note 2.15(c).

### 2.10 Employee Benefits

#### (i) Short-Term Employee Benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the year in which the associated services are rendered by employees of the Institute.

Accumulating compensated absences such as paid annual leave are recognised as an expense when services are rendered by employees that increase their entitlement to future compensated absences. Non-accumulating compensated absences such as sick leave are recognised when the absences occur.

#### (ii) Defined Contribution Plans

The Institute provides post-employment benefits by way of contribution to defined contribution plans operated by the relevant authorities at the prescribed rates.

Defined contribution plans are post-employment benefit plans under which the Institute pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Institute's contributions to defined contribution plans are recognised as an expense in the period in which they relate.

### 2.11 Government Grant

Government grants, including non-monetary grants, shall not be recognised until there is reasonable assurance that all conditions attaching to the grants will be complied with and the grants will be received.

Grants related to assets are set up as deferred income and recognised as income on a systematic basis over the estimated lives of the assets. Grants related to expenses are recognised as income in the period the grants become receivable. Grants related to future costs are deferred and recognised in the profit or loss in the same period as the related costs.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.12 Foreign Currency Transactions and Balances

In preparing the financial statements of the Institute, transactions in currencies other than the Institute's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are recognised directly to other comprehensive income.

The closing rate of exchange of the foreign currency applicable in the preparation of the financial statements is as follows:

	2015 RM	2014 RM
1 Australian Dollar	3.09	2.86

### 2.13 Income Taxes

Tax expense is the aggregate amount of current and deferred taxation. Current and deferred taxes are recognised as income or expense in profit or loss except to the extent that the taxes relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the financial statements and the amounts attributed to those assets and liabilities for taxation purpose.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and unabsorbed tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the assets can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Tax rates enacted or substantively enacted at the end of the reporting period are used to determine deferred tax.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.13 Income Taxes (Cont'd.)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Institute intends to settle its current tax assets and liabilities on a net basis.

### 2.14 Income and Expense Recognition

#### *Membership and Students Fees*

- (i) The subscription year of the Institute is January 1 to December 31. Membership and students' annual fees are payable annually in advance. Only those membership and students' annual fees which are attributable to the current financial year are recognised as income. Fees relating to periods beyond the current financial year are shown in the statement of financial position as Fees in Advance under the heading Current Liabilities.
- (ii) Membership admission and students' registration fees are recognised upon approval of the respective applications.
- (iii) Examination and exemption fees are recognised upon approval of the respective applications.

#### *Interest Income*

Interest income is recognised on the effective yield basis.

#### *Other Activities*

Other activities include providing continuing professional development courses, conducting examination workshops for students, sale of publications and MICPA study manuals and organising other professional development and students' activities.

The policies of the Institute with respect to the recognition of income and expenses on such activities are as follows:

- (i) To the extent that activities are completed on or before the reporting period, any surplus or deficit is recognised in the statement of comprehensive income.
- (ii) Income for sale of publications and MICPA study manuals is recognised when physical control of the materials passes to the purchasers.
- (iii) The cost of publications, other than study manuals, is recognised in the statement of comprehensive income in the financial year it is incurred.

Expenses on other activities relate to identifiable direct expenses.

### 2.15 Financial Assets

The Institute recognises all financial assets in its statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the instruments.

#### ***Classification and measurement***

Financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are classified into the following specified categories depending on the nature and purpose of the financial assets and are determined at the time of initial recognition.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015

## **2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**

### **2.15 Financial Assets (Cont'd.)**

#### ***Classification and measurement (Cont'd.)***

##### **(a) Financial assets at fair value through profit or loss**

Financial assets are classified at fair value through profit or loss when the financial assets are either held for trading or designated as such upon initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Institute manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a designated and effective hedging instrument.

After initial recognition, financial assets at fair value through profit or loss are measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The net gains or losses do not include any exchange differences, dividend or interest earned on the financial asset. Exchange differences, dividend and interest earned on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other income or other expenses.

Derivative that is linked to and must be settled by delivery of unquoted equity instruments whose fair value cannot be reliably measured is measured at cost.

##### **(b) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Institute has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest rate method. A gain or loss is recognised in profit or loss when the held-to-maturity investment is derecognised or impaired, and through the amortisation process.

##### **(c) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables, loans and other receivables are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

##### **(d) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or at fair value through profit or loss. Available-for-sale financial assets include quoted and unquoted equity and debt instruments that are not held-for-trading.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.15 Financial Assets (Cont'd.)

#### (d) Available-for-sale financial assets (Cont'd.)

Subsequent to initial recognition, quoted equity and debt instruments are measured at fair value and investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. A gain or loss from changes in fair value is recognised in other comprehensive income, except that impairment losses, foreign exchange gains or losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Dividends on an equity instrument are recognised in profit or loss when the Institute's right to receive payment is established.

#### ***Regular way purchase or sale of financial assets***

A regular way purchase or sale is a purchase or sale of a financial asset that requires delivery of asset within the time frame established generally by regulation or convention in the marketplace concerned. All regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting. Trade date accounting refers to:

- the recognition of an asset to be received and the liability to pay for it on the trade date which is the date the Institute commits itself to purchase or sell an asset; and
- derecognition of an asset that is sold, the recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

#### ***Impairment of financial assets***

The Institute assesses at the end of each reporting period whether there is any objective evidence that a financial asset, other than financial assets at fair value through profit or loss, is impaired. Financial assets are considered to be impaired when objective evidence indicates that a loss event has occurred after the initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that asset that can be reliably estimated. Losses expected as a result of future events, no matter how likely, are not recognised. For a quoted equity instrument, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

An amount of impairment loss in respect of financial assets measured at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate i.e. the effective rate computed at initial recognition. The carrying amount of the asset is reduced through an allowance account. The amount of loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss on financial assets measured at amortised cost decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account to the extent that the carrying amount of the financial asset does not exceed its amortised cost had the impairment not been recognised at the date the impairment is reversed. The amount of reversal is recognised in profit or loss.

When an available-for-sale financial asset is impaired, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity and recognised in profit or loss as a reclassification adjustment even though the financial asset has not been derecognised. The amount of cumulative loss that is reclassified is the difference between the acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

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## **2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**

### **2.15 Financial Assets (Cont'd.)**

#### ***Impairment of financial assets (Cont'd.)***

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss. Increase in fair value, if any, subsequent to the impairment loss, is recognised in other comprehensive income.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed with the amount of the reversal being recognised in profit or loss.

An amount of impairment loss in respect of financial assets carried at cost is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

#### ***Derecognition of a financial asset***

The Institute derecognises a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset without retaining control or substantially all the risks and rewards of ownership of the financial asset to another party.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

### **2.16 Financial Liabilities**

The Institute recognises all financial liabilities in its statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the instruments.

#### ***Classification and measurement***

Financial liabilities are initially measured at fair value plus in the case of other financial liabilities, directly attributable transaction costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

#### **(a) Financial liabilities at fair value through profit or loss**

Financial liabilities are classified at fair value through profit or loss when the financial liability is either held for trading or it is designated as fair value through profit or loss upon initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Institute manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

## 2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

### 2.16 Financial Liabilities (Cont'd.)

#### *Classification and measurement (Cont'd.)*

##### (a) Financial liabilities at fair value through profit or loss (Cont'd.)

After initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with any gains or losses arising from changes in fair value recognised in profit or loss. The net gains or losses recognised in profit or loss do not include any exchange differences or interest paid on the financial liability. Exchange differences and interest expense on financial liabilities at fair value through profit or loss are recognised separately in profit or loss as part of other income or other expenses.

Derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured is measured at cost.

##### (b) Other financial liabilities

All financial liabilities, other than those categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Other financial liabilities of the Institute include fees in advance and payables.

A gain or loss on other financial liabilities is recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

#### *Derecognition of a financial liability*

A financial liability is derecognised when, and only when, the obligation specified in the contract is extinguished. When an existing financial liability is exchanged with the same lender on substantially different terms or the terms of an existing liability are substantially modified, they are accounted for as an extinguishment of the original financial liability and a new financial liability is recognised. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### 2.17 Offsetting Financial Instruments

Financial assets and financial liabilities are offset when the Institute has a legally enforceable right to offset and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.18 Fair Value Measurements

Fair value of an asset or a liability, except for share-based payment and leasing transactions, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial assets, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring fair value, the Institute maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Fair value measurements are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015**3. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards requires Council to exercise its judgement in the process of applying the Institute's accounting policies and which may have significant effects on the amounts recognised in the financial statements. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results reported for the reporting period and that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Although these judgements and estimates are based on the Council's best knowledge of current events and actions, actual results may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(a) Significant judgements in applying the Institute's accounting policies**

In the process of applying the Institute's accounting policies, which are described in Note 2, the Council is of the opinion that any instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations which are dealt with below.

**(b) Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

**(i) Income taxes and deferred tax**

Judgement is required to determine the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions for which the ultimate tax determination is uncertain during the ordinary course of business. The Institute recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the periods in which the outcome is known.

**(ii) Depreciation of plant and equipment**

The cost of plant and equipment is depreciated on a straight line basis over the assets' useful lives. The Council estimates the useful lives of these plant and equipment to be within 3 years to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

**(iii) Impairment losses of receivables**

The Institute makes an allowance for impairment losses based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. In assessing the extent of irrecoverable debts, the Council has given due consideration to all pertinent information relating to the ability of the debtors to settle debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables. The carrying amounts of receivables and the cumulative allowance for impairment loss are disclosed in Note 7.

**(iv) Amortisation of intangible asset – computer software**

The cost of software acquired, including all directly attributable costs of preparing the asset for its intended use is amortised on a straight line basis to operating expenses over the estimated useful life of 3 years. Changes in the expected level of usage and technological developments could impact the economic useful life of the computer software, therefore future amortisation charges could be revised.

#### 4. PLANT AND EQUIPMENT

2015	Office equipment RM	Furniture and fittings RM	Security system RM	Computers RM	Total RM
<b>Costs</b>					
At beginning of year	92,730	95,836	6,663	180,575	375,804
Additions	1,414	3,553	–	10,482	15,449
At end of year	94,144	99,389	6,663	191,057	391,253
<b>Accumulated depreciation</b>					
At beginning of year	76,752	87,127	3,577	171,623	339,079
Charge for the year	5,561	2,039	364	9,197	17,161
At end of year	82,313	89,166	3,941	180,820	356,240
<b>Net book value as at 31 December 2015</b>	<b>11,831</b>	<b>10,223</b>	<b>2,722</b>	<b>10,237</b>	<b>35,013</b>

2014	Office equipment RM	Furniture and fittings RM	Security system RM	Computers RM	Total RM
<b>Costs</b>					
At beginning of year	92,362	94,036	3,663	173,500	363,561
Additions	14,008	1,800	3,000	9,244	28,052
Disposals	(12,000)	–	–	–	(12,000)
Write-offs	(1,640)	–	–	(2,169)	(3,809)
At end of year	92,730	95,836	6,663	180,575	375,804
<b>Accumulated depreciation</b>					
At beginning of year	83,491	85,434	3,213	158,311	330,449
Charge for the year	6,863	1,693	364	15,481	24,401
Disposals	(12,000)	–	–	–	(12,000)
Write-offs	(1,602)	–	–	(2,169)	(3,771)
At end of year	76,752	87,127	3,577	171,623	339,079
<b>Net book value as at 31 December 2014</b>	<b>15,978</b>	<b>8,709</b>	<b>3,086</b>	<b>8,952</b>	<b>36,725</b>

**NOTES TO THE  
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**5. INTANGIBLE ASSET – COMPUTER SOFTWARE**

	2015 RM	2014 RM
<b>Costs</b>		
Balance at 1 January	406,214	412,545
Additions	33,038	–
Adjustment for discount from vendor	–	(6,331)
Balance at 31 December	439,252	406,214
<b>Accumulated amortisation</b>		
Balance at 1 January	406,214	275,030
Amortisation for the financial year	10,903	137,515
Adjustment for discount from vendor	–	(6,331)
Net amortisation charged to profit or loss	10,903	131,184
Balance at 31 December	417,117	406,214
<b>Net carrying amount</b>	<b>22,135</b>	–

The intangible asset comprised cost of software acquired for the Institute's members' and students' portal. The cost of software acquired includes all directly attributable costs of preparing the asset for its intended use and is amortised on a straight line basis over a period of 3 years (2014: 3 years).

**6. DEVELOPMENT COSTS OF STUDY MANUALS**

	2015 RM	2014 RM
<b>Costs</b>		
Balance at 1 January	763,524	760,524
Additions	–	3,000
Write-offs	(553,024)	–
Balance at 31 December	210,500	763,524

## 6. DEVELOPMENT COSTS OF STUDY MANUALS (CONT'D.)

	2015 RM	2014 RM
<b>Accumulated amortisation and impairment loss</b>		
Balance at 1 January		
Accumulated amortisation	755,224	752,224
Accumulated impairment loss	8,300	8,300
	<b>763,524</b>	760,524
Amortisation for the year	–	3,000
Write-offs for the year	(553,024)	–
	<b>(553,024)</b>	3,000
Balance at 31 December		
Accumulated amortisation	202,200	755,224
Accumulated impairment loss	8,300	8,300
	<b>210,500</b>	763,524
<b>Net carrying amount</b>	–	–

The development costs incurred in the previous financial year include an amount of RM3,000 paid to a Council Member, Dr Veerinderjeet Singh, for updating of the MICPA study manual.

## 7. RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2015 RM	2014 RM
Receivable from Budget Commentary 2016/2015	46,962	108,870
Receivable from NACRA competition	32,527	27,828
Subscriptions receivable	456,881	283,422
Amount due from MACPA Educational Trust Fund	6,671	829
Other receivables	18,414	57,647
	<b>561,455</b>	478,596
Less: Allowance for impairment loss on subscriptions receivable	(35,785)	(26,832)
	<b>525,670</b>	451,764
Prepayments	52,279	30,105
Deposits	21,144	21,144
	<b>599,093</b>	503,013

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**7. RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONT'D.)**

Subscriptions receivable from existing members are due on the first day of January and must be paid by 30 June of each year while new members are required to pay on or within two months of admission. There is no fixed credit period for receivables from the other activities.

The Institute has recognised an impairment loss of receivables based on the individual assessment of the debts by management who consider that their default in payment is highly possible. The Institute does not hold any collateral or credit enhancements over these balances. The amounts of individual impairment recognised by the Institute are as follows:

(a) Analysis of receivables:

	2015 RM	2014 RM
<b>Individually impaired</b>		
Receivables carrying amount before impairment	561,455	478,596
Less: Allowance for impairment loss on subscriptions receivable	(35,785)	(26,832)
	<b>525,670</b>	451,764

(b) The movements of allowance for impairment loss during the financial year are as follows:

	2015 RM	2014 RM
Balance at 1 January	26,832	20,756
Additional impairment loss	31,539	26,057
Recoveries	(8,920)	(7,577)
Write-offs	(13,666)	(12,404)
Balance at 31 December	<b>35,785</b>	26,832

(c) The ageing analysis of the Institute's receivables is as follows:

	2015 RM	2014 RM
Neither past due nor impaired	97,225	147,209
0 to 30 days past due	161,828	159,610
31 to 60 days past due	30,118	40,391
61 to 90 days past due	28,644	3,413
More than 90 days past due	243,640	127,973
	<b>561,455</b>	478,596
Allowance for impairment loss	(35,785)	(26,832)
	<b>525,670</b>	451,764

## 7. RECEIVABLES, PREPAYMENTS AND DEPOSITS (CONT'D.)

(c) The ageing analysis of the Institute's receivables is as follows: (Cont'd.)

### *Receivables that are neither past due nor impaired*

Receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Institute. No significant change in the credit quality of these receivables has occurred which are still considered recoverable. The Institute does not hold any collateral over these balances.

### *Receivables that are past due but not impaired*

Receivables that are past due but not impaired relate to members and a number of significant creditworthy debtors. No significant change in the credit quality of these receivables has occurred which are still considered fully recoverable. The Institute does not hold any collateral over these balances.

## 8. FIXED DEPOSITS

	2015 RM	2014 RM
Fixed deposits with licensed banks	3,960,197	3,700,667

The weighted average effective interest rate of the fixed deposits as at the end of the reporting period is 3.28% (2014: 3.17%) per annum.

The fixed deposits have an average maturity period of 2.9 months (2014: 2.8 months).

## 9. DEFERRED INCOME

Deferred income represents government grant granted by Malaysian Investment Development Authority for upgrading and modernisation of the Institute's information technology systems. The movements during the financial year are as follows:

	2015 RM	2014 RM
<b>Grant</b>		
Balance at 1 January/31 December	406,278	406,278
<b>Accumulated amortisation</b>		
Balance at 1 January	(406,278)	(270,852)
Amortisation of grant income for the financial year	–	(135,426)
Balance at 31 December	(406,278)	(406,278)
<b>Net carrying amount</b>	–	–

The government grant is recognised as income on a systematic and rational basis over the useful life of the depreciable asset that was procured using the said grant.

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**10. PAYABLES AND ACCRUALS**

	2015 RM	2014 RM
Other payables	1,122,652	858,788
Accruals	473,174	590,899
	<b>1,595,826</b>	<b>1,449,687</b>

The currency exposure profile of payables and accruals is as follows:

	2015 RM	2014 RM
Ringgit Malaysia	1,224,566	1,230,250
Australian Dollar	371,260	219,437
	<b>1,595,826</b>	<b>1,449,687</b>

**11. INCOME FROM AND EXPENSES OF OTHER ACTIVITIES**

2015	Income RM	Expenses RM	Surplus/ (Deficit) RM
Continuing professional development	386,769	244,779	141,990
Annual dinner	95,519	108,941	(13,422)
MICPA excellence awards	15,911	30,698	(14,787)
Journal and publications	31,731	6,963	24,768
Informal gatherings	32,378	25,940	6,438
MICPA study manuals	2,000	6,000	(4,000)
Commemorative lecture and luncheon	76,300	75,930	370
Accountancy week	36,141	34,619	1,522
Student's workshops	117,900	117,900	-
	<b>794,649</b>	<b>651,770</b>	<b>142,879</b>
Joint activities with other bodies:			
NACRA competition	21,131	-	21,131
Budget Commentary 2016	92,097	-	92,097
	<b>113,228</b>	<b>-</b>	<b>113,228</b>
	<b>907,877</b>	<b>651,770</b>	<b>256,107</b>

**11. INCOME FROM AND EXPENSES OF OTHER ACTIVITIES (CONT'D.)**

2014	Income RM	Expenses RM	Surplus/ (Deficit) RM
Continuing professional development	393,806	252,707	141,099
Annual dinner	85,000	99,085	(14,085)
MICPA excellence awards	13,440	27,192	(13,752)
Journal and publications	37,784	9,195	28,589
Informal gatherings	13,350	12,403	947
MICPA study manuals	2,250	3,000	(750)
Commemorative lecture and luncheon	63,900	57,428	6,472
Accountancy week	33,850	34,070	(220)
	643,380	495,080	148,300
Joint activities with other bodies:			
NACRA competition	16,432	–	16,432
Budget Commentary 2015	98,870	–	98,870
	115,302	–	115,302
	758,682	495,080	263,602

Expenses on the above activities relate to identifiable direct expenses only and do not include overhead expenses. The expenses for MICPA study manuals for the previous financial year include the amortisation of the development costs amounted to RM3,000.

**12. OTHER INCOME**

	2015 RM	2014 RM
Affinity rebate – direct access	<b>6,288</b>	7,607
Amortisation of grant income (Note 9)	–	135,426
Fines received from disciplinary proceedings	<b>24,728</b>	45,375
Gain on disposal of plant and equipment	–	3,550
Interest on fixed deposits	<b>126,027</b>	119,249
Realised gain on foreign exchange	–	17,956
Others	<b>3,190</b>	8,809
	<b>160,233</b>	337,972

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**13. OPERATING EXPENSES**

	2015 RM	2014 RM
Advertisement expenses	–	2,226
AGM and Council meeting expenses	8,386	7,663
Amortisation of intangible asset – computer software (Note 5)	10,903	131,184
Auditors' remuneration	18,000	18,000
Bank charges	38,859	33,726
Contribution to 1Malaysia GRIP	3,446	–
Depreciation of plant and equipment (Note 4)	17,161	24,401
Direct examination expenses	645,206	534,576
Electricity and water	32,475	32,610
General expenses	11,863	10,342
GST expenses	195	–
Impairment loss of receivables	22,619	18,480
Insurance	14,698	20,040
Inventories written off	–	51
Journal and technical pronouncements	157,369	153,693
Legal and professional fees	15,409	24,730
Maintenance	27,372	22,709
Medical expenses	13,518	9,940
Office rental	120,000	120,000
Periodicals and library stock	10,188	8,923
Plant and equipment written off	–	38
Postage and telephone	87,543	76,449
Printing and stationery	76,001	58,864
Professional development expenses	244,107	217,713
Promotional expenses for MICPA programme	140,997	107,615
Realised loss on foreign exchange	1,061	–
Staff costs		
– Employees Provident Fund and SOCSO	318,418	285,745
– Salaries and bonus	2,186,902	1,997,920
Staff recreation fund	3,571	2,969
Staff training	3,916	9,430
Subscriptions to international accountancy bodies	49,217	42,686
Technical fees	516,511	395,359
Travelling expenses	153,912	116,396
Uncollectible receivables written off	30,319	35,243
Unrealised loss on foreign exchange	19,228	2,202
	<b>4,999,370</b>	<b>4,521,923</b>

## 14. TAXATION

- (a) For tax purposes, the Institute is treated as a “Trade Association” under Section 53(3) of the Income Tax Act, 1967 under which its income is taxed at scale rates.

	2015 RM	2014 RM
Income tax	–	–

No income tax has been provided for in the current financial year as the Institute’s chargeable income from other activities has been fully set off by the current year’s tax losses.

- (b) The numerical reconciliation between the effective tax rate and the applicable tax rate of the Institute is as follows:

	2015 %	2014 %
Applicable tax rate	18.43	21.43
Tax effects in respect of:		
Non taxable income	(68.40)	(66.39)
Non allowable expenses	3.05	14.64
Deferred tax income not recognised	46.92	30.32
Effective tax rate	–	–

- (c) Subject to the agreement with the Inland Revenue Board, the Institute has unabsorbed tax losses and unutilised capital allowances amounting to RM2,657,432 (2014: RM2,107,564) and RM96,567 (2014: RM89,597) respectively which are available for set-off against future taxable surplus.

## 15. DEFERRED TAXATION

Deferred tax, determined after appropriate offsetting is as follows:

	2015 RM	2014 RM
Deferred tax liabilities	2,415	3,530
Deferred tax assets	(2,415)	(3,530)
Net deferred tax	–	–

**NOTES TO THE  
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**15. DEFERRED TAXATION (CONT'D.)**

- (a) The components and movements of deferred tax liabilities and assets during the financial year are as follows:

2015	As at 1 January RM	Recognised in profit or loss RM	As at 31 December RM
<b>Deferred tax liabilities</b>			
Excess of capital allowances over depreciation	3,530	(1,115)	2,415
<b>Deferred tax assets</b>			
Unutilised capital allowances	(3,530)	1,115	(2,415)

2014	As at 1 January RM	Recognised in profit or loss RM	As at 31 December RM
<b>Deferred tax liabilities</b>			
Excess of capital allowances over depreciation	3,644	(114)	3,530
<b>Deferred tax assets</b>			
Unutilised capital allowances	(3,644)	114	(3,530)

- (b) The amount of unabsorbed tax losses and unutilised capital allowances for which deferred tax assets have not been recognised in the financial statements is as follows:

	2015 RM	2014 RM
Unabsorbed tax losses	2,657,432	2,107,564
Unutilised capital allowances	83,466	73,127
	<b>2,740,898</b>	2,180,691

The unabsorbed tax losses are in respect of non-tax exempt activities and for which future taxable profit is not probable.

## 16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balances with banks and fixed deposits. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2015 RM	2014 RM
Fixed deposits	3,960,197	3,700,667
Cash and bank balances	214,481	249,465
	<b>4,174,678</b>	<b>3,950,132</b>

## 17. RELATED PARTY TRANSACTIONS

Other than as disclosed in Note 6, the transactions carried out with related parties during the financial year were as follows:

### (a) Fees paid by Council Members

	2015 RM	2014 RM
Members' annual fees	17,670	18,375
Practising certificate fees	11,550	12,100
	<b>29,220</b>	<b>30,475</b>

### (b) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute either directly or indirectly. The key management personnel of the Institute are the Council Members and the Secretary and their remuneration for the financial year are as follows:

	2015 RM	2014 RM
Short-term employees benefits	539,000	525,000
Post-employment benefits – contribution to Employees Provident Fund	80,850	64,575
	<b>619,850</b>	<b>589,575</b>

The development costs of study manuals paid to a Council Member is disclosed in Note 6 to the financial statements.

The year-end outstanding balance in relation to compensation payable to key management personnel is as follows:

	2015 RM	2014 RM
Included in payables and accruals	77,000	105,000

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015

## 18. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Financial assets of the Institute include receivables, fixed deposits and cash and bank balances.

Financial liabilities of the Institute include payables and accruals.

### (a) Categories of Financial Instruments

The following are details of the financial assets and financial liabilities of the Institute analysed by categories:

	2015 RM	2014 RM
<b>Financial Assets</b>		
<i>Loans and receivables</i>		
Receivables and deposits	546,814	472,908
Fixed deposits with licensed banks	3,960,197	3,700,667
Cash and bank balances	214,481	249,465
<b>Total loans and receivables</b>	<b>4,721,492</b>	4,423,040
<b>Financial Liabilities</b>		
<i>Financial liabilities measured at amortised costs</i>		
Payables	1,122,652	858,788
Accruals	473,174	590,899
<b>Total financial liabilities measured at amortised costs</b>	<b>1,595,826</b>	1,449,687

### (b) Financial Risk Management

The Institute's overall financial risk management objective is to seek to address and control the risks to which the Institute is exposed and to minimise or avoid the incidence of loss that may result from its exposure to such risks and to enhance returns where appropriate.

The main risks arising from the Institute's activities are credit, liquidity, interest rate and currency risks. The Council reviews and agrees policies for managing each of these risks and they are summarised below:

#### (i) Credit risk

Credit risk is the risk of financial loss attributable to default on obligations by parties contracting with the Institute. The Institute's main exposure to credit risk is in respect of its receivables and deposits, fixed deposits and bank balances. The counter parties are members, licensed banking institutions and professional organisations. It is the policy of the Institute to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Institute is exposed to minimal credit risk.

At the reporting date, the Institute has subscriptions receivable of RM421,096 (2014: RM256,590) which have been outstanding for more than 30 days and bank balance and fixed deposits of RM4,172,678 (2014: RM3,948,132) with some major licensed banking institutions in Malaysia.

Other than as mentioned, the Institute has no significant concentration of credit risk. The maximum exposures to credit risk are represented by the carrying amount of the financial assets in the reporting date.

## 18. FINANCIAL INSTRUMENTS (CONT'D.)

### (b) Financial Risk Management (Cont'd.)

#### (ii) Liquidity and cash flow risks

Liquidity or funding risk is the risk of the inability to meet commitments associated with financial instruments while cash flow risk is the risk of uncertainty of future cash flow amounts associated with a monetary financial instrument.

The Institute practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funds for contingent funding requirements of working capital.

#### **Maturity analysis**

The maturity profile of the Institute's financial liabilities as at the end of the reporting period based on undiscounted contractual payments are as follows:

	Less than 1 year	
	2015 RM	2014 RM
Other payables	1,122,652	858,788
Accruals	473,174	590,899

#### (iii) Market risk

Market risk is the risk that the value of the financial instruments will fluctuate due to changes in market prices.

The Institute's main market risk exposure are currency and interest rate fluctuations and which are discussed under the respective risk headings.

#### **Interest rate risk**

The Institute is exposed to interest rate risk in respect of its fixed deposits with licensed banks. The Institute ensures that it places fixed deposits at competitive rates under the most favourable terms and conditions.

#### **Interest rate risk sensitivity analysis**

As the Institute's fixed deposits at the end of the reporting period are based on fixed rates, a change in interest rates at the end of the reporting period would not affect the Institute's financial result.

#### **Currency risk**

The currency risk relates to transactions denominated in foreign currencies.

The Institute is exposed to currency risk mainly due to payments made in foreign currency that are denominated in currency other than Ringgit Malaysia. The currency giving rise to this risk is the Australian Dollar ("AUD"). The Institute's foreign currency exposure profile on payables and accruals is disclosed in Note 10.

The Institute minimises the exposure to foreign exchange risk by monitoring the movement in the exchange rates with a view to ensuring that the most competitive rates are secured, where appropriate.

The Institute does not hedge nor speculate in foreign currency derivatives.

**NOTES TO THE  
FINANCIAL STATEMENTS**  
At 31 December 2015**18. FINANCIAL INSTRUMENTS (CONT'D.)****(b) Financial Risk Management (Cont'd.)****(iii) Market risk (Cont'd.)*****Currency risk sensitivity analysis***

A 10 percent strengthening or weakening of AUD against RM at the end of the reporting period would have decreased or increased the Institute's net operating surplus for the financial year by RM37,126 (2014: RM21,944).

**(c) Fair value of financial instruments**

The carrying amount of the financial assets and financial liabilities of the Institute at the end of the financial year approximated their fair values due to their short term to maturity.

**19. CAPITAL MANAGEMENT**

The objectives of the Institute in managing capital are:

- to safeguard the Institute's ability to continue as a going concern and to enable its statutory obligations under the Companies Act, 1965 is fulfilled;
- to develop and maintain the qualification programme and continuing professional development programme for students and members; and
- to provide capital for the purpose of strengthening the Institute's operational efficiency.

The Institute regularly reviews and manages its capital to ensure adequacy for both operational and capital needs. All surpluses are transferred to the accumulated fund for future operational needs.

For the purpose of capital disclosure, the Council regards the accumulated fund as capital of the Institute.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

(Institut Akauntan Awam Bertauliah Malaysia)  
(Company Incorporated in Malaysia Limited by Guarantee)

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 80 to 110.

### *Council's Responsibility for the Financial Statements*

The Council of the Institute is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Council is also responsible for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Institute's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Institute have been properly kept in accordance with the provisions of the Act.

## OTHER MATTERS

This report is made solely to the members of the Institute, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Khoo Pek Ling**  
900/03/18(J/PH)  
Chartered Accountant

**Leong Kok Tong**  
2973/11/17(J)  
Chartered Accountant

Kuala Lumpur  
Date: 14 May 2016

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# PENYATA KEWANGAN



The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## LAPORAN MAJLIS

Bagi tahun berakhir 31 Disember 2015

Majlis dengan sukacitanya membentangkan laporan mereka dan penyata kewangan Institut Akauntan Awam Bertauliah Malaysia (Institut) yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2015.

### KEGIATAN UTAMA

Kegiatan utama Institut ialah memajukan profesion perakaunan.

Sepanjang tahun kewangan, tiada sebarang perubahan ketara yang berlaku dalam kegiatan ini.

### KEPUTUSAN KEWANGAN

	RM
Lebih kendalian bersih bagi tahun kewangan	199,441

### DIVIDEN

Menurut Memorandum Pertubuhan, tiada dividen akan dibayar kepada ahli-ahli Institut.

### REZAB DAN PERUNTUKAN

Sepanjang tahun kewangan, tiada sebarang pindahan penting kepada atau daripada akaun peruntukan selain daripada yang dinyatakan dalam penyata kewangan. Institut tidak mempunyai sebarang akaun rezab.

### MAJLIS

Ahli-ahli Majlis yang berkhidmat sejak tarikh laporan terakhir pada 9 Mei 2015 ialah:

Dato' Ab Halim bin Mohyiddin	
Abdul Halim bin Md Lassim	
Dato' Abdul Rauf bin Rashid	
Dato' Ahmad Fuaad bin Mohd Kenali	
Beh Tok Koay	
Datin HjH Fadzilah bte Saad	
Dato' Gan Ah Tee	
Goh Lee Hwa	
Khaw Hock Hoe	
Lee Tuck Heng	
Lim Thiam Kee	
Loh Lay Choon	
Megat Iskandar Shah bin Mohamad Nor	(Dilantik pada 14 Mei 2016)
Dato' Mohammad Faiz bin Mohammad Azmi	
Ng Gan Hooi	
Ng Kim Tuck	
Ong Chee Wai	
Poon Yew Hoe	
Pushpanathan a/l S.A. Kanagarayar	
Rozaini bin Mohd Sani	(Dilantik pada 13 Jun 2015)
Sukanta K Dutt	(Meletak jawatan pada 12 September 2015)
Tan Theng Hooi	
Tang Seng Choon	(Dilantik pada 13 Jun 2015)
Dr Teh Chee Ghee	(Dilantik pada 13 Jun 2015)

**LAPORAN  
MAJLIS**

Bagi tahun berakhir 31 Disember 2015

**MAJLIS (SAMB.)**

Teo Swee Chua  
Thong Foo Vung  
Dr Veerinderjeet Singh  
Venkatramanan Viswanathan  
Yeoh Siew Ming  
Datuk Robert Yong Kuen Loke  
Yong Yoong Shing

(Dilantik pada 13 Jun 2015)

Menurut undang-undang kecil 5, Ahli-ahli Majlis berikut akan bersara pada Mesyuarat Agung Tahunan dan, disebabkan layak, menawarkan diri mereka untuk dilantik semula:

Dato' Ab Halim bin Mohyiddin  
Dato' Abdul Rauf bin Rashid  
Beh Tok Koay  
Datin Fadzilah bte Saad  
Lee Tuck Heng  
Loh Lay Choon  
Dato' Mohammad Faiz bin Mohammad Azmi  
Ng Gan Hooi

Ahli Majlis berikut juga akan bersara pada Mesyuarat Agung Tahunan menurut undang-undang kecil 5 tetapi tidak ingin dilantik semula:

Dato' Ahmad Fuaad bin Mohd Kenali

Menurut undang-undang kecil 13, Ahli Majlis berikut yang dilantik untuk memenuhi kekosongan sambilan akan bersara pada Mesyuarat Agung Tahunan dan, disebabkan layak, menawarkan diri untuk dilantik semula:

Megat Iskandar Shah bin Mohamad Nor

**MANFAAT AHLI-AHLI MAJLIS**

Institut ini adalah sebuah syarikat berhad dengan jaminan dan oleh itu tidak mempunyai syer dalam mana Ahli-ahli Majlis boleh mempunyai kepentingan. Institut juga tidak mengeluarkan sebarang debentur.

Sejak akhir tahun kewangan yang lepas, tiada Ahli Majlis Institut telah menerima atau berhak menerima sebarang manfaat akibat dari perjanjian yang dibuat oleh Institut atau sebuah perbadanan yang berkaitan dengan Ahli Majlis atau dengan firma di mana Ahli Majlis adalah seorang ahli, atau dengan syarikat di mana Ahli Majlis mempunyai kepentingan kewangan yang ketara.

Pada akhir tahun kewangan, mahupun pada bila-bila masa sepanjang tahun tersebut, Institut tidak menjadi pihak kepada sebarang persetujuan yang matlamatnya adalah bertujuan untuk membolehkan Ahli-ahli Majlis mendapat faedah melalui perolehan syer atau debentur dalam sebarang badan korporat.

**MAKLUMAT BERKANUN YANG LAIN**

- (a) Sebelum penyata kewangan Institut disediakan, Majlis telah mengambil langkah-langkah yang sewajarnya:
- (i) untuk memastikan bahawa tindakan sewajarnya telah diambil berkaitan dengan penghapuskiraan hutang lapuk dan membuat peruntukan bagi hutang ragu dan mereka berpuashati bahawa kesemua hutang lapuk yang diketahui telah dihapuskira dan peruntukan yang secukupnya telah dibuat untuk hutang ragu; dan
  - (ii) untuk memastikan bahawa aset semasa yang tidak mungkin direalisasikan nilainya melalui urusan perniagaan biasa, sepertimana dinyatakan dalam rekod perakaunan Institut telahpun dikurangkan nilainya kepada amaun yang dijangka boleh direalisasikan.

**MAKLUMAT BERKANUN YANG LAIN (SAMB.)**

- (b) Pada tarikh laporan ini, Majlis tidak mengetahui sebarang keadaan:
- (i) yang boleh menyebabkan jumlah hutang lapuk yang dihapuskirakan dan jumlah elaun hutang ragu yang diperuntukkan dalam penyata kewangan Institut tidak mencukupi sehingga ke peringkat yang menjejaskan;
  - (ii) yang boleh menyebabkan nilai aset semasa dalam penyata kewangan Institut mengelirukan;
  - (iii) yang boleh mengakibatkan pematuhan kepada kaedah yang sedia ada bagi penilaian aset dan liabiliti Institut mengelirukan atau tidak sesuai; dan
  - (iv) yang tidak ditangani dalam laporan ini atau dalam penyata kewangan Institut, yang akan menyebabkan mana-mana amaun yang dinyatakan dalam penyata kewangan mengelirukan.
- (c) Pada tarikh laporan ini, tidak terdapat:
- (i) sebarang cagaran ke atas aset Institut yang telah diwujudkan semenjak akhir tahun kewangan yang menjamin liabiliti mana-mana perseorangan lain; dan
  - (ii) sebarang liabiliti luar jangka berhubung dengan Institut yang timbul semenjak akhir tahun kewangan.
- (d) Pada pendapat Majlis:
- (i) tiada liabiliti luar jangka atau liabiliti lain Institut yang akan berkuatkuasa atau mungkin dikuatkuasakan, dalam tempoh dua belas bulan berikutan akhir tahun kewangan ini yang akan atau mungkin memberi kesan terhadap keupayaan Institut untuk menyelesaikan tanggungannya apabila tiba masanya;
  - (ii) keputusan kendalian Institut sepanjang tahun kewangan tidak dipengaruhi dengan ketara oleh sebarang butiran, urusanniaga atau kejadian penting dan luarbiasa; dan
  - (iii) tiada timbul sebarang butiran, urusanniaga atau kejadian penting dan luarbiasa dalam jangka masa di antara akhir tahun kewangan dan tarikh laporan ini yang akan menjejaskan keputusan kendalian Institut dengan ketara bagi tahun kewangan semasa yang dilaporkan.

**JURUAUDIT**

Menurut undang-undang kecil 120, Khoo Pek Ling dan Leong Kok Tong akan bersara sebagai juruaudit Institut pada Mesyuarat Agung Tahunan akan datang dan mengikut undang-undang kecil 121, mereka dengan ini dicalonkan untuk perlantikan semula sebagai juruaudit untuk tahun kewangan berikutnya.

Bagi pihak Majlis,

**DATO' ABDUL RAUF BIN RASHID**

Presiden

**TAN THENG HOOI**

Naib Presiden

Laporan ini dibuat menurut resolusi Majlis yang telah diluluskan pada 14 Mei 2016.

Tarikh: 14 Mei 2016

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## PENYATA OLEH AHLI-AHLI MAJLIS

(Menurut Seksyen 169(15) Akta Syarikat, 1965)

Kami, **DATO' ABDUL RAUF BIN RASHID** dan **TAN THENG HOOI**, dua orang daripada Ahli-ahli Majlis **INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA**, dengan ini menyatakan bahawa, pada pendapat Ahli-ahli Majlis, penyata kewangan yang dibentangkan bersama dengan nota-notanya, telah disediakan mengikut Piawaian Pelaporan Kewangan Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan Peruntukan Akta Syarikat, 1965 di Malaysia supaya memberi gambaran yang benar dan saksama mengenai:

- (i) kedudukan Institut pada 31 Disember 2015 dan keputusannya bagi tahun kewangan berakhir pada tarikh tersebut; dan
- (ii) aliran tunai Institut bagi tahun kewangan berakhir pada 31 Disember 2015.

Bagi pihak Ahli-ahli Majlis,

**DATO' ABDUL RAUF BIN RASHID**

Presiden

**TAN THENG HOOI**

Naib Presiden

Kuala Lumpur

Tarikh: 14 Mei 2016

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## AKUAN BERKANUN

(Menurut Seksyen 169(16) Akta Syarikat, 1965)

Saya, **FOO YOKE PIN**, selaku pegawai yang terutama bertanggungjawab ke atas pengurusan kewangan **INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA**, dengan sesungguhnya dan tulus ikhlas mengaku bahawa penyata kewangan yang dibentangkan bersama dengan nota-notanya adalah untuk sebaik-baik pengetahuan dan kepercayaan saya adalah betul, dan saya membuat pengakuan ini dengan penuh kepercayaan bahawa perkara-perkara tersebut adalah benar serta menurut Akta Akuan Berkanun, 1960.

Ditandatangani dan diakui oleh penama )  
di atas **FOO YOKE PIN** )  
di Kuala Lumpur Wilayah Persekutuan )  
pada 14 Mei 2016 )

Di hadapan saya,

**YAP LEE CHIN**  
Pesuruhanjaya Sumpah

Kuala Lumpur

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## PENYATA KEDUDUKAN KEWANGAN

Pada 31 Disember 2015

	Nota	2015 RM	2014 RM
<b>ASET</b>			
<b>Aset Bukan Semasa</b>			
Loji dan peralatan	4	35,013	36,725
Aset tak ketara – Perisian komputer	5	22,135	–
Kos pembangunan buku panduan belajar	6	–	–
		<b>57,148</b>	36,725
<b>Aset Semasa</b>			
Buku panduan belajar, pada kos		3,582	4,543
Penghutang, prabayaran dan deposit	7	599,093	503,013
Simpanan tetap	8	3,960,197	3,700,667
Wang tunai dan baki di bank		214,481	249,465
		<b>4,777,353</b>	4,457,688
<b>Jumlah Aset</b>		<b>4,834,501</b>	4,494,413
<b>DANA DAN LIABILITI</b>			
<b>Dana Terkumpul</b>			
Baki pada 1 Januari		2,491,388	2,219,655
Lebihan kendalian bersih bagi tahun kewangan		199,441	271,733
Baki pada 31 Disember		<b>2,690,829</b>	2,491,388
<b>Liabiliti Bukan Semasa</b>			
Pendapatan tertunda	9	–	–
<b>Liabiliti Semasa</b>			
Yuran pendahuluan		547,846	553,338
Pemiutang dan akruan	10	1,595,826	1,449,687
		<b>2,143,672</b>	2,003,025
<b>Jumlah Liabiliti</b>		<b>2,143,672</b>	2,003,025
<b>Jumlah Dana dan Liabiliti</b>		<b>4,834,501</b>	4,494,413

Nota-nota pada muka surat 122 hingga 148 merupakan sebahagian penting penyata kewangan ini.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## PENYATA PENDAPATAN KOMPREHENSIF

Bagi tahun kewangan berakhir 31 Disember 2015

	Nota	2015 RM	2014 RM
<b>PENDAPATAN</b>			
Yuran tahunan ahli		1,675,718	1,641,442
Yuran peperiksaan		2,383,200	1,861,200
Yuran sijil pengamalan		209,770	217,470
Yuran pengecualian pelajar		199,050	218,850
Yuran tahunan pelajar		193,037	138,265
Yuran kemasukan ahli		36,000	27,000
Yuran pendaftaran dan pemindahan pelajar		71,700	75,150
Yuran ahli sementara		13,996	12,705
		<b>4,782,471</b>	4,192,082
<b>Pendapatan daripada Aktiviti-Aktiviti Lain</b>	11	<b>907,877</b>	758,682
<b>Pendapatan Lain</b>	12	<b>160,233</b>	337,972
		<b>5,850,581</b>	5,288,736
<b>Jumlah Pendapatan</b>		<b>5,850,581</b>	5,288,736
<b>Belanja Kendalian</b>	13	<b>(4,999,370)</b>	(4,521,923)
<b>Belanja Aktiviti-Aktiviti Lain</b>	11	<b>(651,770)</b>	(495,080)
		<b>199,441</b>	271,733
<b>Cukai</b>	14	<b>-</b>	-
		<b>199,441</b>	271,733
<b>Lebihan Kendalian Bersih/ Jumlah Pendapatan Komprehensif bagi Tahun Kewangan</b>		<b>199,441</b>	271,733

Nota-nota pada muka surat 122 hingga 148 merupakan sebahagian penting penyata kewangan ini.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## PENYATA PERUBAHAN EKUITI AHLI-AHLI

Bagi tahun kewangan berakhir 31 Disember 2015

	Dana Terkumpul	
	2015 RM	2014 RM
Baki pada 1 Januari 2014/1 Januari 2013	2,219,655	1,620,021
Lebihan kendalian bersih/Jumlah pendapatan komprehensif bagi tahun kewangan	271,733	599,634
Baki pada 31 Disember 2014/31 Disember 2013	2,491,388	2,219,655
Lebihan kendalian bersih/Jumlah pendapatan komprehensif bagi tahun kewangan	199,441	271,733
Baki pada 31 Disember 2015/31 Disember 2014	2,690,829	2,491,388

Nota-nota pada muka surat 122 hingga 148 merupakan sebahagian penting penyata kewangan ini.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

## PENYATA ALIRAN TUNAI

Bagi tahun kewangan berakhir 31 Disember 2015

	Nota	2015 RM	2014 RM
<b>ALIRAN TUNAI DARIPADA AKTIVITI KENDALIAN</b>			
<i>Penerimaan tunai</i>			
Yuran		2,384,026	2,202,018
Yuran peperiksaan		2,363,300	2,153,600
Jurnal dan penerbitan		126,233	129,113
Seminar		343,745	422,655
Lain-lain		361,006	236,011
<i>Bayaran tunai</i>			
Belanja kendalian		(5,311,304)	(4,572,717)
Bayaran sewa pejabat kepada Tabung Amanah Pendidikan MACPA		(120,000)	(120,000)
Tunai bersih terjana daripada aktiviti kendalian		147,006	450,680
<b>ALIRAN TUNAI DARIPADA AKTIVITI PELABURAN</b>			
Kos pembangunan buku panduan belajar		–	(3,000)
Perolehan daripada pelupusan loji dan peralatan		–	3,550
Pembelian loji dan peralatan	4	(15,449)	(28,052)
Pembelian Aset tak ketara	5	(33,038)	–
Faedah diterima daripada simpanan tetap		126,027	119,249
Tunai bersih daripada aktiviti pelaburan		77,540	91,747
<b>Tambahan Bersih dalam Tunai dan Kesetaraan Tunai</b>		<b>224,546</b>	542,427
<b>Tunai dan Kesetaraan Tunai pada Awal Tahun Kewangan</b>		<b>3,950,132</b>	3,407,705
<b>Tunai dan Kesetaraan Tunai pada Akhir Tahun Kewangan</b>		<b>4,174,678</b>	3,950,132

Nota-nota pada muka surat 122 hingga 148 merupakan sebahagian penting penyata kewangan ini.

The Malaysian Institute of Certified Public Accountants  
(Institut Akauntan Awam Bertauliah Malaysia)

# NOTA KEPADA PENYATA KEWANGAN

Pada 31 Disember 2015

## 1. MAKLUMAT AM

Institut Akauntan Awam Bertauliah Malaysia (Institut) adalah sebuah syarikat berhad dengan jaminan, diperbadankan dan berdomisil di Malaysia.

Pejabat berdaftar dan tempat utama perniagaan Institut terletak di No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur.

Aktiviti utama Institut ialah memajukan profesion perakaunan.

Jumlah kakitangan di akhir tahun kewangan adalah 25 (2014: 23).

Penyata kewangan dibentangkan dalam Ringgit Malaysia (RM), iaitu matawang fungsian Institut.

Penyata kewangan telah diluluskan dan dibenarkan untuk diterbitkan menurut satu resolusi Majlis pada 14 Mei 2016.

## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING

### 2.1 Asas Penyediaan

Penyata kewangan Institut disediakan menurut Piawaian Pelaporan Kewangan Malaysia (MFRS), Piawaian Pelaporan Kewangan Antarabangsa (IFRS) dan peruntukan Akta Syarikat, 1965 di Malaysia.

Penyata kewangan Institut disediakan berasaskan konvensyen kos sejarah kecuali seperti yang dinyatakan dalam ringkasan dasar perakaunan penting ini.

Polisi perakaunan yang diguna pakai adalah konsisten dengan polisi yang telah diguna pakai dalam tahun kewangan sebelumnya selain daripada penggunaan pakai pindaan kepada MFRS seperti yang didedahkan dalam Nota 2.2 di bawah.

### 2.2 Penggunaan Pakai Pindaan kepada MFRS

Sepanjang tahun kewangan, Institut telah mengguna pakai pindaan kepada MFRS berikut yang diterbitkan oleh Lembaga Piawaian Perakaunan Malaysia (MASB) yang dikuatkuasakan untuk tempoh perakaunan bermula pada atau selepas 1 Januari 2015:

Pindaan kepada MFRS 119, Pelan Manfaat Ditentukan: Sumbangan Pekerja

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS kitaran 2010 – 2012”

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS kitaran 2011 – 2013”

Aplikasi awal pindaan kepada MFRS di atas tiada kesan signifikan terhadap penyata kewangan Institut.

### 2.3 MFRS Baru dan Pindaan kepada MFRSs yang Telah Diterbitkan tetapi Belum Dikuatkuasakan

Institut belum menerima pakai awal MFRSs baru dan pindaan kepada MFRS berikut yang telah diterbitkan oleh MASB tetapi belum dikuatkuasakan:

#### ***Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2016***

MFRS 14, Akaun Tertunda Kawal Selia

Pindaan kepada MFRS 10, MFRS 12 dan MFRS 128 – Entiti Pelaburan: Penggunaan Pakai Pengecualian Penyatuan

Pindaan kepada MFRS 11 – Perakaunan untuk Perolehan Kepentingan dalam Operasi Bersama

Pindaan kepada MFRS 101– Inisiatif Pendedahan

Pindaan kepada MFRS 116 dan MFRS 138 – Penjelasan Kaedah Susut Nilai dan Pelunasan Boleh Diterima

Pindaan kepada MFRS 116 dan MFRS 141 – Pertanian: Tanaman Penghasil

Pindaan kepada MFRS 127 – Kaedah Ekuiti dalam Penyata Kewangan Berasingan

Pindaan kepada MFRS diklasifikasikan sebagai “Penambahbaikan Tahunan kepada MFRS Kitaran 2012 – 2014”

## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

### 2.3 MFRS Baru dan Pindaan kepada MFRSs yang Telah Diterbitkan tetapi Belum Dikuatkuasakan (Samb.)

#### ***Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2017***

Pindaan kepada MFRS 107 – Pendedahan Inisiatif

Pindaan kepada MFRS 112 – Pengiktirafan Aset Cukai Tertunda untuk Rugi Belum Terealisasi

#### ***Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2018***

MFRS 15, Hasil daripada kontrak dengan Pelanggan

MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014)

#### ***Berkuatkuasa untuk tempoh tahunan bermula pada atau selepas 1 Januari 2019***

MFRS 16, Pajak

#### ***Tarikh kuat kuasa masih belum ditentukan***

Pindaan kepada MFRS 10 dan MFRS 128 – Jualan atau Caruman Aset di antara Pelabur dan Syarikat Bersekutu atau Usaha Sama.

Institut akan mengguna pakai MFRS baru dan pindaan kepada MFRS di atas yang berkenaan sebaik sahaja mereka dikuatkuasakan. Ciri-ciri utama piawaian baru dan pindaan kepada piawaian adalah diringkaskan seperti berikut:

#### **(a) Pindaan MFRS 116 dan MFRS 138 – Penjelasan Kaedah Susut Nilai dan Pelunasan Boleh Diterima**

Pindaan memberi panduan tambahan mengenai cara susut nilai hartanah, loji dan peralatan dan pelunasan aset tak ketara patut dikira.

MFRS 116, Hartanah, Loji dan Peralatan dan MFRS 138, Aset Tak Ketara, kedua-duanya menetapkan prinsip untuk asas susut nilai dan pelunasan sebagai jangkaan corak penggunaan manfaat ekonomi masa depan sesuatu aset.

Pindaan kepada MFRS 116 melarang susut nilai berasaskan hasil atas dasar bahawa hasil tidak menggambarkan bagaimana sesuatu hartanah, loji dan peralatan diguna atau dipakai. Pindaan kepada MFRS 138 memperkenalkan anggapan boleh dipatahkan bahawa kaedah pelunasan yang berasaskan hasil dijanakan oleh sesuatu aktiviti yang termasuk penggunaan aset tak ketara adalah tidak sesuai. Anggapan tersebut boleh diatasi dalam keadaan terhad sahaja (i) di mana aset tak ketara dinyatakan sebagai suatu ukuran hasil iaitu dalam keadaan di mana faktor utama menghadkan wujud dalam aset tak ketara adalah pencapaian ambang hasil atau (ii) apabila ia boleh ditunjukkan bahawa hasil dan penggunaan manfaat ekonomi aset tak ketara adalah amat berkait rapat.

#### **(b) MFRS 15, Hasil daripada Kontrak dengan Pelanggan**

MFRS 15 mewujudkan suatu model komprehensif tunggal bagi entiti menggunakan dalam perakaunan untuk hasil yang timbul daripada kontrak dengan pelanggan. MFRS 15 akan menggantikan panduan pengiktirafan hasil masa kini termasuk MFRS 111, MFRS 118 dan Tafsiran IC yang berkaitan sebaik sahaja ianya dikuatkuasakan.

**NOTA KEPADA  
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Pada 31 Disember 2015**2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)****2.3 MFRS Baru dan Pindaan kepada MFRSs yang Telah Diterbitkan tetapi Belum Dikuatkuasakan (Samb.)****(b) MFRS 15, Hasil daripada Kontrak dengan Pelanggan (Samb.)**

Prinsip teras MFRS 15 adalah di mana suatu entiti mengiktiraf hasil untuk menunjukkan pemindahan barangan atau perkhidmatan yang dijanji kepada pelanggan dalam suatu jumlah yang menggambarkan ganjaran yang entiti tersebut dijangka layak mendapatkannya sebagai pertukaran untuk barangan atau perkhidmatan. Suatu entiti mengiktiraf hasil mengikut prinsip teras dengan mengguna pakai langkah-langkah berikut:

Langkah 1 Mengenalpasti kontrak dengan seorang pelanggan

Langkah 2 Mengenalpasti obligasi prestasi dalam kontrak

Langkah 3 Menentu harga urusaniaga

Langkah 4 Mengagih harga urusaniaga kepada obligasi prestasi dalam kontrak

Langkah 5 Mengiktiraf hasil apabila (atau bila) entiti memuaskan obligasi prestasi

Di bawah MFRS 15, suatu entiti mengiktiraf hasil apabila (atau bila) suatu obligasi prestasi adalah dipuaskan iaitu apabila 'kawalan' barangan atau perkhidmatan yang mendasari obligasi prestasi tertentu dipindahkan kepada pelanggan. MFRS 15 juga memerlukan pendedahan yang lebih.

**(c) MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014)**

Piawaian tersebut mengganti versi awal MFRS 9 dan memperkenalkan pakej penambahbaikan termasuk model klasifikasi dan pengukuran, suatu model tunggal rosot nilai yang mempunyai 'rugi dijangka' pandang ke hadapan dan suatu reformasi yang ketara terhadap pendekatan perakaunan lindung nilai.

Penambahbaikan utama MFRS 9 adalah:

- Di bawah MFRS 9, semua aset kewangan yang diiktiraf perlu diukur berikutnya sama ada pada kos dilunaskan, nilai saksama melalui pendapatan komprehensif lain (FVTOCI) atau nilai saksama melalui untung atau rugi (FVTPL) berdasarkan kepada kedua-dua model perniagaan suatu entiti untuk menguruskan aset kewangan dan sifat aliran tunai berkontrak aset kewangan. Keperluan-keperluan tersebut menambahbaikan dan memudahkan pendekatan untuk klasifikasi dan pengukuran aset kewangan memandangkan beberapa kategori aset kewangan dalam MFRS 139 telah diganti.
- Kebanyakan keperluan dalam MFRS 139 untuk klasifikasi dan pengukuran liabiliti kewangan dibawa ke hadapan tanpa perubahan kepada MFRS 9, melainkan untuk pengukuran liabiliti kewangan yang ditetapkan pada FVTPL. Di bawah MFRS 139, jumlah keseluruhan perubahan dalam nilai saksama liabiliti kewangan ditetapkan sebagai FVTPL adalah dibentangkan dalam untung atau rugi. Walaubagaimanapun, MFRS 9 memerlukan jumlah yang berubah dalam nilai saksama liabiliti kewangan yang disebabkan perubahan dalam risiko kredit liabiliti tersebut dibentangkan dalam pendapatan komprehensif lain, kecuali pengiktirafan kesan perubahan dalam risiko kredit liabiliti sendiri dalam pendapatan komprehensif lain akan mewujudkan atau memperbesarkan suatu perakaunan yang ketidakpadanan dalam untung atau rugi. Perubahan dalam nilai saksama disebabkan risiko kredit liabiliti kewangan tidak diklasifikasikan kemudiannya dalam untung atau rugi.
- Berkenaan dengan rosot nilai aset kewangan, MFRS 9 memerlukan suatu model rugi kredit dijangka, yang bertentangan dengan model rugi kredit yang berlaku dalam MFRS 139. Di bawah MFRS 9, adalah tidak perlu lagi untuk peristiwa kredit berlaku sebelum rugi kredit diiktirafkan. Sebaliknya, suatu entiti sentiasa mengambilkira rugi kredit dijangka dan perubahan dalam rugi kredit dijangka tersebut pada setiap tarikh pelaporan supaya menggambarkan perubahan dalam risiko kredit sejak pengiktirafan awal.

## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

### 2.3 MFRS Baru dan Pindaan kepada MFRSs yang Telah Diterbitkan tetapi Belum Dikuatkuasakan (Samb.)

#### (c) MFRS 9, Instrumen Kewangan (IFRS 9 yang diterbitkan pada Julai 2014) (Samb.)

Penambahbaikan utama MFRS 9 adalah (Samb.):

- Keperluan am baru perakaunan lindung nilai mengekalkan tiga jenis mekanisme perakaunan lindung nilai yang sedia ada pada masa kini dalam MFRS 139 iaitu lindung nilai bagi nilai saksama, lindung nilai aliran tunai dan lindung nilai suatu pelaburan bersih dalam operasi asing. MFRS 9 mengandungi suatu model baru perakaunan lindung nilai yang menjajarkan perakaunan lindung nilai lebih dekat dengan aktiviti pengurusan risiko suatu entiti. Model baru perakaunan lindung nilai juga memperluaskan skop kelayakan butiran lindung nilai dan instrumen yang dilindung nilai.

#### (d) MFRS 16, Pajak

MFRS 16 akan menggantikan MFRS 117 sedia ada, Pajak, Tafsiran IC 4 – Menentukan sama ada suatu Pengaturan mengandungi sesuatu Pajak, Tafsiran IC 115 – Pajak Operasi – Insentif dan Tafsiran IC 127 – Menilai Inti Pati Urus Niaga yang Melibatkan Bentuk Sah Sesuatu Pajak dan ia menetapkan prinsip-prinsip pengiktirafan, penilaian, pembentangan dan pendedahan sesuatu pajak.

Di bawah MFRS 117 sedia ada, penerima pajak dan pemberi pajak perlu mengklasifikasikan pajak mereka sama ada sebagai pajak kewangan atau pajak operasi dan mengambil kira secara berlainan kedua-dua jenis pajak tersebut. Ianya memerlukan penerima pajak untuk mengiktiraf aset dan liabiliti yang timbul daripada pajak kewangan tetapi bukan daripada pajak operasi.

MFRS 16 yang baru memperkenalkan model perakaunan tunggal dan memerlukan penerima pajak untuk mengiktiraf aset dan liabiliti bagi hak dan obligasi yang timbul daripada semua pajak dan justeru menyingkirkan perbezaan di antara pajak kewangan dan pajak operasi. Kesannya, penerima pajak mengiktiraf hak kegunaan aset dan liabiliti pajak yang timbul daripada pajak operasi. Hak kegunaan aset disusut nilai berdasarkan prinsip di dalam MFRS 116, Hartanah, Loji dan Peralatan dan liabiliti pajak diakru sepanjang masa dengan belanja faedah diiktiraf di dalam untung atau rugi.

Untuk pemberi pajak, MFRS 16 mengekalkan kebanyakan daripada syarat-syarat di dalam MFRS 117. Pemberi pajak berterusan mengklasifikasikan semua pajak sama ada sebagai pajak operasi atau pajak kewangan dan mengambil kiranya secara berlainan.

Penggunaan pakai awal MFRS 9 mungkin mempunyai kesan ke atas penyata kewangan Institut. Walaubagaimanapun, adalah tidak praktikal untuk memberi anggaran yang munasabah mengenai kesannya sehingga semak semula yang terperinci telah selesai.

Penggunaan pakai permulaan MFRS baru dan pindaan kepada MFRS lain tidak dijangka mempunyai sebarang kesan yang ketara ke atas penyata kewangan Institut.

### 2.4 Loji dan Peralatan dan Susut Nilai

Butiran loji dan peralatan dicatat pada kos, tolak susut nilai terkumpul dan kerugian rosot nilai terkumpul. Kos termasuk perbelanjaan yang boleh diagihkan terus kepada perolehan aset tersebut.

Kos mengganti sebahagian daripada butiran loji dan peralatan diiktiraf dalam nilai buku butiran tersebut atau diiktiraf sebagai aset berasingan, seperti yang sewajarnya, hanya apabila terdapatnya kemungkinan bahawa manfaat-manfaat ekonomi masa depan berkaitan dengan butiran tersebut akan mengalir masuk ke Institut dan kos butiran tersebut dapat dinilai dengan pasti. Nilai buku bagi bahagian diganti akan dilucutkan pengiktirafannya. Kesemua pembaikan dan penyelenggaraan yang lain akan dicaj kepada untung atau rugi dalam tahun kewangan di mana ianya berlaku.

Susut nilai dikira berasaskan kaedah garis lurus untuk menghapuskan kos loji dan peralatan kepada nilai sisanya ke atas hayat berguna yang dijangkakan. Kadar tahunan asas yang digunakan adalah seperti berikut:

Perabot danengkapan	10%
Sistem kawalan	10%
Peralatan pejabat	20%
Komputer	33%

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Pada 31 Disember 2015**2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)****2.4 Loji dan Peralatan dan Susut Nilai (Samb.)**

Nilai sisa dan hayat berguna aset disemak semula pada setiap akhir tahun kewangan dan diselaraskan secara prospektif, sekiranya sesuai, di mana jangkaan berlainan daripada anggaran sebelumnya. Loji dan peralatan disemak semula untuk rosot nilai berasaskan kepada dasar perakaunan Institut untuk rosot nilai aset bukan kewangan.

Suatu butiran loji dan peralatan dilucutkan pengiktirafannya sebaik sahaja pelupusan atau apabila tiada manfaat ekonomi pada masa depan dijangka daripada penggunaan atau pelupusannya. Perbezaan di antara hasil pelupusan bersih, jika ada, dan nilai buku bersih adalah diiktirafkan dalam untung atau rugi.

**2.5 Rosot Nilai Aset Bukan Kewangan**

Nilai buku aset bukan kewangan (selain daripada inventori buku panduan belajar dan aset cukai tertunda) disemak semula untuk rosot nilai pada akhir setiap tempoh pelaporan untuk menentukan sama ada terdapat sebarang petunjuk rosot nilai. Sekiranya wujudnya petunjuk sebegini, nilai perolehan semula aset adalah dijangka untuk menentukan nilai kerugian rosot nilai. Kerugian rosot nilai diperuntukkan apabila nilai buku satu aset melebihi nilai perolehan semulanya. Nilai perolehan semula adalah nilai yang lebih tinggi di antara nilai saksama satu aset ditolak kos jualan dan nilai penggunaannya yang dinilai dengan merujuk kepada aliran tunai masa depan yang didiskaunkan.

Kerugian rosot nilai adalah diiktiraf dalam untung atau rugi dalam tempoh di mana ianya wujud.

Kerugian rosot nilai untuk suatu aset adalah dinyatakan semula sekiranya, dan hanya sekiranya, terdapat perubahan dalam anggaran yang digunakan untuk menentukan nilai perolehan semula satu aset sejak kerugian rosot nilai yang terakhir diiktirafkan. Nilai buku satu aset akan ditingkatkan kepada nilai perolehan yang disemak semula, jika nilai tersebut tidak melebihi nilai buku yang telah ditentukan (tolak pelunasan atau susut nilai) jika tidak terdapat kerugian rosot nilai diiktirafkan untuk aset dalam tahun-tahun sebelumnya. Suatu pernyataan semula kerugian rosot nilai untuk suatu aset diiktiraf dalam untung atau rugi.

**2.6 Buku Panduan Belajar****(i) Kos pembangunan buku panduan belajar**

Kos pembangunan buku panduan belajar MICPA yang sebahagian besarnya terdiri daripada bayaran kepada penulis dan penyemak semula dipermodalkan dan dilunaskan mengikut asas garis lurus ke atas hayat ekonomi buku panduan belajar, yang dianggarkan dari 3 hingga 5 tahun.

Bayaran untuk mengemaskini buku panduan belajar MICPA akan dibelanjakan dalam tahun di mana bayaran dilakukan.

Kos pembangunan buku panduan belajar telah dikaji semula bagi tujuan rosot nilai berdasarkan dasar perakaunan Institut untuk rosot nilai aset bukan kewangan dan dinyahiktirafkan apabila tiada manfaat ekonomi masa depan yang dijangka dari penggunaannya.

**(ii) Inventori buku panduan belajar**

Stok buku panduan belajar dicatat pada nilai terendah antara kos dan nilai boleh direalis bersih. Kos ditetapkan mengikut asas masuk-dulu, keluar-dulu dan terdiri daripada kos percetakan. Nilai boleh direalis bersih merupakan harga jualan yang dianggarkan dalam urusan perniagaan biasa tolak kesemua kos anggaran untuk menjual.

**2.7 Aset Tak Ketara Diperolehi Berasingan – Perisian Komputer**

Aset tak ketara diperolehi berasingan adalah dinilai pada kos tolak sebarang pelunasan terkumpul dan sebarang kerugian rosot nilai terkumpul. Pelunasan adalah diiktiraf berasaskan kepada garis lurus ke atas hayat berguna yang dijangkakan, melebihi 3 tahun. Hayat berguna yang dijangka dan kaedah pelunasan disemak semula pada akhir setiap tempoh pelaporan di mana kesan sebarang perubahan anggaran diambilkira secara prospektif.

## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

### 2.8 Peruntukan

Peruntukan diiktiraf apabila Institut mempunyai satu obligasi semasa yang sah di sisi undang-undang dan konstruktif yang disebabkan oleh peristiwa lepas dan terdapat kemungkinan satu aliran keluar sumber melibatkan manfaat ekonomi diperlukan untuk menyelesaikan obligasi tersebut dan anggaran yang boleh dipercayai dapat dibuat bagi amaun obligasi tersebut. Di mana kesan nilai masa untuk wang adalah penting, jumlah peruntukan diukur pada nilai kini perbelanjaan yang dijangka akan diperlukan untuk menjelaskan obligasi tersebut dengan menggunakan kadar pra-cukai yang menggambarkan penilaian pasaran semasa nilai masa untuk wang dan risiko tertentu terhadap liabiliti tersebut. Di mana diskaun digunakan, peningkatan dalam jumlah sesuatu peruntukan disebabkan masa diiktirafkan sebagai kos kewangan.

### 2.9 Tunai dan Kesetaraan Tunai

Tunai dan kesetaraan tunai merangkumi tunai dalam tangan, baki di bank, deposit dengan bank berlesen dan pelaburan yang amat mudah cair yang boleh ditukar dengan mudah kepada amaun tunai dan tertakluk kepada risiko perubahan nilai yang tidak ketara. Penyata aliran tunai disediakan dengan menggunakan kaedah langsung.

Tunai dan kesetaraan tunai dikategori dan dinilai sebagai pinjaman dan penghutang menurut polisi Nota 2.15(c).

### 2.10 Manfaat Kakitangan

#### (i) Manfaat Kakitangan Jangka Pendek

Upah, gaji, caruman keselamatan sosial, cuti tahunan berbayar, cuti sakit berbayar, bonus dan faedah bukan kewangan diiktiraf sebagai belanja pada tahun di mana perkhidmatan berkaitan diberikan oleh kakitangan Institut.

Pampasan ketidakhadiran terkumpul seperti cuti tahunan berbayar adalah diiktiraf sebagai belanja apabila perkhidmatan adalah diberikan oleh kakitangan yang meningkatkan hak mereka bagi pampasan ketidakhadiran masa depan. Pampasan ketidakhadiran tak terkumpul seperti cuti sakit adalah diiktiraf apabila berlakunya ketidakhadiran tersebut.

#### (ii) Pelan Caruman Tetap

Institut memperuntukkan manfaat selepas penggajian melalui caruman kepada pelan caruman tetap yang dikendalikan oleh pihak berkuasa yang relevan pada kadar yang ditetapkan.

Pelan caruman tetap adalah pelan manfaat selepas penggajian di mana Institut membayar caruman tetap kepada suatu entiti berasingan (suatu dana) dan tidak mempunyai obligasi yang sah di sisi undang-undang atau konstruktif untuk membayar caruman selanjutnya sekiranya dana tersebut tidak memegang aset yang mencukupi untuk membayar semua manfaat kakitangan berkaitan dengan perkhidmatan kakitangan dalam tempoh semasa dan sebelumnya.

Caruman Institut kepada pelan caruman tetap diiktiraf sebagai belanja dalam tahun ianya berlaku.

### 2.11 Bantuan Kerajaan

Bantuan kerajaan, termasuk bantuan bukan kewangan, tidak akan diiktiraf sehingga terdapat kepastian yang munasabah di mana semua syarat-syarat terikat kepada bantuan tersebut akan dapat dipatuhi dan bantuan akan diterima.

Bantuan berkaitan dengan aset diwujudkan sebagai pendapatan tertunda dan diiktiraf sebagai pendapatan secara sistematik ke atas hayat dijangka aset tersebut. Bantuan berkaitan dengan belanja diiktiraf sebagai pendapatan dalam tempoh bantuan tersebut menjadi penghutang. Bantuan berkaitan dengan kos masa depan ditundakan dan diiktiraf dalam untung atau rugi dalam tempoh yang sama sebagai kos berkaitan.

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## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

### 2.12 Urusniaga Matawang Asing dan Baki

Dalam menyediakan penyata kewangan Institut, urusniaga dalam matawang selain daripada matawang fungsian Institut (matawang asing) dicatatkan dalam matawang fungsian dengan menggunakan kadar pertukaran lazim pada tarikh urusniaga. Pada akhir setiap tempoh pelaporan, aset dan liabiliti kewangan dalam matawang asing diterjemahkan pada kadar pertukaran lazim pada akhir tempoh pelaporan. Item bukan kewangan yang dinilai mengikut kos sejarah dalam matawang asing diterjemahkan dengan menggunakan kadar pertukaran pada tarikh urusniaga. Butiran bukan kewangan yang dinilai pada nilai saksama dalam matawang asing diterjemahkan dengan menggunakan kadar pertukaran pada tarikh apabila nilai saksama ditentukan.

Perbezaan pertukaran yang wujud dari penyelesaian urusniaga dalam matawang asing dan dari terjemahan aset dan liabiliti kewangan dalam matawang asing diiktiraf dalam untung atau rugi.

Perbezaan pertukaran yang wujud dari terjemahan butiran bukan kewangan yang dinilai pada nilai saksama adalah termasuk dalam untung atau rugi untuk tempoh tersebut kecuali perbezaan yang wujud dari terjemahan butiran bukan kewangan di mana perolehan atau kerugian diiktiraf secara langsung dalam pendapatan komprehensif yang lain. Perbezaan pertukaran yang wujud dari butiran bukan kewangan sebegini adalah diiktiraf secara langsung dalam pendapatan komprehensif lain.

Kadar penutup pertukaran matawang asing diguna pakai dalam penyediaan penyata kewangan adalah seperti berikut:

	2015 RM	2014 RM
1 Dolar Australia	3.09	2.86

### 2.13 Cukai Pendapatan

Belanja cukai merupakan agregat amaun cukai semasa dan cukai tertunda. Cukai semasa dan cukai tertunda diiktiraf sebagai pendapatan atau perbelanjaan dalam untung atau rugi kecuali setakat di mana cukai tersebut berkaitan dengan butiran yang diiktiraf di luar untung atau rugi, sama ada dalam pendapatan komprehensif lain atau secara langsung dalam ekuiti.

Cukai semasa merupakan cukai yang dijangkakan perlu dibayar ke atas pendapatan bercukai bagi tahun tersebut dengan menggunakan kadar cukai yang dikuatkuasakan atau hampir dikuatkuasakan pada akhir tempoh pelaporan.

Cukai tertunda diperuntukkan mengikut kaedah liabiliti ke atas perbezaan sementara pada akhir tempoh pelaporan antara nilai buku aset dan liabiliti dalam penyata kewangan dengan jumlah yang digunakan bagi aset dan liabiliti tersebut untuk tujuan percukaian.

Liabiliti cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh dikenakan cukai dan aset cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh diberikan potongan dan kerugian cukai belum diserap dan kredit cukai belum guna setakat terdapat kemungkinan keuntungan bercukai masa depan akan berlaku di mana aset tersebut boleh digunakan.

Nilai buku aset cukai tertunda disemak semula pada akhir setiap tempoh pelaporan dan akan dikurangkan setakat di mana kemungkinan faedah cukai yang berkaitan tidak akan direalis.

Kadar cukai yang dikuatkuasakan atau hampir dikuatkuasakan pada akhir tempoh pelaporan adalah digunakan untuk menentukan cukai tertunda.

## 2. ASAS PENYEDIAAN DAN RINGKASAN DASAR-DASAR PERAKAUNAN PENTING (SAMB.)

### 2.13 Cukai Pendapatan (Samb.)

Aset cukai tertunda dan liabiliti cukai tertunda diimbangi apabila terdapatnya hak boleh dikuatkuasakan dari segi undang-undang untuk mengimbangi aset cukai semasa dengan liabiliti cukai semasa dan apabila ia berkaitan dengan cukai pendapatan yang dikenakan oleh pihak berkuatkuasa cukai yang sama dan Institut ingin menyelesaikan aset cukai semasa dan liabiliti cukai semasa secara asas bersih.

### 2.14 Pengiktirafan Pendapatan dan Belanja

#### *Yuran Ahli dan Pelajar*

- (i) Yuran tahunan Institut ialah 1 Januari hingga 31 Disember. Yuran tahunan ahli dan pelajar adalah dibayar terdahulu setiap tahun. Hanya yuran tahunan ahli dan pelajar yang berpunca dari tahun kewangan semasa diiktiraf sebagai pendapatan. Yuran berhubung dengan tempoh selepas tahun kewangan semasa ditunjuk dalam penyata kedudukan kewangan sebagai Yuran Pendahuluan di bawah tajuk Liabiliti Semasa.
- (ii) Yuran kemasukan ahli dan yuran pendaftaran pelajar diiktiraf apabila permohonan masing-masing diluluskan.
- (iii) Yuran peperiksaan dan pengecualian diiktiraf apabila permohonan masing-masing diluluskan.

#### *Pendapatan Faedah*

Pendapatan faedah diiktiraf berasaskan kadar hasil efektif.

#### *Aktiviti-aktiviti Lain*

Aktiviti lain termasuk penyediaan kursus-kursus pembangunan profesional berterusan, mengendalikan bengkel peperiksaan untuk pelajar, jualan penerbitan dan buku panduan belajar MICPA dan pengelolaan aktiviti-aktiviti pembangunan profesional dan pelajar yang lain.

Dasar pengiktirafan pendapatan dan belanja bagi aktiviti-aktiviti sebegini oleh Institut adalah seperti berikut:

- (i) Setakat aktiviti disempurnakan pada atau sebelum tempoh pelaporan, sebarang lebihan atau defisit diiktiraf dalam penyata pendapatan komprehensif.
- (ii) Pendapatan daripada jualan penerbitan dan buku panduan belajar MICPA diiktiraf apabila kawalan fizikal bahan dipindahkan kepada pembeli.
- (iii) Kos penerbitan, selain daripada buku panduan belajar, diiktiraf dalam penyata pendapatan komprehensif dalam tahun kewangan ianya berlaku.

Belanja aktiviti lain adalah berkaitan dengan belanja langsung yang boleh dikenalpasti.

### 2.15 Aset Kewangan

Institut mengiktiraf semua aset kewangan dalam penyata kedudukan kewangannya apabila, dan hanya apabila, Institut menjadi satu pihak berkontrak kepada peruntukan instrumen tersebut.

#### *Klasifikasi dan Penilaian*

Aset kewangan dinilai pada mulanya berdasarkan kepada nilai saksama ditambah, dalam kes di mana aset kewangan bukan pada nilai saksama melalui untung atau rugi, kos urusniaga yang berpunca secara langsungnya.

Aset kewangan adalah diklasifikasikan mengikut kategori tertentu berikut bergantung kepada sifat semulajadi dan tujuan aset kewangan tersebut dan ditentukan pada masa pengiktirafan permulaan.

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Aset kewangan diklasifikasikan pada nilai saksama melalui untung atau rugi apabila aset kewangan tersebut sama ada dipegang untuk dagangan atau ditetapkan sebegini selepas pengiktirafan permulaan.

Suatu aset kewangan diklasifikasikan sebagai dipegang untuk dagangan sekiranya:

- ianya diperolehi terutamanya untuk tujuan menjual dalam jangka masa yang terdekat; atau
- semasa pengiktirafan permulaan, ia merupakan sebahagian daripada portfolio instrumen kewangan dikenalpasti di mana Institut mengurus bersama dan mempunyai suatu corak sebenar terkini bagi mengaut untung jangka pendek; atau
- ia adalah suatu derivatif yang bukan suatu instrumen lindung nilai yang ditetapkan dan efektif.

Selepas pengiktirafan permulaan, aset kewangan pada nilai saksama melalui untung atau rugi dinilai pada nilai saksama dengan sebarang perolehan atau kerugian yang wujud daripada perubahan dalam nilai saksama diiktiraf dalam untung atau rugi. Perolehan atau kerugian bersih tersebut tidak termasuk sebarang perbezaan pertukaran, dividen atau faedah diperolehi daripada aset kewangan. Perbezaan pertukaran, dividen dan faedah diperolehi daripada aset kewangan pada nilai saksama melalui untung atau rugi diiktiraf secara berasingan dalam untung atau rugi sebagai sebahagian daripada pendapatan lain atau perbelanjaan lain.

Derivatif yang berkaitan dengan dan patut dijelaskan dengan menggunakan instrumen ekuiti tidak disebut harga di mana nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos.

**(b) Pelaburan dipegang sehingga matang**

Pelaburan dipegang sehingga matang adalah aset kewangan bukan derivatif dengan pembayaran ditetapkan atau boleh ditentukan dan kematangan tetap di mana Institut mempunyai hasrat positif dan keupayaan untuk memegang sehingga matang.

Berikutan pengiktirafan permulaan, pelaburan dipegang sehingga matang dinilai pada kos dilunaskan dengan menggunakan kaedah kadar faedah efektif. Suatu perolehan atau kerugian diiktiraf dalam untung atau rugi apabila pelaburan dipegang sehingga matang dilucut pengiktirafan atau rosot nilai, dan melalui proses pelunasan.

**(c) Pinjaman dan penghutang**

Pinjaman dan penghutang adalah aset kewangan bukan derivatif dengan pembayaran ditetapkan atau boleh ditentukan yang mana tidak disebut harga dalam suatu pasaran yang aktif. Penghutang perniagaan, pinjaman dan penghutang lain diklasifikasikan sebagai pinjaman dan penghutang.

Berikutan pengiktirafan permulaan, pinjaman dan penghutang dinilai pada kos dilunaskan dengan menggunakan kaedah faedah efektif. Perolehan dan kerugian diiktiraf dalam untung atau rugi apabila pinjaman dan penghutang dilucut pengiktirafan atau rosot nilai, dan melalui proses pelunasan.

**(d) Aset kewangan sedia untuk dijual**

Aset kewangan sedia untuk dijual adalah aset kewangan bukan derivatif yang ditetapkan sebagai sedia untuk dijual atau tidak diklasifikasikan sebagai pinjaman dan penghutang, pelaburan dipegang sehingga matang atau pada nilai saksama melalui untung atau rugi. Aset kewangan sedia untuk dijual termasuk ekuiti disebut harga dan ekuiti tidak disebut harga dan instrumen hutang yang tidak dipegang untuk dagangan.

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### 2.15 Aset Kewangan (Samb.)

#### *Klasifikasi dan Penilaian (Samb.)*

##### **(d) Aset kewangan sedia untuk dijual (Samb.)**

Berikutan pengiktirafan permulaan, ekuiti disebut harga dan instrumen hutang adalah dinilai pada nilai saksama dan pelaburan dalam instrumen ekuiti yang tidak mempunyai harga pasaran disebut harga dalam suatu pasaran aktif dan di mana nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos. Suatu perolehan atau kerugian daripada perubahan nilai saksama diiktiraf dalam pendapatan komprehensif lain, melainkan kerugian rosot nilai, perolehan atau kerugian pertukaran asing bagi instrumen kewangan dan faedah dikira dengan menggunakan kaedah faedah efektif diiktiraf dalam untung atau rugi. Perolehan atau kerugian terkumpul diiktiraf sebelumnya dalam pendapatan komprehensif lain diklasifikasi semula daripada ekuiti kepada untung atau rugi sebagai pelarasan pengklasifikasi semula apabila aset kewangan tersebut dilucut pengiktirafannya. Dividen bagi suatu instrumen ekuiti diiktiraf dalam untung atau rugi apabila hak Institut untuk menerima bayaran adalah mantap.

#### ***Kaedah biasa untuk membeli atau menjual aset kewangan***

Kaedah biasa untuk membeli atau menjual merupakan suatu pembelian atau penjualan suatu aset kewangan yang memerlukan penyerahan aset dalam jangka masa yang tertentu adalah ditetapkan oleh peraturan atau konvensyen dalam pasaran yang berkaitan. Kesemua kaedah biasa untuk membeli atau menjual aset kewangan adalah diiktiraf dan dilucut pengiktirafan dengan menggunakan perakaunan tarikh dagangan. Perakaunan tarikh dagangan merujuk kepada:

- pengiktirafan suatu aset diterima dan liabiliti perlu dibayarnya pada tarikh dagangan yang merupakan tarikh di mana Institut menyatakan kesanggupannya untuk membeli atau menjual suatu aset; dan
- melucutkan pengiktirafan suatu aset yang telah dijual, pengiktirafan sebarang perolehan atau kerugian ke atas penghapuskiraan dan pengiktirafan penghutang daripada pembeli untuk bayaran pada tarikh dagangan.

#### ***Rosot nilai aset kewangan***

Institut menilai pada setiap akhir tempoh pelaporan sama ada terdapat sebarang bukti objektif yang mana suatu aset kewangan, selain daripada aset kewangan pada nilai saksama melalui untung atau rugi, adalah rosot nilai. Aset kewangan dianggap rosot nilai apabila bukti objektif menyatakan bahawa suatu peristiwa kerugian telah berlaku selepas pengiktirafan permulaan aset dan di mana peristiwa kerugian tersebut mempunyai kesan negatif ke atas aliran tunai masa depan dijangka aset tersebut yang boleh dijangka dengan kepastian. Kerugian dijangka yang disebabkan oleh suatu peristiwa masa depan, tidak dikira betapa berkemungkinannya, tidak diiktirafkan. Untuk suatu instrumen ekuiti disebut harga, pengurangan yang ketara atau berpanjangan dalam nilai saksama pelaburan yang kurang daripada kosnya dianggap sebagai bukti objektif rosot nilai.

Suatu jumlah kerugian rosot nilai mengenai aset kewangan dinilai pada kos dilunaskan adalah dinilai sebagai perbezaan antara nilai buku aset dan nilai kini aliran tunai masa depan dijangka didiskaunkan pada kadar faedah efektif asal aset kewangan iaitu kadar efektif dikira pada pengiktirafan permulaan. Nilai buku aset dikurangkan melalui suatu akaun peruntukan. Jumlah kerugian diiktiraf dalam untung atau rugi.

Sekiranya, dalam suatu tempoh berikutnya, jumlah kerugian rosot nilai bagi aset kewangan dinilai pada kos dilunaskan berkurangan dan kekurangan tersebut boleh dikaitkan secara objektif kepada suatu peristiwa yang berlaku selepas rosot nilai diiktiraf, kerugian rosot nilai diiktiraf sebelumnya dinyatakan semula dengan menyelaraskan peruntukan akaun kepada setakat nilai buku aset kewangan tidak melebihi kos dilunaskannya jika rosot nilai belum diiktiraf pada tarikh rosot nilai dinyatakan semula. Nilai dinyatakan semula diiktiraf dalam untung atau rugi.

Apabila suatu aset kewangan sedia untuk dijual adalah rosot nilai, kerugian terkumpul yang telah diiktiraf dalam pendapatan komprehensif lain diklasifikasikan semula daripada ekuiti dan diiktiraf dalam untung atau rugi sebagai pelarasan klasifikasi semula walaupun aset kewangan belum dilucut pengiktirafannya. Jumlah kerugian terkumpul yang diklasifikasikan semula adalah perbezaan antara kos perolehan (tolak sebarang bayaran semula wang pokok dan pelunasan) dan nilai saksama semasa, tolak sebarang kerugian rosot nilai ke atas aset kewangan yang diiktiraf sebelumnya dalam untung atau rugi.

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Kerugian rosot nilai diiktiraf dalam untung atau rugi untuk suatu pelaburan dalam instrumen ekuiti yang diklasifikasikan sebagai sedia untuk dijual adalah tidak dinyatakan semula melalui untung atau rugi. Peningkatan dalam nilai saksama, sekiranya ada, berikutan kerugian rosot nilai, diiktiraf dalam pendapatan komprehensif lain.

Sekiranya nilai saksama suatu instrumen hutang diklasifikasikan sebagai sedia untuk dijual, peningkatan dalam tempoh berikutnya dan peningkatan tersebut dapat dikaitkan secara objektif kepada suatu peristiwa yang berlaku selepas kerugian rosot nilai diiktiraf dalam untung atau rugi, kerugian rosot nilai dinyatakan semula dengan nilai penyataan semula diiktiraf dalam untung atau rugi.

Suatu jumlah kerugian rosot nilai berkaitan dengan aset kewangan dibawa pada kos dinilai sebagai perbezaan antara nilai buku aset kewangan dan nilai semasa aliran tunai masa depan dijangka yang didiskaunkan pada kadar pulangan pasaran semasa untuk aset kewangan yang sama. Kerugian rosot nilai sebegini tidak dinyatakan semula dalam tempoh-tempoh berikutnya.

***Melucutkan pengiktirafan suatu aset kewangan***

Institut melucut pengiktirafan suatu aset kewangan apabila, dan hanya apabila, hak kontraktual kepada aliran tunai daripada aset kewangan tamat atau ia memindah aset kewangan tersebut tanpa mengekal kawalan atau hampir-hampir semua risiko dan ganjaran pemilik aset kewangan kepada pihak lain.

Dengan melucutkan pengiktirafan aset kewangan secara keseluruhannya, perbezaan antara nilai buku dan jumlah pertimbangan diterima dan sebarang perolehan atau kerugian terkumpul yang telah diiktiraf dalam pendapatan komprehensif lain adalah diiktiraf dalam untung atau rugi.

**2.16 Liabiliti Kewangan**

Institut mengiktiraf semua liabiliti kewangan dalam penyata kedudukan kewangannya apabila, dan hanya apabila, Institut menjadi satu pihak berkontrak kepada peruntukan instrumen tersebut.

***Klasifikasi dan Penilaian***

Liabiliti kewangan dinilai pada mulanya berdasarkan kepada nilai saksama ditambah, dalam kes liabiliti kewangan lain, kos urusaniaga yang berpunca secara langsungnya.

Liabiliti kewangan adalah diklasifikasikan sebagai sama ada liabiliti kewangan pada nilai saksama melalui untung atau rugi atau liabiliti kewangan lain.

**(a) Liabiliti kewangan pada nilai saksama melalui untung atau rugi**

Liabiliti kewangan adalah diklasifikasikan pada nilai saksama melalui untung atau rugi apabila liabiliti kewangan adalah sama ada dipegang untuk dagangan atau ditetapkan pada nilai saksama melalui untung atau rugi selepas pengiktirafan permulaan.

Suatu liabiliti kewangan diklasifikasikan sebagai dipegang untuk dagangan sekiranya:

- ia telah diperolehi terutamanya untuk tujuan membeli semula dalam jangka masa terdekat; atau
- semasa pengiktirafan permulaan, ia merupakan sebahagian daripada portfolio instrumen kewangan dikenalpasti di mana Institut mengurus bersama dan mempunyai suatu corak sebenar terkini bagi mengaut untung jangka pendek; atau
- ia adalah suatu derivatif yang bukan suatu kontrak jaminan kewangan atau suatu instrumen lindung nilai yang ditetapkan dan efektif.

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### 2.16 Liabiliti Kewangan (Samb.)

#### *Klasifikasi dan Penilaian (Samb.)*

#### (a) Liabiliti kewangan pada nilai saksama melalui untung atau rugi (Samb.)

Selepas pengiktirafan permulaan, liabiliti kewangan pada nilai saksama melalui untung atau rugi adalah dinilai pada nilai saksama dengan sebarang perolehan atau kerugian yang wujud daripada perubahan dalam nilai saksama diiktiraf dalam untung atau rugi. Perolehan atau kerugian bersih diiktiraf dalam untung atau rugi tidak termasuk sebarang perbezaan pertukaran atau faedah dibayar pada liabiliti kewangan. Perbezaan pertukaran dan belanja faedah ke atas liabiliti kewangan pada nilai saksama melalui untung atau rugi diiktiraf secara berasingan dalam untung atau rugi sebagai sebahagian pendapatan lain atau belanja lain.

Liabiliti derivatif yang berkaitan dengan dan mesti dijelaskan dengan menggunakan instrumen ekuiti tidak disebut harga yang nilai saksamanya tidak dapat dinilai dengan kepastian adalah dinilai pada kos.

#### (b) Liabiliti kewangan lain

Semua liabiliti kewangan, selain daripada yang diklasifikasikan sebagai nilai saksama melalui untung atau rugi, adalah kemudiannya dinilai pada kos dilunaskan dengan menggunakan kaedah faedah efektif. Liabiliti kewangan lain Institut termasuk yuran pendahuluan dan pemiutang.

Suatu perolehan atau kerugian ke atas liabiliti kewangan lain diiktiraf dalam untung atau rugi apabila liabiliti kewangan dilucut pengiktirafan dan melalui proses pelunasan.

#### *Liabiliti kewangan dilucut pengiktirafan*

Suatu liabiliti kewangan dilucut pengiktirafan apabila, dan hanya apabila, obligasi tertentu dalam kontrak telah lupus. Apabila liabiliti kewangan yang sedia ada ditukar dengan peminjam yang sama dengan syarat yang amat berbeza atau syarat liabiliti sedia ada yang sebahagian besarnya diubah suai, maka ianya diambilkira sebagai suatu pelupusan liabiliti kewangan asal dan liabiliti kewangan baru diiktirafkan. Perbezaan antara nilai buku liabiliti kewangan yang dilupuskan atau dipindah kepada pihak lain dan ganjaran yang dibayar, termasuk aset bukan tunai yang dipindah atau liabiliti yang diandaikan, adalah diiktiraf dalam untung atau rugi.

### 2.17 Mengofset Instrumen Kewangan

Aset kewangan dan liabiliti kewangan diofset apabila Institut mempunyai hak boleh kuatkusasa di sisi undang-undang untuk mengofset dan bercadang untuk sama ada menyelesaikan pada asas bersih, atau merealisasikan aset dan menyelesaikan liabiliti pada masa yang sama.

### 2.18 Pengukuran Nilai Saksama

Nilai saksama sesuatu aset atau liabiliti, selain untuk urus niaga berasaskan saham dan urus niaga pajakan, adalah harga yang akan diterima untuk jualan aset atau bayaran untuk memindahkan liabiliti di dalam urus niaga teratur di antara peserta pasaran pada tarikh pengukuran. Pengukuran ini beranggapan bahawa urus niaga jualan aset atau pindahan liabiliti berlaku sama ada dalam pasaran utama atau dalam pasaran paling menguntungkan, ketika ketiadaan pasaran utama. Untuk aset bukan kewangan, pengukuran nilai saksama mengambil kira keupayaan peserta pasaran untuk menjana manfaat ekonomi dengan menggunakan aset tersebut dalam keadaan yang terbaik dan tertinggi atau dengan menjualnya kepada peserta pasaran yang akan menggunakan aset tersebut dalam keadaan yang terbaik dan tertinggi.

Apabila mengukur nilai saksama, Institut memaksimumkan penggunaan input yang dapat diperhatikan yang berkaitan dan mengurangkan penggunaan input yang tidak dapat diperhatikan. Ukuran nilai saksama dikategorikan kepada beberapa tahap yang berbeza dalam hierarki nilai saksama berdasarkan pada input yang digunakan dalam teknik penilaian seperti berikut:-

- Tahap 1: harga yang disebut (tidak diselaraskan) di dalam pasaran aktif bagi aset atau liabiliti yang sama.
- Tahap 2: Input selain daripada harga yang disebut termasuk dalam Tahap 1 yang diperhatikan bagi aset atau liabiliti, sama ada secara langsung (iaitu sebagai harga) atau tidak langsung (diperoleh daripada harga); dan
- Tahap 3: Input bagi aset atau liabiliti yang tidak berdasarkan data pasaran yang boleh dilihat (input tidak dapat diperhatikan)

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Penyediaan penyata kewangan mengikut Piawai Pelaporan Kewangan Malaysia memerlukan Majlis untuk mengamal pertimbangan mereka dalam proses penggunaan pakai polisi perakaunan Institut dan mungkin mempunyai kesan ketara ke atas jumlah yang diiktirafkan dalam penyata kewangan. Ia juga memerlukan penggunaan anggaran-anggaran perakaunan dan andaian-andaian yang mempengaruhi jumlah aset dan liabiliti yang dilaporkan dan pendedahan aset dan liabiliti luar jangka pada tarikh penyata kewangan dan keputusan yang dilaporkan bagi tempoh pelaporan dan berkemungkinan mempunyai risiko ketara yang menyebabkan suatu pelarasan yang penting kepada nilai buku aset dan liabiliti dalam tahun kewangan depan. Walaupun pertimbangan dan anggaran tersebut berasaskan kepada pengetahuan terbaik Majlis mengenai peristiwa dan tindakan semasa, keputusan sebenar mungkin berbeza.

Anggaran-anggaran dan andaian-andaian asas adalah disemak semula secara berterusan. Semakan semula kepada anggaran perakaunan adalah diiktiraf dalam tempoh di mana anggaran tersebut disemak semula jika semakan semula hanya mempengaruhi tempoh tersebut, atau dalam tempoh semakan semula dan tempoh masa depan jika semakan semula tersebut mempengaruhi tempoh semasa dan tempoh masa depan.

**(a) Pertimbangan penting dalam mengguna pakai polisi perakaunan Institut**

Dalam proses mengguna pakai polisi perakaunan Institut, yang dinyatakan dalam Nota 2, Majlis berpendapat bahawa sebarang contoh penggunaan pertimbangan adalah tidak dijangka mempunyai kesan ketara ke atas jumlah yang diiktirafkan dalam penyata kewangan, melainkan anggaran yang melibatkan penganggaran yang ditangani di bawah.

**(b) Sumber utama ketidakpastian anggaran**

Andaian utama mengenai masa depan dan sumber utama ketidakpastian anggaran lain pada tarikh pelaporan, yang mempunyai suatu risiko ketara yang menyebabkan suatu pelarasan yang penting kepada nilai buku aset dan liabiliti dalam tahun kewangan depan, adalah dibincangkan di bawah:

**(i) Cukai pendapatan dan cukai tertunda**

Pertimbangan diperlukan untuk menentukan peruntukan modal dan potongan belanja tertentu apabila menganggarkan peruntukan cukai pendapatan. Terdapat urusan di mana penetapan cukai muktamad adalah tidak pasti dalam keadaan biasa dagangan. Institut mengiktiraf liabiliti berasaskan kepada anggaran sama ada cukai tambahan kena dibayar. Sekiranya keputusan cukai muktamad berkenaan perkara tersebut berbeza daripada jumlah yang dicatatkan pada mulanya, perbezaan tersebut akan memberi kesan kepada cukai pendapatan dan cukai tertunda dalam tempoh di mana keputusan diketahui.

**(ii) Susut nilai loji dan peralatan**

Kos loji dan peralatan disusut nilai berasaskan garis lurus ke atas hayat berguna aset. Majlis menganggarkan hayat berguna loji dan peralatan adalah di antara tempoh 3 tahun dan 10 tahun. Perubahan dalam anggaran tahap penggunaan dan pembangunan teknologi boleh memberi kesan ke atas hayat berguna ekonomi dan nilai sisa aset tersebut. Oleh yang demikian, caj susut nilai untuk masa depan mungkin disemak semula.

**(iii) Kerugian rosot nilai penghutang dagangan**

Institut membuat suatu peruntukan untuk kerugian rosot nilai berdasarkan kepada penilaian pemulihan daripada penghutang. Peruntukan diguna pakai ke atas penghutang di mana terdapat peristiwa atau perubahan dalam keadaan yang menyatakan bahawa nilai buku mungkin tidak dapat dipulihkan semula. Dalam penilaian tahap hutang yang tidak dapat dipulihkan semula, Majlis telah memberi pertimbangan yang sewajarnya kepada semua maklumat penting berkenaan kesanggupan penghutang untuk menjelaskan hutang. Sekiranya jangkaan adalah berbeza daripada anggaran asal, perbezaan tersebut akan memberi kesan kepada nilai buku penghutang. Nilai buku penghutang dan peruntukan terkumpul untuk kerugian rosot nilai adalah didedahkan dalam Nota 7.

**(iv) Pelunasan aset tak ketara – perisian komputer**

Perisian komputer mewakili kos perisian yang diperolehi. Kos perisian yang diperolehi, termasuk semua kos langsung berpunca dari menyediakan aset tersebut untuk tujuan kegunaannya dilunaskan berasaskan garis lurus kepada belanja kendalian ke atas hayat berguna dijangka selama 3 tahun. Perubahan dalam anggaran tahap penggunaan dan pembangunan teknologi boleh memberi kesan ke atas hayat berguna ekonomi perisian komputer tersebut. Oleh yang demikian, caj pelunasan nilai untuk masa depan mungkin disemak semula.

## 4. LOJI DAN PERALATAN

2015	Peralatan Pejabat RM	Perabot dan lengkapan RM	Sistem kawalan RM	Komputer RM	Jumlah RM
<b>Kos</b>					
Pada awal tahun	92,730	95,836	6,663	180,575	375,804
Tambahan	1,414	3,553	–	10,482	15,449
Pada akhir tahun	94,144	99,389	6,663	191,057	391,253
<b>Susut nilai terkumpul</b>					
Pada awal tahun	76,752	87,127	3,577	171,623	339,079
Susut nilai bagi tahun kewangan	5,561	2,039	364	9,197	17,161
Pada akhir tahun	82,313	89,166	3,941	180,820	356,240
<b>Nilai buku bersih pada 31 Disember 2015</b>	<b>11,831</b>	<b>10,223</b>	<b>2,722</b>	<b>10,237</b>	<b>35,013</b>

2014	Peralatan Pejabat RM	Perabot dan lengkapan RM	Sistem kawalan RM	Komputer RM	Jumlah RM
<b>Kos</b>					
Pada awal tahun	92,362	94,036	3,663	173,500	363,561
Tambahan	14,008	1,800	3,000	9,244	28,052
Pelupusan	(12,000)	–	–	–	(12,000)
Dihapuskira	(1,640)	–	–	(2,169)	(3,809)
Pada akhir tahun	92,730	95,836	6,663	180,575	375,804
<b>Susut nilai terkumpul</b>					
Pada awal tahun	83,491	85,434	3,213	158,311	330,449
Susut nilai bagi tahun kewangan	6,863	1,693	364	15,481	24,401
Pelupusan	(12,000)	–	–	–	(12,000)
Dihapuskira	(1,602)	–	–	(2,169)	(3,771)
Pada akhir tahun	76,752	87,127	3,577	171,623	339,079
<b>Nilai buku bersih pada 31 Disember 2014</b>	<b>15,978</b>	<b>8,709</b>	<b>3,086</b>	<b>8,952</b>	<b>36,725</b>

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**5. ASET TAK KETARA – PERISIAN KOMPUTER**

	2015 RM	2014 RM
<b>Kos</b>		
Baki pada 1 Januari	406,214	412,545
Tambahan	33,038	–
Penyelarasan untuk diskaun daripada penjual	–	(6,331)
Baki pada 31 Disember	439,252	406,214
<b>Pelunasan terkumpul</b>		
Baki pada 1 Januari	406,214	275,030
Pelunasan dalam tahun semasa	10,903	137,515
Penyelarasan untuk diskaun daripada penjual	–	(6,331)
Pelunasan bersih dicaj kepada untung atau rugi	10,903	131,184
Baki pada 31 Disember	417,117	406,214
<b>Nilai buku bersih</b>	22,135	–

Aset tak ketara merangkumi kos perisian yang diperolehi untuk portal ahli dan pelajar Institut. Kos perisian yang diperolehi, termasuk semua kos langsung berpunca dari menyediakan aset tersebut untuk tujuan kegunaannya dan dilunaskan pada dasar garis lurus dalam tempoh 3 tahun (2014: 3 tahun).

**6. KOS PEMBANGUNAN BUKU PANDUAN BELAJAR**

	2015 RM	2014 RM
<b>Kos</b>		
Baki pada 1 Januari	763,524	760,524
Tambahan	–	3,000
Dihapuskira	(553,024)	–
Baki pada 31 Disember	210,500	763,524

## 6. KOS PEMBANGUNAN BUKU PANDUAN BELAJAR (SAMB.)

	2015 RM	2014 RM
<b>Pelunasan dan kerugian rosot nilai terkumpul</b>		
Baki pada 1 Januari		
Pelunasan terkumpul	755,224	752,224
Kerugian rosot nilai terkumpul	8,300	8,300
	763,524	760,524
Pelunasan dalam tahun semasa	–	3,000
Dihapuskira dalam tahun semasa	(553,024)	–
	(553,024)	3,000
Baki pada 31 Disember		
Pelunasan terkumpul	202,200	755,224
Kerugian rosot nilai terkumpul	8,300	8,300
	210,500	763,524
<b>Nilai buku bersih</b>	–	–

Kos pembangunan yang dibelanjakan dalam tahun kewangan lepas termasuk jumlah sebanyak RM3,000 yang dibayar kepada seorang Ahli Majlis, Dr Veerinderjeet Singh, untuk mengemaskini buku panduan belajar MICPA.

## 7. PENGHUTANG, PRABAYARAN DAN DEPOSIT

	2015 RM	2014 RM
Hutang dari Ulasan Belanjawan 2016/2015	46,962	108,870
Hutang dari pertandingan NACRA	32,527	27,828
Yuran belum diterima	456,881	283,422
Hutang daripada Tabung Amanah Pendidikan MACPA	6,671	829
Pelbagai penghutang	18,414	57,647
	561,455	478,596
Tolak: Peruntukan untuk kerugian rosot nilai pada yuran belum diterima	(35,785)	(26,832)
	525,670	451,764
Prabayaran	52,279	30,105
Deposit	21,144	21,144
	599,093	503,013

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## 7. PENGHUTANG, PRABAYARAN DAN DEPOSIT (SAMB.)

Yuran belum terima dari ahli-ahli semasa adalah matang pada 1 Januari dan perlu dijelaskan pada 30 Jun setiap tahun manakala ahli-ahli baru perlu jelaskan pada atau dalam jangka masa dua bulan dari kemasukan. Tiada tempoh kredit yang tetap untuk penghutang-penghutang bagi aktiviti-aktiviti lain.

Institut telah mengiktiraf suatu kerugian rosot nilai penghutang berdasarkan penilaian hutang individu oleh pengurusan yang menganggap bahawa besar kemungkinan mereka akan gagal dalam pembayaran. Institut tidak memegang sebarang cagaran atau penambahan kredit ke atas baki-baki tersebut. Amaun rosot nilai individu diiktiraf oleh Institut adalah seperti berikut:

(a) Analisa penghutang:

	2015 RM	2014 RM
<b>Rosot nilai secara individu</b>		
Nilai buku penghutang sebelum rosot nilai	561,455	478,596
Tolak: Peruntukan untuk kerugian rosot nilai pada yuran belum diterima	(35,785)	(26,832)
	<b>525,670</b>	451,764

(b) Perubahan peruntukan untuk kerugian rosot nilai sepanjang tahun kewangan adalah seperti berikut:

	2015 RM	2014 RM
Baki pada 1 Januari	26,832	20,756
Kerugian rosot nilai tambahan	31,539	26,057
Diperolehi semula	(8,920)	(7,577)
Dihapuskira	(13,666)	(12,404)
Baki pada 31 Disember	<b>35,785</b>	26,832

(c) Analisa jangka masa penghutang Institut adalah seperti berikut:

	2015 RM	2014 RM
Belum lepas tempoh matang atau rosot nilai	97,225	147,209
0 hingga 30 hari lepas tempoh matang	161,828	159,610
31 hingga 60 hari lepas tempoh matang	30,118	40,391
61 hingga 90 hari lepas tempoh matang	28,644	3,413
Melebihi 90 hari lepas tempoh matang	243,640	127,973
	<b>561,455</b>	478,596
Peruntukan untuk kerugian rosot nilai	(35,785)	(26,832)
	<b>525,670</b>	451,764

## 7. PENGHUTANG, PRABAYARAN DAN DEPOSIT (SAMB.)

(c) Analisa jangka masa penghutang Institut adalah seperti berikut: (Samb.)

### *Penghutang yang belum lepas tempoh bayaran atau dirosot nilai*

Penghutang yang belum lepas tempoh bayaran atau dirosot nilai adalah merupakan penghutang yang dipercayai kreditnya di mana rekod bayaran dengan Institut adalah baik. Tidak terdapat perubahan yang ketara telah berlaku dalam kualiti kredit penghutang tersebut yang masih dianggap dapat diperolehi semula. Institut tidak memegang sebarang cagaran ke atas baki-baki tersebut.

### *Penghutang yang lepas tempoh bayaran tetapi tidak dirosot nilai*

Penghutang yang lepas tempoh bayaran tetapi tidak dirosot nilai adalah berkaitan dengan ahli-ahli dan sesetengah penghutang yang dipercayai kreditnya. Tidak terdapat perubahan ketara telah berlaku dalam kualiti kredit mereka. Institut percaya bahawa amaun tersebut masih dianggap dapat diperolehi semula dengan sepenuhnya. Institut tidak memegang sebarang cagaran ke atas baki-baki tersebut.

## 8. SIMPANAN TETAP

	2015 RM	2014 RM
Simpanan tetap dengan sebuah bank berlesen	3,960,197	3,700,667

Kadar faedah efektif purata berwajaran untuk simpanan tetap pada akhir tempoh pelaporan adalah 3.28% (2014: 3.17%) setahun.

Tempoh matang purata simpanan tetap tersebut adalah 2.9 bulan (2014: 2.8 bulan).

## 9. PENDAPATAN TERTUNDA

Pendapatan tertunda mewakili geran Kerajaan yang diberikan oleh Lembaga Kemajuan Perindustrian Malaysia (MIDA) untuk peningkatan dan memodenisasikan sistem teknologi maklumat Institut. Pergerakan sepanjang tahun kewangan adalah seperti berikut:

	2015 RM	2014 RM
<b>Geran</b>		
Baki pada 1 Januari/31 Disember	406,278	406,278
<b>Pelunasan terkumpul</b>		
Baki pada 1 Januari	(406,278)	(270,852)
Pelunasan pendapatan geran bagi tahun kewangan	–	(135,426)
Baki pada 31 Disember	(406,278)	(406,278)
<b>Nilai buku bersih</b>	–	–

Geran Kerajaan diiktiraf sebagai pendapatan berasaskan dasar sistematik dan rasional ke atas hayat berguna aset boleh susut nilai yang diperolehi dengan menggunakan geran tersebut.

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## 10. PEMIUTANG DAN AKRUAN

	2015 RM	2014 RM
Pemiutang lain	1,122,652	858,788
Akruan	473,174	590,899
	<b>1,595,826</b>	1,449,687

Profil pendedahan matawang pemiutang dan akruan adalah seperti berikut:

	2015 RM	2014 RM
Ringgit Malaysia	1,224,566	1,230,250
Dolar Australia	371,260	219,437
	<b>1,595,826</b>	1,449,687

## 11. PENDAPATAN DAN BELANJA AKTIVITI LAIN

2015	Pendapatan RM	Belanja RM	Lebih/ (Defisit) RM
Pembangunan profesional berterusan	386,769	244,779	141,990
Majlis jamuan tahunan	95,519	108,941	(13,422)
Anugerah kecemerlangan MICPA	15,911	30,698	(14,787)
Jurnal dan penerbitan	31,731	6,963	24,768
Perhimpunan ahli-ahli tidak formal	32,378	25,940	6,438
Buku panduan belajar MICPA	2,000	6,000	(4,000)
Syarahan kenangan dan jamuan	76,300	75,930	370
Minggu perakaunan	36,141	34,619	1,522
Bengkel Pelajar	117,900	117,900	-
	<b>794,649</b>	<b>651,770</b>	<b>142,879</b>
Aktiviti yang dikelola bersama pertubuhan lain:			
Pertandingan NACRA	21,131	-	21,131
Ulasan Belanjawan 2016	92,097	-	92,097
	<b>113,228</b>	<b>-</b>	<b>113,228</b>
	<b>907,877</b>	<b>651,770</b>	<b>256,107</b>

**11. PENDAPATAN DAN BELANJA AKTIVITI LAIN (SAMB.)**

2014	Pendapatan RM	Belanja RM	Lebihan/ (Defisit) RM
Pembangunan profesional berterusan	393,806	252,707	141,099
Majlis jamuan tahunan	85,000	99,085	(14,085)
Anugerah kecemerlangan MICPA	13,440	27,192	(13,752)
Jurnal dan penerbitan	37,784	9,195	28,589
Perhimpunan ahli-ahli tidak formal	13,350	12,403	947
Buku panduan belajar MICPA	2,250	3,000	(750)
Syarahan kenangan dan jamuan	63,900	57,428	6,472
Minggu perakaunan	33,850	34,070	(220)
	643,380	495,080	148,300
Aktiviti yang dikelolakan bersama pertubuhan lain:			
Pertandingan NACRA	16,432	–	16,432
Ulasan Belanjawan 2015	98,870	–	98,870
	115,302	–	115,302
	758,682	495,080	263,602

Belanja bagi aktiviti-aktiviti di atas merupakan belanja langsung yang dapat dikenalpasti sahaja dan tidak termasuk belanja overhead. Belanja untuk buku panduan belajar MICPA untuk tahun kewangan lepas termasuk pelunasan kos pembangunan berjumlah RM3,000.

**12. PENDAPATAN LAIN**

	2015 RM	2014 RM
Rebat afiniti – akses langsung	6,288	7,607
Pelunasan pendapatan geran (Nota 9)	–	135,426
Denda diterima daripada prosiding disiplin	24,728	45,375
Perolehan daripada pelupusan loji dan peralatan	–	3,550
Faedah simpanan tetap	126,027	119,249
Perolehan direalisasi ke atas pertukaran asing	–	17,956
Lain-lain	3,190	8,809
	160,233	337,972

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**13. BELANJA KENDALIAN**

	2015 RM	2014 RM
Belanja pengiklanan	–	2,226
Belanja mesyuarat agung tahunan dan mesyuarat Majlis	8,386	7,663
Pelunasan aset tidak ketara – perisian komputer (Nota 5)	10,903	131,184
Ganjaran juruaudit	18,000	18,000
Bayaran bank	38,859	33,726
Caruman kepada 1Malaysia GRIP	3,446	–
Susut nilai loji dan peralatan (Nota 4)	17,161	24,401
Belanja langsung peperiksaan	645,206	534,576
Elektrik dan air	32,475	32,610
Belanja am	11,863	10,342
Belanja GST	195	–
Kerugian rosot nilai penghutang	22,619	18,480
Insuran	14,698	20,040
Inventori dihapuskirakan	–	51
Jurnal dan pernyataan teknikal	157,369	153,693
Bayaran perundangan dan profesional	15,409	24,730
Penyelenggaraan	27,372	22,709
Belanja perubatan	13,518	9,940
Sewa pejabat	120,000	120,000
Majalah dan stok perpustakaan	10,188	8,923
Penghapuskiraan loji dan peralatan	–	38
Pos dan telefon	87,543	76,449
Percetakan dan alatulis	76,001	58,864
Belanja pembangunan profesional	244,107	217,713
Belanja promosi program MICPA	140,997	107,615
Kerugian pertukaran asing yang direalisasi	1,061	–
Kos kakitangan		
– Kumpulan Wang Simpanan Pekerja dan SOCSO	318,418	285,745
– Gaji dan bonus	2,186,902	1,997,920
Dana rekreasi pekerja	3,571	2,969
Latihan staff	3,916	9,430
Yuran kepada badan perakaunan antarabangsa	49,217	42,686
Bayaran teknikal	516,511	395,359
Belanja perjalanan	153,912	116,396
Penghapuskiraan penghutang tidak dapat diperolehi semula	30,319	35,243
Kerugian pertukaran asing yang belum direalisasi	19,228	2,202
	<b>4,999,370</b>	<b>4,521,923</b>

## 14. CUKAI

- (a) Bagi tujuan cukai, Institut ditaksirkan sebagai “Persatuan Dagangan” di bawah seksyen 53(3) Akta Cukai Pendapatan, 1967, di mana pendapatannya dikenakan cukai mengikut kadar skala.

	2015 RM	2014 RM
Pendapatan cukai	–	–

Tidak terdapat peruntukan cukai bagi tahun kewangan semasa kerana pendapatan bercukai Institut dari aktiviti-aktiviti lain telah diimbangi dengan sepenuhnya oleh kerugian cukai tahun semasa.

- (b) Penyelarasan berangka di antara kadar cukai efektif dan kadar cukai dikenakan bagi Institut adalah seperti berikut:

	2015 %	2014 %
Kadar cukai dikenakan	18.43	21.43
Kesan cukai berkaitan dengan:		
Pendapatan tidak dikenakan cukai	(68.40)	(66.39)
Belanja tidak dibenarkan	3.05	14.64
Pendapatan cukai tertunda tidak diiktirafkan	46.92	30.32
Kadar cukai efektif	–	–

- (c) Tertakluk kepada persetujuan dengan Lembaga Hasil Dalam Negeri, Institut mempunyai kerugian cukai belum diserap sebanyak RM2,657,432 (2014: RM2,107,564) dan elaun modal belum diserap sebanyak RM96,567 (2014: RM89,597) di mana boleh digunakan untuk mengimbangi lebihan kena dibayar cukai pada masa hadapan.

## 15. CUKAI TERTUNDA

Cukai tertunda ditentukan selepas imbalan sewajarnya adalah seperti berikut:

	2015 RM	2014 RM
Liabiliti cukai tertunda	2,415	3,530
Aset cukai tertunda	(2,415)	(3,530)
Cukai tertunda bersih	–	–

**NOTA KEPADA  
PENYATA KEWANGAN**  
Pada 31 Disember 2015

**15. CUKAI TERTUNDA (SAMB.)**

- (a) Komponen-komponen dan perubahan-perubahan liabiliti dan aset cukai tertunda pada tahun kewangan adalah seperti berikut:

2015	Pada 1 Januari RM	Diiktiraf dalam untung atau rugi RM	Pada 31 Disember RM
<b>Liabiliti cukai tertunda</b>			
Lebihan peruntukan modal ke atas susut nilai	3,530	(1,115)	2,415
<b>Aset cukai tertunda</b>			
Elaun modal belum diserap	(3,530)	1,115	(2,415)

2014	Pada 1 Januari RM	Diiktiraf dalam untung atau rugi RM	Pada 31 Disember RM
<b>Liabiliti cukai tertunda</b>			
Lebihan peruntukan modal ke atas susut nilai	3,644	(114)	3,530
<b>Aset cukai tertunda</b>			
Elaun modal belum diserap	(3,644)	114	(3,530)

- (b) Jumlah kerugian cukai belum diserap dan peruntukan modal belum diserap di mana aset cukai tertunda belum diiktiraf dalam penyata kewangan adalah seperti berikut:

	2015 RM	2014 RM
Kerugian cukai belum diserap	2,657,432	2,107,564
Elaun modal belum diserap	83,466	73,127
	<b>2,740,898</b>	2,180,691

Kerugian cukai belum diserap adalah berkaitan dengan aktiviti-aktiviti yang tidak dikecualikan cukai dan di mana keuntungan boleh dikenakan cukai masa hadapan adalah tidak berkemungkinan.

## 16. TUNAI DAN KESETARAAN TUNAI

Tunai dan kesetaraan tunai terdiri daripada tunai dalam tangan dan baki di bank dan simpanan tetap. Tunai dan kesetaraan tunai termasuk dalam penyata aliran tunai terdiri daripada amaun di penyata kedudukan kewangan seperti berikut:

	2015 RM	2014 RM
Simpanan tetap	3,960,197	3,700,667
Tunai dan baki di bank	214,481	249,465
	<b>4,174,678</b>	3,950,132

## 17. URUSNIAGA PIHAK BERKAITAN

Selain daripada yang didedahkan pada Nota 6, urusniaga yang diuruskan dengan pihak berkaitan pada tahun kewangan adalah seperti berikut:

### (a) Yuran dibayar oleh Ahli-ahli Majlis

	2015 RM	2014 RM
Yuran tahunan ahli	17,670	18,375
Yuran sijil pengamalan	11,550	12,100
	<b>29,220</b>	30,475

### (b) Pampasan kakitangan pengurusan utama

Kakitangan pengurusan utama adalah mereka yang mempunyai kuasa dan tanggungjawab untuk merancang, memberi arahan dan mengawal aktiviti Institut sama ada secara langsung atau tidak langsung. Kakitangan pengurusan utama Institut adalah Ahli-ahli Majlis dan Setiausaha dan ganjaran mereka bagi tahun kewangan adalah seperti berikut:

	2015 RM	2014 RM
Faedah pekerja jangka pendek	539,000	525,000
Faedah selepas pengajian – sumbangan kepada Kumpulan Wang Simpanan Pekerja	80,850	64,575
	<b>619,850</b>	589,575

Kos pembangunan buku panduan belajar yang dibayar kepada seorang ahli Majlis adalah dinyatakan dalam Nota 6 kepada penyata kewangan.

Baki belum dijelaskan pada akhir tahun berkaitan dengan pampasan kena dibayar kepada kakitangan pengurusan utama adalah seperti berikut:

	2015 RM	2014 RM
Termasuk dalam pemiutang dan akruan	77,000	105,000

**NOTA KEPADA  
PENYATA KEWANGAN**  
Pada 31 Disember 2015

## 18. INSTRUMEN KEWANGAN

Suatu instrumen kewangan adalah sebarang kontrak yang menimbulkan kedua-dua aset kewangan bagi satu pihak perniagaan dan liabiliti kewangan atau instrumen ekuiti bagi satu pihak perniagaan yang lain.

Aset kewangan Institut merangkumi penghutang, simpanan tetap dan wang tunai dan baki di bank.

Liabiliti kewangan Institut merangkumi pemiutang dan akruan.

### (a) Kategori Instrumen Kewangan

Berikut adalah butiran aset kewangan dan liabiliti kewangan Institut yang dianalisa mengikut kategori:

	2015 RM	2014 RM
<b>Aset Kewangan</b>		
<i>Pinjaman dan penghutang</i>		
Penghutang dan deposit	546,814	472,908
Simpanan tetap dengan bank berlesen	3,960,197	3,700,667
Wang tunai dan baki di bank	214,481	249,465
<b>Jumlah pinjaman dan penghutang</b>	<b>4,721,492</b>	<b>4,423,040</b>
<b>Liabiliti Kewangan</b>		
<i>Liabiliti kewangan dinilai pada kos dilunaskan</i>		
Pemiutang	1,122,652	858,788
Akruan	473,174	590,899
<b>Jumlah liabiliti kewangan dinilai pada kos dilunaskan</b>	<b>1,595,826</b>	<b>1,449,687</b>

### (b) Pengurusan Risiko Kewangan

Objektif Institut dalam pengurusan risiko kewangan secara keseluruhan adalah untuk menangani dan mengawal risiko yang dihadapi oleh Institut dan untuk meminimumkan atau mengelak daripada berlakunya kerugian yang mungkin disebabkan oleh pendedahannya kepada risiko sebegini dan untuk menambahkan pulangan sekiranya sesuai.

Risiko-risiko utama yang wujud daripada aktiviti Institut adalah risiko kredit, risiko mudah cair, risiko kadar faedah dan risiko matawang. Majlis menyemak semula dan bersetuju dengan dasar-dasar untuk mengurus setiap risiko tersebut dan adalah diringkaskan seperti di bawah:

#### (i) Risiko Kredit

Risiko kredit adalah risiko kerugian kewangan yang disebabkan kegagalan pihak yang berkontrak dengan Institut untuk melaksanakan obligasinya. Pendedahan utama kepada risiko kredit Institut adalah berkaitan dengan penghutang dan deposit, simpanan tetap dan baki di bank. Pihak-pihak berurusan adalah ahli-ahli, institusi perbankan berlesen dan organisasi profesional. Adalah menjadi dasar Institusi untuk memantau kedudukan kewangan pihak-pihak berurusan secara berterusan untuk memastikan bahawa pendedahan Institusi terhadap risiko kredit adalah minimum.

Pada tarikh pelaporan, Institut mempunyai yuran yang belum diterima sebanyak RM421,096 (2014: RM256,590) yang telah berhutang melebihi 30 hari dan baki di bank dan simpanan tetap sebanyak RM4,172,678 (2014: RM3,948,132) dengan beberapa institusi perbankan berlesen yang utama di Malaysia.

Selain daripada yang tersebut, Institut tidak mempunyai tumpuan risiko kredit yang ketara. Pendedahan maksimum kepada risiko kredit diwakili oleh nilai buku aset kewangan pada tarikh pelaporan.

## 18. INSTRUMEN KEWANGAN (SAMB.)

### (b) Pengurusan Risiko Kewangan (Samb.)

#### (ii) Risiko Kecairan dan Aliran Tunai

Risiko kecairan atau pembiayaan adalah risiko di mana tidak dapat memenuhi komitmen yang berkaitan dengan instrumen kewangan sementara risiko aliran tunai adalah risiko ketidakpastian amaun aliran tunai masa depan yang berkaitan dengan instrumen kewangan.

Institut mengamalkan pengurusan risiko kecairan hemat untuk meminimumkan ketidakpadanan antara aset dan liabiliti kewangan dan mengekalkan dana yang mencukupi untuk keperluan pembiayaan modal kerja luar jangka.

#### **Analisa Kematangan**

Profil kematangan liabiliti kewangan Institut pada akhir tempoh pelaporan berasaskan kepada bayaran kontraktual yang belum didiskaunkan adalah seperti berikut:

	Kurang daripada 1 tahun	
	2015 RM	2014 RM
Pemiutang lain	1,122,652	858,788
Akruan	473,174	590,899

#### (iii) Risiko Pasaran

Risiko pasaran adalah risiko di mana nilai instrument kewangan akan berubah disebabkan perubahan harga pasaran.

Pendedahan risiko pasaran utama Institut adalah perubahan kadar matawang dan faedah dan di mana dibincangkan di bawah tajuk risiko masing-masing.

#### **Risiko Kadar Faedah**

Institut juga didedahkan kepada risiko kadar faedah terhadap simpanan tetapnya dengan bank-bank berlesen. Institut menjangka bahawa sebarang perubahan kadar faedah simpanan tetap tidak akan memberi kesan yang ketara kepada keputusan kewangan Institut.

#### **Analisa Sensitiviti Risiko Kadar Faedah**

Disebabkan simpanan tetap Institut pada akhir tempoh pelaporan berasaskan kepada kadar tetap, perubahan kadar faedah pada akhir tempoh pelaporan tidak akan memberi kesan ke atas keputusan kewangan Institut.

#### **Risiko Matawang**

Risiko matawang adalah berkaitan dengan urusniaga yang didenominasikan dalam matawang asing.

Institut terdedah kepada risiko matawang terutamanya disebabkan oleh bayaran yang dilakukan dalam matawang asing yang didenominasikan dalam matawang selain daripada Ringgit Malaysia. Matawang yang menimbulkan risiko tersebut ialah Dolar Australia (AUD). Profil pendedahan matawang asing Institut bagi pemiutang dan akruan diberitahu dalam Nota 10.

Institut meminimumkan pendedahan kepada risiko pertukaran asing dengan mengawasi pergerakan kadar pertukaran supaya memastikan kadar yang paling kompetitif adalah diperolehi, di mana sesuai.

Institut tidak mempunyai lindung nilai atau membuat spekulasi dalam derivatif matawang asing.

**NOTA KEPADA  
PENYATA KEWANGAN**  
Pada 31 Disember 2015**18. INSTRUMEN KEWANGAN (SAMB.)****(b) Pengurusan Risiko Kewangan (Samb.)****(iii) Risiko Pasaran (Samb.)*****Analisa Sensitiviti Risiko Matawang***

Keteguhan atau kelemahan AUD ke atas RM sebanyak 10% pada akhir tempoh pelaporan akan mengurangkan atau menambahkan lebih kendalian Institut untuk tahun kewangan sebanyak RM37,126 (2014: RM21,944).

**(c) Nilai Saksama untuk Penyata Kewangan**

Nilai buku aset kewangan dan liabiliti kewangan Institut pada akhir tahun kewangan menghampiri nilai saksamanya disebabkan jangka pendek kematangannya.

**19. PENGURUSAN MODAL**

Objektif Institut dalam mengurus modal adalah:

- untuk melindungi keupayaan Institut diteruskan secara berterusan supaya membolehkan obligasi berkanunnya di bawah Akta Syarikat 1965, dapat dipenuhi;
- untuk membangun dan mengekal program kelayakan dan program pembangunan profesional berterusan untuk pelajar-pelajar dan ahli-ahli; dan
- untuk memperuntukkan modal bagi tujuan memperkukuhkan keberkesanan kendalian Institut.

Institut sering menyemak semula dan mengurus modalnya untuk memastikan berkecukupan untuk keperluan kendalian dan modal. Kesemua lebih dipindah kepada dana terkumpul untuk keperluan kendalian masa depan.

Untuk tujuan pendedahan modal, Majlis menganggap dana terkumpul sebagai modal Institut.

# LAPORAN JURUAUDIT KEPADA AHLI-AHLI THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

(Institut Akauntan Awam Bertauliah Malaysia)

(Syarikat Berhad dengan jaminan yang ditubuhkan di Malaysia)

## LAPORAN MENGENAI PENYATA KEWANGAN

Kami telah mengaudit penyata kewangan INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA yang merangkumi penyata kedudukan kewangan pada 31 Disember 2015, dan penyata pendapatan komprehensif, penyata perubahan ekuiti ahli-ahli dan penyata aliran tunai untuk tahun berakhir pada tarikh tersebut, serta satu ringkasan dasar perakaunan yang penting dan nota-nota penerangan lain, seperti yang dibentangkan pada muka surat 118 hingga 148.

### *Tanggungjawab Majlis ke atas Penyata Kewangan*

Majlis Institut bertanggungjawab dalam penyediaan penyata kewangan yang memberi gambaran yang benar dan saksama menurut Piawaian Pelaporan Kewangan Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan Akta Syarikat, 1965 di Malaysia. Majlis juga bertanggungjawab untuk kawalan dalaman sebegini yang ditentukan oleh Majlis adalah perlu untuk membolehkan penyediaan penyata kewangan yang bebas daripada salahnyata yang ketara, sama ada disebabkan oleh penipuan atau kesilapan.

### *Tanggungjawab Juruaudit*

Tanggungjawab kami adalah untuk menyatakan pendapat tentang penyata kewangan berdasarkan audit yang dilaksanakan. Kami telah melaksanakan audit tersebut menurut piawaian pengauditan yang diluluskan di Malaysia. Piawaian tersebut mewajibkan kami mematuhi tuntutan etika di samping merancang dan melaksanakan audit untuk memperolehi keyakinan yang munasabah sama ada atau tidak penyata kewangan tersebut bebas daripada salahnyata yang ketara.

Sesuatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung kepada pertimbangan kami, termasuk penilaian risiko salahnyata yang ketara pada penyata kewangan, sama ada disebabkan oleh penipuan atau kesilapan. Dalam membuat penilaian risiko tersebut, kami mengambil kira kawalan dalaman yang bersesuaian untuk Institut dalam penyediaan penyata kewangan yang memberi gambaran yang benar dan saksama bagi tujuan merangka prosedur audit yang bersesuaian dengan keadaan, tetapi bukan bertujuan menyatakan pendapat mengenai keberkesanan kawalan dalaman Institut. Sesuatu audit juga termasuk penilaian kesesuaian dasar-dasar perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan yang dibuat oleh Majlis, serta penilaian pembentangan penyata kewangan secara keseluruhan.

Kami percaya bahawa bukti audit yang kami perolehi adalah mencukupi dan bersesuaian untuk memberikan asas yang munasabah untuk pendapat kami.

### *Pendapat*

Pada pendapat kami, penyata kewangan tersebut memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Institut pada 31 Disember 2015 dan prestasi kewangan dan aliran tunai untuk tahun kewangan berakhir pada tarikh tersebut menurut Piawaian Pelaporan Kewangan Malaysia, Piawaian Pelaporan Kewangan Antarabangsa dan keperluan Akta Syarikat, 1965 di Malaysia.

## LAPORAN MENGENAI PERUNDANGAN LAIN DAN KEPERLUAN BADAN PENGAWASAN

Menurut keperluan Akta Syarikat, 1965 di Malaysia, kami juga melaporkan bahawa pada pendapat kami, rekod perakaunan dan rekod lain, serta daftar yang wajib disimpan di bawah Akta oleh Institut telah disimpan dengan sempurna selaras dengan peruntukan Akta tersebut.

## HAL-HAL LAIN

Laporan ini disediakan hanya untuk ahli-ahli Institut, sebagai satu badan, selaras dengan peruntukan Seksyen 174 Akta Syarikat, 1965 di Malaysia dan bukan untuk sebarang tujuan yang lain. Kami tidak akan bertanggungjawab kepada mana-mana pihak lain untuk kandungan laporan ini.

**Khoo Pek Ling**  
900/03/18(J/PH)  
Akauntan Bertauliah

**Leong Kok Tong**  
2973/11/17(J)  
Akauntan Bertauliah

Kuala Lumpur  
Tarikh: 14 Mei 2016

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**The Malaysian Institute of Certified Public Accountants**

(Institut Akauntan Awam Bertauliah Malaysia) (3246-U)

No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur, Malaysia.

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## Form of Proxy

I, \_\_\_\_\_  
(Full Name in Block Capitals)

of \_\_\_\_\_

being a member of the abovenamed Institute hereby appoint

1. \_\_\_\_\_  
(Full Name)

\_\_\_\_\_ or  
(Address)

2. \_\_\_\_\_  
(Full Name)

\_\_\_\_\_ (Address)

as my proxy to attend on my behalf the Annual General Meeting of the Institute to be held at **Roof Garden Lounge, RG Floor, Sime Darby Convention Centre, Jalan Bukit Kiara, 60000 Kuala Lumpur**, on **Saturday, June 25, 2016** at **10:00 a.m.** and at any adjournment thereof.

Signature \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016

**Note:**

A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy must be a member of the Institute. The instrument appointing a proxy must be deposited at the office of the Institute at No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur not less than 48 hours before the time set for holding the meeting.



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