

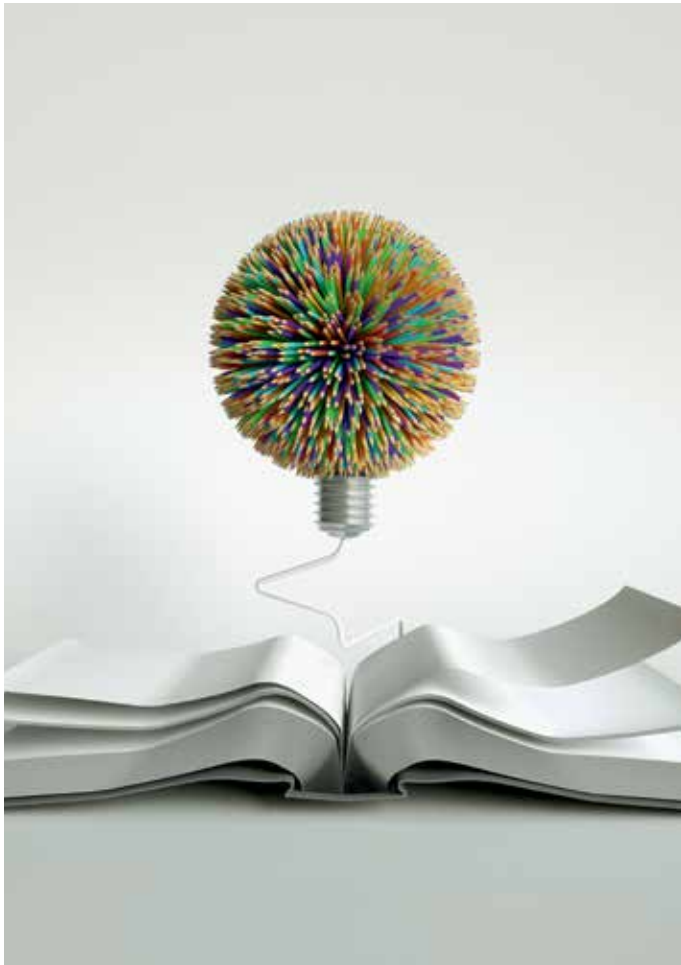


MALAYSIAN INSTITUTE OF ACCOUNTANTS



Opening Minds, Embracing Change

A N N U A L R E P O R T 2 0 1 4



RATIONALE

Opening Minds, Embracing Change

All throughout the world, the open book and the lightbulb are generic icons for knowledge, learning and innovation. As the steward of the Malaysian accountancy profession, MIA's strategy is to help our members become world-class finance professionals by deploying the latest and most relevant knowledge, learning and innovations as tools for change management. Hence, the book and lightbulb are highly appropriate metaphors for our mission and vision to enhance the skills and expertise of our members, opening their minds and enabling them to embrace and leverage on transformative and relentless forces of change.

Looking deeper, the lightbulb is built out of pencils of different colours, alluding to the manifold and rich sources of knowledge available at MIA. The complex structure also symbolises the need for collaboration to synthesise knowledge and drive innovation to strengthen the resources and impact of the accounting profession. Holistically, the pencils' interconnectivity carry the meaning of collective strength – by combining resources to forge ahead in providing the highest-quality accounting and finance services, the profession is upholding its mission to emerge as a centre of accounting excellence, poised to support the nation as it strives to become an advanced and wealthy services and knowledge-based economy by 2020.

CHARTERED ACCOUNTANTS MALAYSIA AND MIA

The Chartered Accountant Malaysia or "C.A.(M)" is a designation conferred by the Malaysian Institute of Accountants (MIA) to a professional in accountancy, business and finance with a recognised accountancy qualification and relevant work experience. C.A.(M) are the industry captain, corporate leaders and decision makers that play a significant part in nation building.

MIA was established under the Accountants Act 1967 as the statutory accountancy body that regulates, develops, supports and enhances the integrity and status of the profession while upholding the public interest.

Working closely alongside strategic business partners and stakeholders, MIA connects its members to a wide range of continuous professional development programme, updates and networking opportunities. Presently, there are over 30,000 members making their strides across all industries in Malaysia and around the world.

MIA'S VISION

To be a globally recognised and renowned institute of accountants committed to nation building.

MIA'S MISSION

To develop, support and monitor quality and expertise consistent with global best practices of the accountancy profession in the interest of stakeholders.

MIA'S STRATEGIC OBJECTIVES

- Develop and enhance the competency of Accountancy Professionals to meet market demand;
- Advance and enhance the status of members and the accountancy profession in Malaysia;
- Regulate the practice of the accountancy profession in Malaysia consistent with global standards and best practices;

OUR MANAGEMENT CORE VALUES

- Integrity
- Mutual Trust and Respect
- Professionalism
- Accountability
- Commitment
- Teamwork

MIA'S FUNCTION

Section 6 of the Accountants Act 1967 (the Act) stated that the functions of the Institute shall be:

- To determine the qualifications of persons for admission as members;
- To provide for the training and education; by the Institute or any other body, of persons practising or intending to practice the profession of accountancy;
- To approve the MIA Qualifying Examination(QE) and to regulate and supervise the conduct of that Examination;
- To regulate the practice of the profession of accountancy in Malaysia;
- To promote, in any manner it thinks fit, the interest of the profession of accountancy in Malaysia;
- To render pecuniary or other assistance to members or their dependents as it thinks fit with a view to protecting or promoting the welfare of members; and
- Generally to do such acts as it thinks fit for the purpose of achieving any of the aforesaid objects.

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NOTICE OF THE 28TH ANNUAL GENERAL MEETING

Notice is hereby given that in accordance with Rule 10 of the Malaysian Institute of Accountants (Membership and Council) Rules 2001, the Twenty Eighth Annual General Meeting of the Malaysian Institute of Accountants will be held on Saturday, 27 September 2014 at 12:00 noon at the Mahkota Ballroom, Istana Hotel, 73 Jalan Raja Chulan, 50200 Kuala Lumpur.

AGENDA

1. To elect **three (3)** members of the Council for the ensuing year pursuant to the provisions of paragraph (g) of subsection (1) of section 8 of the Accountants Act, 1967.

The following members of Council have retired pursuant to sub-paragraph (1)(b) of paragraph 2B of the Second Schedule to the Accountants Act, 1967 and are not offering themselves for re-election at the forthcoming annual general meeting:

Dato' Narendra Kumar Jasani
Simon Kua Choo Kai
Ahmad Zahirudin Abdul Rahim

Nominations have been received for the following members for election to the Council:

Azizan bin Zakaria
Folk Jee Yoong
Foong Mun Kong
Ng Kean Kok
Ng Pyak Yeow
Venkiteswaran Sankar
Yap Seng Chong

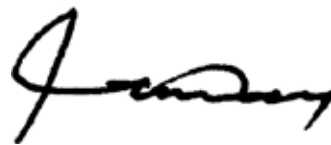
2. President's address.
3. To consider and accept the minutes of the Twenty Seventh Annual General Meeting held on 28 September 2013.

4. To adopt the annual report of the Council.
5. To receive the financial statements of the Institute for the year ended 30 June 2014 and the report of the auditors thereon.
6. To approve the following Resolution proposed by the Council:

IT IS HEREBY RESOLVED THAT the final examination of INTI International University for the Degree of Bachelor of Accountancy (Honours) be recognised by the Malaysian Institute of Accountants (Institute) as equivalent to the final examinations specified in Part I of the First Schedule to the Accountants Act 1967, and that the Minister of Finance be advised by the Institute to amend Part I of the First Schedule to the Accountants Act 1967 accordingly.

7. Any other business.

By Order of the Council



SUDIRMAN MASDUKI
Registrar

3 September 2014



Messages from the
President and
Chief Executive Officer





PRESIDENT'S MESSAGE

Dear members,

The financial year ended 30 June 2014 has been a challenging year for the Malaysian Institute of Accountants. Throughout the year under review, the Institute continued to have industry engagements with all the relevant stakeholders in order to uphold the integrity of our accounting profession. As many stakeholders depend upon the accounting profession, the profession too has to recognise that it has to continue to inspire the trust and confidence of its stakeholders if it has to remain relevant and value adding.

The Changing Business Landscape

In recent years, several challenges have emerged, both at the domestic and global levels which would require the Institute to continuously adapt and reinvent itself so as to stay relevant amidst local and international changing business landscape.

At the domestic level, the government has reiterated its goal of producing 60,000 qualified accountants by the year 2020 to support the national Economic Transformation Programme (ETP). In this transformation effort, the accountancy sector plays a key role as an enabler for businesses across the economy. At the same time, it also promises rewarding accounting careers in its own right.

To play to its full potential, the accountancy profession will have to seize the growth opportunities by meeting the transformation needs. At the time of writing, Singapore has 27,000 accountants for a population of 5 million while Australia has 178,000 accountants serving a population of 23 million. Malaysia has just 30,000 accountants serving a population of 30 million, meaning that there is ample room and demand to grow capacity.

While the Institute recognises the need to increase the number of accounting talents and accountants in line with other developed nations, the biggest challenge for the Institute is to help develop more qualified Bumiputera accountants.

With this mandate, for the last few months and during the next year the Institute will intensify ways to enable us to contribute to the success of the Transformation Plan and to the Bumiputera accounting pool. And this effort will require an urgent need to reform the Accountants Act 1967 to encourage more Bumiputera accountants to qualify professionally. At the same time, it is necessary to address the anomaly whereby degree-holding accountants in the civil service earn more compared to those with professional qualifications.

Championing Quality

In the aftermath of the global financial crisis, interest in the role of the accountancy profession in supporting public value remains high. The way that individual accountants apply accounting, reporting and auditing standards has a powerful impact on the stability of financial markets.

To this end, the Institute is determined to enhance high ethical standards among members and the overall accountancy profession and works diligently towards achieving this.

The Institute has been actively involved with the Committee to Strengthen the Accountancy Profession (CSAP) which was established by the Ministry of Finance in March 2013 to take the accountancy profession forward. CSAP holds the mandate to formulate and recommend strategies and measures to strengthen the profession and to improve the contribution of the profession towards enhancing the competitiveness of this country.

The Institute believes that profession's voice must resonate with the CSAP and thus formed a special Institute Task Force to look into governance-related issues and to protect members' and public interests. The Task Force has produced several recommendations which were incorporated into a discussion paper entitled 'Proposed New Governance Framework for the Accountancy Profession' which was circulated to all MIA members for their feedback and comments, and results will be relayed to CSAP for deliberation.

At the time of writing, the CSAP is in the process of preparing its final report to be presented to the Government. The Institute is also drafting its reform proposals to take the Accountants Act 1967 forward and make it more reflective of the 21st century business environment.

Another of the Institute's goals relating to quality and effectiveness is to expedite the audit approval process. The Institute continues to work towards the ultimate outcome of taking control of the approval processes gradually, whilst ensuring high professional standards and regulators' confidence.

The key to building confidence is to enhance quality and competencies among member firms. As such, the Institute has produced the revised Practice Review framework. A major revision to Practice Review is the new approach in the review selection method, whereby firms would be selected on a risk-based approach instead of a random basis to better manage risks. The new framework also incorporates the introduction of remedial measures for firms which fail first-time reviews in order to improve quality and protect public interest.

Leading the Way in Learning and Development

The accounting profession is in a continual state of evolution as new laws, technological advancements and the advancement of globalisation in the world of finance continue to change the rules of the game.

Thus, the Institute is responsible in providing the essential learning and development support to enable members to keep abreast of the new developments in the industry. This is critical to ensure that members sustain their excellence and credibility in the accounting profession.

To further enhance the professional competency of its members, the Institute has implemented a few key initiatives. At the same time it is also reviewing other notable areas of significant concern.

To-date, the Institute has provided support to members to gain professional qualifications with the following international accounting bodies:

- MIA and CPA Australia (CPA Australia) signed a Memorandum of Understanding enabling those with 10 years or more membership with MIA and holding a senior level position to obtain the CPA Australia's professional credential.
- CIMA / CGMA launched the CFO Pathway Programme with MIA providing an exclusive fast track route to CFOs, CEOs and Senior management in up-skilling professional knowledge and qualification

To complement the above initiatives, the Institute is pleased to note that potential candidates, students and employees have also had access to various other government schemes and funding that would alleviate their financial burden whilst they work towards gaining their professional certification.

This reflects the serious commitment of the Government to promote the up-skilling efforts and encourage professional qualification in the accounting profession.

With the arrangements provided, the Institute hopes more eligible members will enlist in the above programmes that will help to enhance their credentials. For those seeking career advancement, the Institute hopes that potential members will utilise the available funds granted and join the profession.

Apart from promoting the initiatives for professional qualifications, the Institute is reputed for its Continuous Professional Development (PD) efforts.

The Institute's Professional Development department has been in the forefront in providing the technical knowledge and insightful courses on management skills. Whilst the technical courses and seminars focus on keeping accountants abreast with the development of the profession, other programmes aim to equip members in managing changes that will give them the required value add in their respective work areas.

Ultimately, the Institute aims to build strong and enduring relationships with relevant stakeholders which will contribute new avenues to complement the role of the Institute in developing the accounting profession and align with Malaysia's vision to become the global financial and business hub in the region.

Prospects

The Institute's strategic goal is to be recognised as the leading accountancy body by reputation, influence and size. Integral to the achievement of this goal is for the Institute to focus on

improving accountancy standards and expertise in the interests of nation building.

Moving forward, the Institute will continue to emphasise the following central strategies to build capacity while investing in quality.

One, we will focus intensively on enhancing accountancy education by bridging gaps between academia and employers to produce work-ready and professional talent to spur national productivity and sustainable business growth.

Two, we will continue to champion professional qualifications as a route to enhancing quality and good governance to protect the public interest. In particular, the Institute will support the Government's ambition of encouraging more Bumiputera accountants to pursue professional qualifications.

Three, we will drive initiatives to create increased awareness of careers in accountancy among Generation Y talent, youth and their parents. Our goal is to brand accountancy as a desirable career path for talented youth, thus helping to nurture a sustainable talent pipeline of financial professionals.

Four, the Institute will strive to continuously create a conducive environment for the profession's progress through legislative reform and collaborative efforts with policy-makers and other stakeholders.

Admittedly, the task of achieving 60,000 professional accountants by 2020 is no easy matter. We are counting on the commitment, support and cooperation of all quarters – including educators, practitioners, policy-makers and corporate, industrial and public sector employers – to get there.

Together, we will strive to build the required capacity to support national goals. However, the pursuit of quantity will never be at the expense of quality and competency. Quality and quantity must go hand-in-hand. Quality is the core of integrity and professionalism, and these are the principles, which guarantee the legitimacy and global recognition of the accountancy profession.

Acknowledgements

Collaboration has long been a key to the Institute's success, and the Institute owes its achievements largely to the continuing support of its many diverse stakeholders.

On behalf of the Council, I wish to extend my deepest appreciation to our valued stakeholders for their continuing trust and support. We wish to thank all our partners for supporting us and helping the Institute grow despite a challenging environment. In particular, the Institute thanks the Government and its agencies for fostering transformative policies and a maturing business and social climate that elevate the Institute's progress.

Recognition is also due to the Council for its prudent stewardship, insights and policies in shaping the Institute and the profession. I would like to thank my fellow Council members for their excellent counsel and advice. I also wish to extend my most sincere thanks to the management team and employees for their commitment, discipline and professionalism without which the Institute cannot possibly execute its vision and mission.

Looking ahead, the current developments and initiatives augur well for the future of the profession and the Institute. Building on our existing foundation, the Institute hopes to deliver on its goals to support our larger vision of producing a sustainable talent pool of high quality and quantity - one which holds fast to the principles of professionalism and integrity - to spearhead the country's national transformation agenda. Let's work together to make this happen.

Thank you!

A handwritten signature in black ink, consisting of a stylized 'J' followed by a horizontal line and a small dot.

JOHAN IDRIS
President



CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear members,

As Malaysia's regulatory and professional accountancy body, the Malaysian Institute of Accountants (MIA) is focused on championing the accounting profession, provides leadership and practical support to over 30,000 members nationwide. The Institute works closely with the government, regulators and industry in order to safeguard and maintain the value and relevance of our Institute.

One of the Institute's main tasks is to ensure the integrity and expertise of our members to enable them to deliver the highest quality in accounting and auditing in today's challenging business landscape.

Financial Performance

It is a privilege for me to report that the Institute has grown from strength to strength. The Institute recorded a surplus before tax of RM2.72 million for the financial year ended 30 June 2014, compared to a surplus before tax of RM1.31 million for the FY ended 30 June 2013. This outstanding performance could not have been achieved without the commitment, diligence and support of the Institute's team, the Council and our many stakeholders.

The Institute's results were contributed by the excellent performance of the Professional Development Department (PDD); a strategic business unit of the Institute, which

develops and delivers Continuing Professional Education (CPE) programmes for members, non-members and other stakeholders.

Income from events and conferences increased significantly to RM19.25 million from RM15.43 million previously, attesting to the quality and relevance of our lifelong learning programmes. The income from PDD is reinvested to fund the Institute's other core support functions, namely professional standards & practices, and surveillance & enforcement. These strategic functions are carried out to protect public interest and to enhance the profession's quality and competencies. Free and subsidised continuing professional education offered to members is also a key part of the Institute's CSR (corporate social responsibility) initiatives.

Building Competencies and Capacity

As a regulator and champion of the accountancy profession in Malaysia, the key role of the Institute is to ensure that its members meet the high professional standards expected of them. To this end, the Institute is committed to raising quality and building capacity through its strategic activities and dedicated business units.

For the year under review, the Institute's Professional Services and Practices Department continued to promote adherence to the highest professional standards and practices among members. This is to ensure that members uphold the professional integrity and serve both the interest of the public and the accountancy profession.

Membership

The Institute's ongoing membership drive directly supports the National Key Economic Area of developing Financial Services in the Government's Economic Transformation Programme (ETP). To meet the national goal of increasing the numbers of qualified accountants, the Institute admitted 1285 new members for the year under review, bringing the total membership to 30,298.

Professional Development

Close collaboration with external organisations is a key driver behind the growth in professional development programmes conducted by the Institute. The Institute continues to strengthen its working relationships with leading accounting firms, professional bodies, regulatory bodies and other specialised organisations to deliver the latest content designed to upskill members.

Going forward, the Institute will continue to challenge itself in developing more innovative and forward-looking educational content to enhance the quality and competencies of accounting professionals in Malaysia.

Stakeholders' Engagement

The Institute continues to focus on active stakeholders' engagement to enhance the profession's visibility and relevance. Education and creating awareness of the capabilities of the accountancy profession were key initiatives undertaken during the year under review in order to attract more talents to the profession and brand accountancy as a high value-added sector.

The Institute worked closely with stakeholders in the arena of talent development. Importantly, the Institute joined hands with Talent Corporation, an agency under the Prime Minister's Department on several innovative initiatives. Notable joint programmes include the Upskilling – Accounting Programme, where the Government and audit firms work together to fund tuition fees for candidates pursuing professional accountancy qualifications. Another area of collaboration with the TalentCorp is on developing a Structured Internship Programme to ensure that new graduates are work-ready.

To help develop Bumiputera professional accountants as part of the Government's vision to produce 60,000 accountants by 2020, the Institute works closely with Yayasan Peneraju Pendidikan Bumiputera (Peneraju) to encourage more Bumiputeras to enroll in professional accountancy programmes. An agency under the Prime Minister's Office, Peneraju has been tasked to continuously develop Bumiputeras' capabilities and expertise at the global level through quality education. Members can apply to earn a professional accounting qualification through the Peneraju Profesional Akauntan programme.

Investing in Human Capital

The Institute has identified talent recruitment and retention as two critical parameters to its effectiveness and long-term sustainability. To provide competitive remuneration packages to enable competition for talents with other organisations the Institute has invested significantly in talent recruitment, retention and development. Certain key positions were filled during the year.

International Initiatives

The establishment of the ASEAN Economic Community in 2015 which will create a borderless market of 600 million in Southeast Asia will pose new opportunities and challenges for the profession. The Institute is closely monitoring the process of globalisation and liberalisation of trade in services at the multilateral, regional and bilateral levels in order to assess their impact on the profession. The ASEAN Mutual Recognition Arrangement for Accountancy Services is still being finalised by the ASEAN member states.

The Institute continues to play an active role in the ASEAN Federation of Accountants (AFA) and the International Federation of Accountants (IFAC).

Acknowledgements

On behalf of the management team at the Institute, I wish to thank the Council for their continuing guidance and support. I also wish to thank the Institute's management team and staff for their commitment and diligence in implementing the Institute's action plans to achieve its goals.

I would also like to express our gratitude to the Institute's members and all our other stakeholders who have engaged in many collaborative efforts with the Institute to help move the accountancy profession forward.

Thank you!

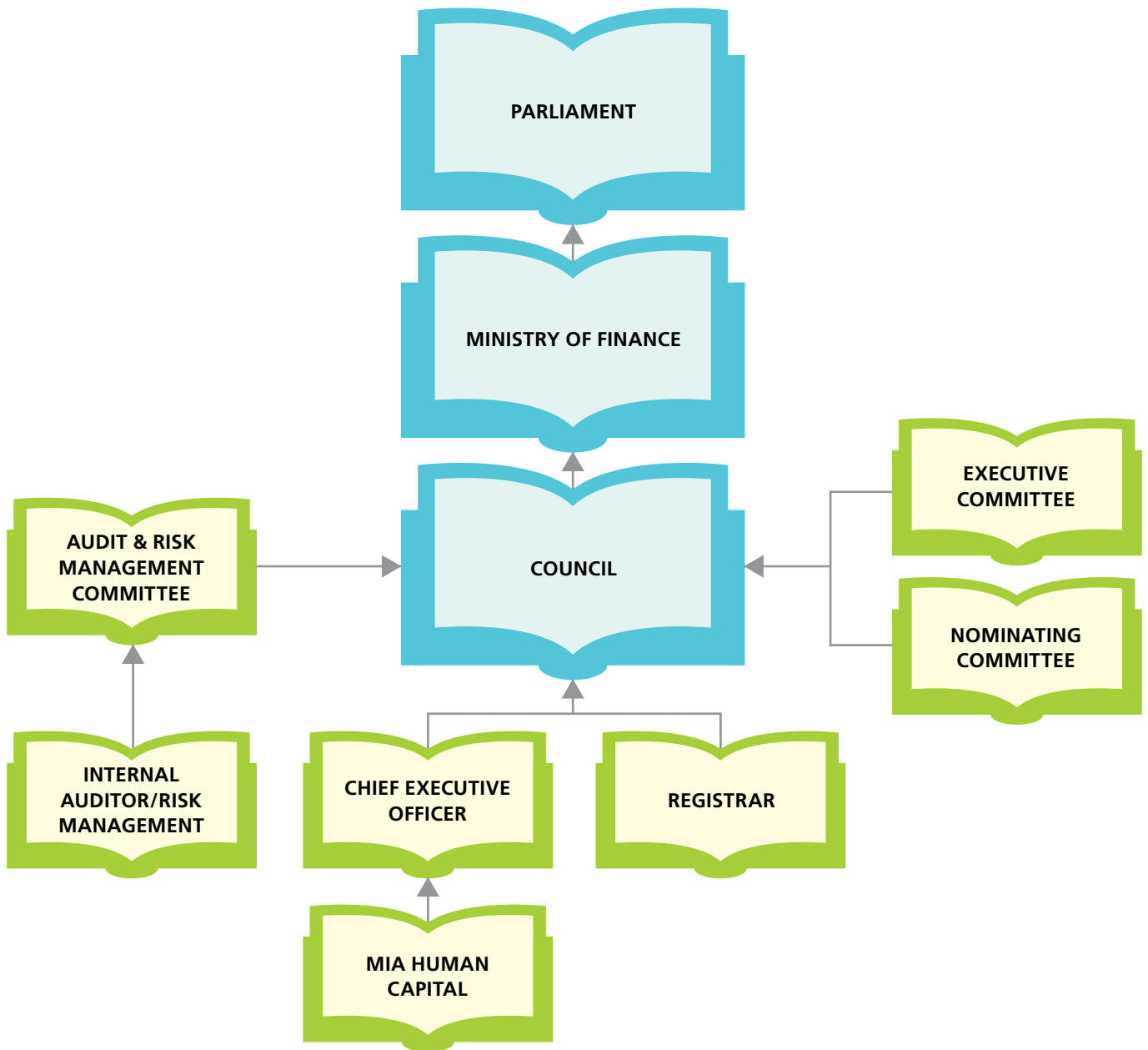


HO FOONG MOI
Chief Executive Officer

Report of the Council for 2014



GOVERNANCE FRAMEWORK



INSTITUTE’S FUNCTIONS

Section 6 of the Accountants Act 1967 (the Act) states that the functions of the Institute shall be:

- To determine the qualifications of persons for admission as members;
- To provide for the training and education; and by the Institute or any other body, of persons practising or intending to practise the profession of accountancy;
- To approve the MIA Qualifying Examination (QE) and to regulate and supervise the conduct of that Examination;
- To regulate the practice of the profession of accountancy in Malaysia;
- To promote , in manner it thinks fit, the interests of the profession of accountancy in Malaysia;
- To render pecuniary or other assistance to members or their dependents as it thinks fit with a view to protecting or promoting the welfare of members; and
- Generally to do such acts as it thinks fit for the purpose of achieving any of the aforesaid objects.

INSTITUTE'S GOVERNANCE AND INTERNAL CONTROL STATEMENT

The following report outlines how the Institute has applied the main principles and best practices as set out in the relevant codes of corporate governance in order to discharge its duties and optimise assurance, independence and oversight. This statement also explains how management, controls and risk management practices are structured in order to minimise risks and optimise performance.

COUNCIL

Pursuant to Section 9 of the Act, the general power of the Council is to manage the Institute and its funds. Specifically, as per Section 10 of the Act, the Council shall have power to make By Laws, to appoint staffs, to take cognisance of anything affecting the Institute or professional conduct of its members, to communicate with other similar bodies and with members of the profession in other places, to establish branches and delegates in its absolute discretion any of its power, privileges and discretions, to appoint Committees of the Institute, to exercise all such powers, privileges and discretions which are not required to be exercised by members in the general meeting and to use the official seal of the Institute.

The President of the Institute shall be the Chairman of the Council. The appointment and composition of the Council members are in accordance to Section 8(1) of the Act.

During the financial year, the Council conducted twelve (12) meetings and the agenda of its meetings included:

1. Approval of Audit & Assurance Standards and Institute's By Law;
2. Review of Statutory Committees and Other Committees Progress and Activities;
3. Appointment of Boards/Committees/Working Group/Task Force members as recommended by Nominating Committee;
4. Approval of the Institute's Year End Financial Statement and Review of Monthly Financial Statement;
5. Review of Institute's involvement in International Bodies / Committees;
6. Approval of the Institute's membership application;
7. Approval of Institute's recommendation to the relevant stakeholders such as IFAC Boards and national regulators; and
8. Approval of the Institute's yearly budget.

EXECUTIVE COMMITTEE (EXCO)

The EXCO was established by the Council as an operating Committee which functions as a medium between Council and management to ensure that business strategies, daily operations and any operational issues are carried out effectively and efficiently and that good corporate governance practices are observed.

The Terms of Reference of EXCO was approved by the Council. The Chairman of EXCO is the President of MIA and it comprises six (6) Council members. During the financial year, the EXCO conducted eleven (11) meetings and the agenda of its meeting included:

1. Review of the Institute's Monthly / Year End Financial Statement;
2. Review of the Institute's yearly budget;
3. Approval of the Institute's revised operation manuals;
4. Review of Regional Offices' Activities; and
5. Approval of any expenses based on the Institute's Limit of Authority (LOA)

NOMINATING COMMITTEE (NC)

The NC was established by the Council and its primary objective is to establish a mechanism for the formal assessment of each candidate before he/she is recommended to the Council for appointment to the Committees of the Institute. The Committee ensures that appointed members bring characteristics which satisfy the required mix of responsibilities, skills and experience.

NC which consists of the President, Vice President, two (2) Council members and a representative of the Accountant General's Department and the Committee shall meet as and when the Committee deems necessary.

During the financial year, the Committee conducted seven (7) meetings to nominate various committee members to the Council for approval.

AUDIT & RISK MANAGEMENT COMMITTEE (ARMC)

The ARMC was established by the Council and its primary objective is to assist the Council in fulfilling its oversight responsibilities for the system of internal control, financial reporting, risk management process and governance of the Institute.

The Terms of Reference (TOR) of the ARMC was approved by the Council on 26 July 2007 which was subsequently revised on 23 January 2009. The ARMC comprises five (5) Council members who are not members of the EXCO.

As at to date, the Committee conducted four (4) meetings and amongst its activities were to review the Institute's Year-End Financial Statements, Internal Audit Reports, MIA Risk Management Practices and Activities, MIA Key Risks Profile and the interim and final audit process (by an external auditor appointed by the Auditor General) for MIA's Financial Statement. For the year-end Financial Statement, an external auditor appointed by the Auditor General Office and representatives from the Auditor General Office were invited twice to the ARMC meeting to brief the Committee on the Audit Planning Memorandum (APM) prior to the audit and subsequently to highlight any issues to the Committee post audit.

INSTITUTE'S CONTROL ENVIRONMENT AND STRUCTURE

A. INSTITUTE'S COMMITTEES

The Council is supported by a number of established Committees in the execution of its responsibilities. Each Committee has clearly defined terms of reference and is divided into certain types of Committees as follow:

1. **Governance Committees**
2. **Statutory Committees**
3. **Surveillance Committees**
4. **Technical Committees**
5. **Representatives of Membership**

For type 1, the details are stated in the table below and for other types of committees, the details are stated in the section entitled Committees.

B. INSTITUTE'S MANAGEMENT

Responsibility for implementing the Institute's strategies and daily operations are delegated to the Institute's Management. Clear lines of authority, responsibility and accountability have been established to enable Institute's objectives to be achieved. The divisional structure enhances the ability of each division to focus on their assigned core of support functions within Institute. The Institute is headed by the CEO.

C. INTERNAL AUDIT FUNCTION

The internal audit function of the Institute is carried out by the Internal Audit Department (IAD) that reports directly to the ARMC and administratively to the CEO. The Internal Audit Charter was approved by the Council on 26 July 2007 to govern the authority of the IAD in performing its responsibility. IAD supports the oversight role of the ARMC by undertaking independent, regular and systematic review of the systems of internal control so as to provide reasonable assurance on the adequacy, integrity and that such systems continue to operate satisfactorily and effectively. The IAD also provides objective assurance and consulting activity by evaluating and improving the effectiveness of the risk management, control and governance process of the Institute.

It is the responsibility of the IAD to provide the ARMC with independent and objective reports on the state of internal control of the various units within the Institute and the extent of compliance of these units to the Institute's established policies and procedures as well as relevant statutory requirements.

The internal audit function adopts a risk-based audit approach and performs its review based on a two-year internal audit plan approved by ARMC. The enterprise risk management framework is one of the elements considered by the IAD to form the basis of this plan. IAD also practices an adaptive audit planning approach which provides the flexibility needed to respond to the emerging risks as well as potential future risks in carrying out its activities.

The following is a summary of the IAD activities for the financial year under review:

- i. Regular review on business processes - risk-based auditing was performed on the key risk areas/Institute activities approved by ARMC. Four (4) internal audit review exercises which assess the principal risks of the audited areas were carried out during the financial year with significant issues noted as well as the responses from the audited units for the completed exercises were deliberated in the ARMC meetings. The areas for improvement were recommended and agreed upon by management. Where necessary, ARMC also made recommendations to further improve the internal control, risk management and financial reporting process.
- ii. The IAD facilitated and advised the Institute in its Enterprise Risk Management activities. Risk Management related activities carried out during the financial year consist of:
 - Revision on the Enterprise Risk Management (ERM) Manual which was previously approved by the Council in 2007;
 - Development of two (2) years roadmap of the Institute's Risk Management Practice, which subsequently resulted in the reconstitution of Management Risk Management Committee (MRMC). It paves the way for new appointed members among key personnel within the Institute. MRMC first meeting was then held in April 2014;
 - Institute's Key Risks Profile – Three (3) strategic risks and five (5) key risks at operational level were identified and necessary controls were put in place or are in the process of implementation to ensure the objectives of the Institute are achieved.
- iii. Reviewed three (3) revised operation manuals issued by units within the Institute for continuous improvement to the Institute's Governance Framework. IAD has also conducted the Institute's occupational, safety and health review exercise in the financial year.
- iv. As part of the department's continuous quality improvement initiatives in conforming with the International Internal Audit (IIA) International Professional Practice Framework, the Internal Audit Rating and Opinion Guide was tabled and approved by the ARMC in February 2014.

The internal audit reports arising from these assignments were issued to the Management for their response and corrective actions. The Management is responsible for ensuring that corrective actions on reported weaknesses are taken within the required timeframe. The audit reports which provide the results of the audit conducted are submitted to the ARMC for review. Key control issues and recommendations are highlighted to enable the Committee to execute its oversight function.

D. RISK MANAGEMENT

The Institute regards risk management as an integral part of the Institute's control environment. The Institute's risk management policy and process was established under the Enterprise Risk Management manual which was approved by the Council. The MRMC is responsible for the risk management of the Institute with the facilitation from IAD on the activities and processes.

E. FINANCIAL STATEMENT AUDIT

Pursuant to the Act, the MIA is established as a statutory body under the Ministry of Finance and is audited by the Auditor General in accordance with the Audit Act 1957 via its appointed external auditor. The external auditor performed an interim and final audit of the Institute's financial statements and was invited to highlight any issues in two ARMC meetings. The Certificate of the Financial Statements of MIA was issued by the Auditor General.

F. THE INSTITUTE'S KEY PROCESSES, POLICIES AND PROCEDURES

In the financial year, the following key processes, policies and practices were in place as part of our system of internal control:

- MIA has a Limit of Authority (LOA) set out defining authorisation limits for various levels ranging from staff to Council levels.
- The Institute has established an organisational structure with clearly defined lines of responsibilities, authority limits and accountability aligned to business and operations requirements.
- The Institute has established the Council Committees with clearly defined delegation of responsibilities within the definition of terms of reference and organisation structures. These Committees include the Governance Committees, Statutory Committees, Surveillance Committees and Technical Committees. The Committees have the authority to examine all matters within their scope and report to the Council with their recommendations.
- Operational and administrative committees have also been established with appropriate empowerment to ensure effective management and supervision of the Institute's business operations.
- Policies and procedures of operating and business processes are documented in a series of Operation Manuals and implemented throughout the Institute. These Manuals are subject to regular reviews, updates and continuous improvements to reflect the changing risks and operational needs.
- A detailed budgeting and reporting process has been established. Comprehensive budgets are prepared by the operating units and presented to the EXCO and Council for review and approval respectively. These budgets are cascaded throughout the organisation to ensure effective execution and follow through. The financial results are monitored and reported to the EXCO and Council in every meeting.

- A formal performance appraisal system for all levels of employees has been implemented, which allows for the assessment of individual employees' actual performance against his/her Key Performance Index (KPIs).
- The Staff Code of Conduct was established and published in the Employee Handbook.
- As an IFAC member body, MIA reported its compliance with the Statement of Membership Obligations as required under the IFAC Member Body Compliance Programme.

COMPOSITION OF THE COUNCIL / GOVERNANCE COMMITTEES

The composition of the Council/Governance Committees and the attendance of its members at meetings are listed as follows:

COUNCIL

No of meetings: 12

No.	Name	Designation	Status	Attendance
1.	Johan Idris	Chairman/President	-	12/12
2.	Datuk Zaiton Mohd Hassan	Vice President	Appointed 16 July 2013	10/12
3.	Dato' Rosini Abd Samad	-	-	7/12
4.	Ahmad Zahirudin Abdul Rahim	Member	-	11/12
5.	Assoc. Prof. Dr. Mohamat Sabri Hassan	Member	-	8/12
6.	Assoc. Prof. Dr. Nor Aziah Abu Kasim	Member	-	9/12
7.	Chan Wan Siew, Paul	Member	-	7/12
8.	Dato' Abdul Rauf Rashid	Member	-	7/12
9.	Dato' Heng Ji Keng	Member	Elected 28 September 2013	7/8
10.	Dato' Liew Lee Leong, Raymond	Member	Retired 11 September 2013	3/3
11.	Dato' Narendra Kumar Jasani	Member	-	6/12
12.	Dealanathan Joseph Lourdes	Member	-	11/12
13.	Dr. Mohd Nordin Mohd Zain	Member	Elected 28 September 2013	4/8
14.	Dr. Nurmazilah Dato' Mahzan	Member	-	8/12
15.	Dr. Veerinderjeet Singh	Member	Appointed 1 May 2014	1/1
16.	Eugene Wong Weng Soon	Member	-	8/12
17.	Ken Pushpanathan	Member	Retired 21 June 2014	8/12
18.	Kua Choo Kai, Simon	Member	-	6/12
19.	Leong Kah Mun	Member	-	12/12
20.	Lim Thiam Kee, Peter	Member	Elected 28 September 2013	5/8
21.	Mohamad Azmi Ali	Member	Appointed 1 May 2014	1/1
22.	Mohamed Raslan Abdul Rahman	Member	Resigned 11 January 2014	5/7
23.	Mohd Noh Jidin	Member	-	9/12
24.	Mohd Zabidi Md Nor	Member	Appointed 15 October 2013	2/7
25.	Mustapa Kamal Mohd Razali	Member	Resigned 6 February 2014	2/7
26.	Ooi Thiam Poh, Alex	Member	-	11/12
27.	Prof. Dr. Ayoib Che Ahmad	Member	Appointed 15 October 2013	5/7
28.	Prof. Dr. Rozainun Haji Abdul Aziz	Member	Appointed 16 July 2013	9/12
29.	Soh Siong Hoon, Sam	Member	Retired 28 September 2013	3/4
30.	Soo Hoo Khooon Yean	Member	-	10/12
31.	Subramaniam AV Sankar	Member	Retired 28 September 2013	4/4
32.	Yeo Tek Ling	Member	Re-appointed 1 May 2014	8/8
33.	Zahrah Abd Wahab Fenner	Member	-	5/12

AUDIT & RISK MANAGEMENT COMMITTEE

No. of Meetings: 4

No.	Name	Designation	Status	Attendance
1.	Mohd Zabidi Md Nor	Chairman	Appointed 1 November 2013	3/3
2.	Dealanathan Joseph Lourdes	Member	-	3/4
3.	Mohd Noh Jidin	Member	-	2/4
4.	Ooi Thiam Poh, Alex	Member	-	4/4

EXECUTIVE COMMITTEE

No. of Meetings: 11

No.	Name	Designation	Status	Attendance
1.	Johan Idris	Chairman	-	9/11
2.	Datuk Mohd Nasir Ahmad	Chairman	Retired 15 July 2013	2/2
3.	Abdul Rahim Abdul Hamid	Member	Retired 15 July 2013	2/2
4.	Chan Wan Siew, Paul	Member	-	7/11
5.	Dato' Rosini Abd Samad	Member	-	5/11
6.	Datuk Zaiton Mohd Hassan	Member	Appointed 22 July 2013	7/9
7.	Ken Pushpanathan	Member	Retired 21 June 2014	3/5
8.	Lim Thiam Kee, Peter	Member	Appointed 1 November 2013	6/6
9.	Soh Siong Hoon, Sam	Member	Retired 28 September 2013	4/4

NOMINATING COMMITTEE

No. of Meetings: 7

No.	Name	Designation	Status	Attendance
1.	Johan Idris	Chairman	-	7/7
2.	Datuk Mohd Nasir Ahmad	Chairman	Retired 15 July 2013	1/1
3.	Dato' Abdul Rauf Rashid	Member	Appointed 1 November 2013	3/4
4.	Dato' Narendra Kumar Jasani	Member	-	5/7
5.	Dato' Rosini Abd Samad	Member	-	3/7
6.	Datuk Zaiton Mohd Hassan	Member	Appointed 22 July 2013	6/7
7.	Soh Siong Hoon, Sam	Member	Retired 28 September 2013	2/2



Globally Competent, Locally Knowledgeable



FACT FILE

- **Total Members – 30,298**
- **New Admissions – 1,285**
- **Member Registration Programme – 55 activities (dedicated and joint with other programmes)**
- **CARE Learning Programme – 29 programmes executed**
- **Registered CARE mentees – 4,154 mentees**
- **Career and Awareness Talks – 18 conducted**

MEMBERSHIP DEVELOPMENT

MIA, the umbrella body representing accountants in Malaysia, has 30,298 members, comprising 30,050 Chartered Accountants, five Licensed Accountants and 243 Associate Members as at 30 June 2014.

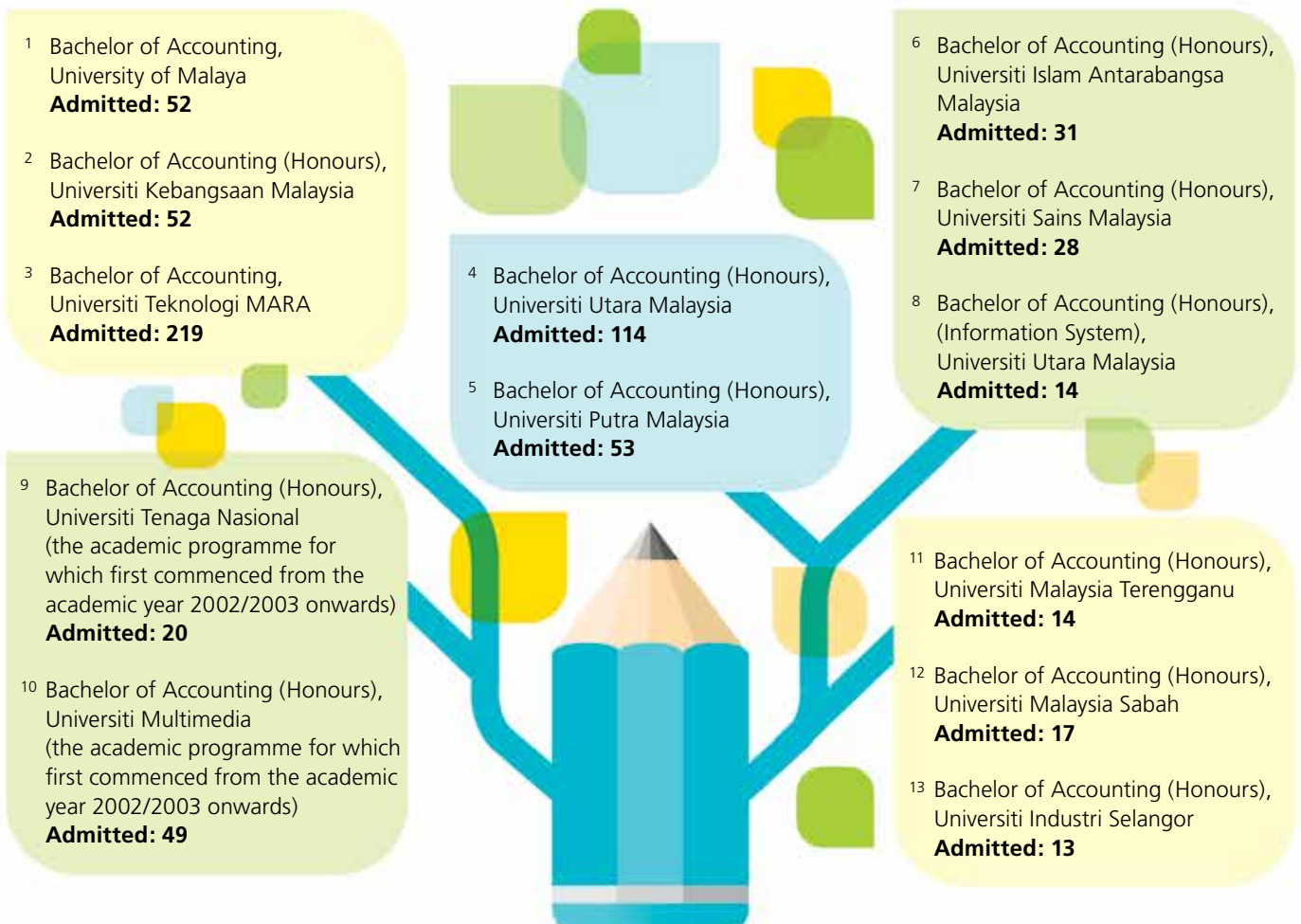
We successfully increased the number of members by 1,285, comprising 1,264 Chartered Accountants and 21 Associate Members during the financial year 2013/2014 (FY 13/14).

We are happy to report that out of the 1,264 Chartered Accountant new admissions, 1,229 members qualified under Part I and Part II of the First Schedule of the Accountants Act, 1967 and 35 were MIA Qualifying Examination graduates.

Local graduates continued to form the majority of the new admission with 52% followed by admission via professional membership at 43%, 3% via MIA QE and 2% on other qualifications. In the past 12 months, we had also reinstated 104 applicants.

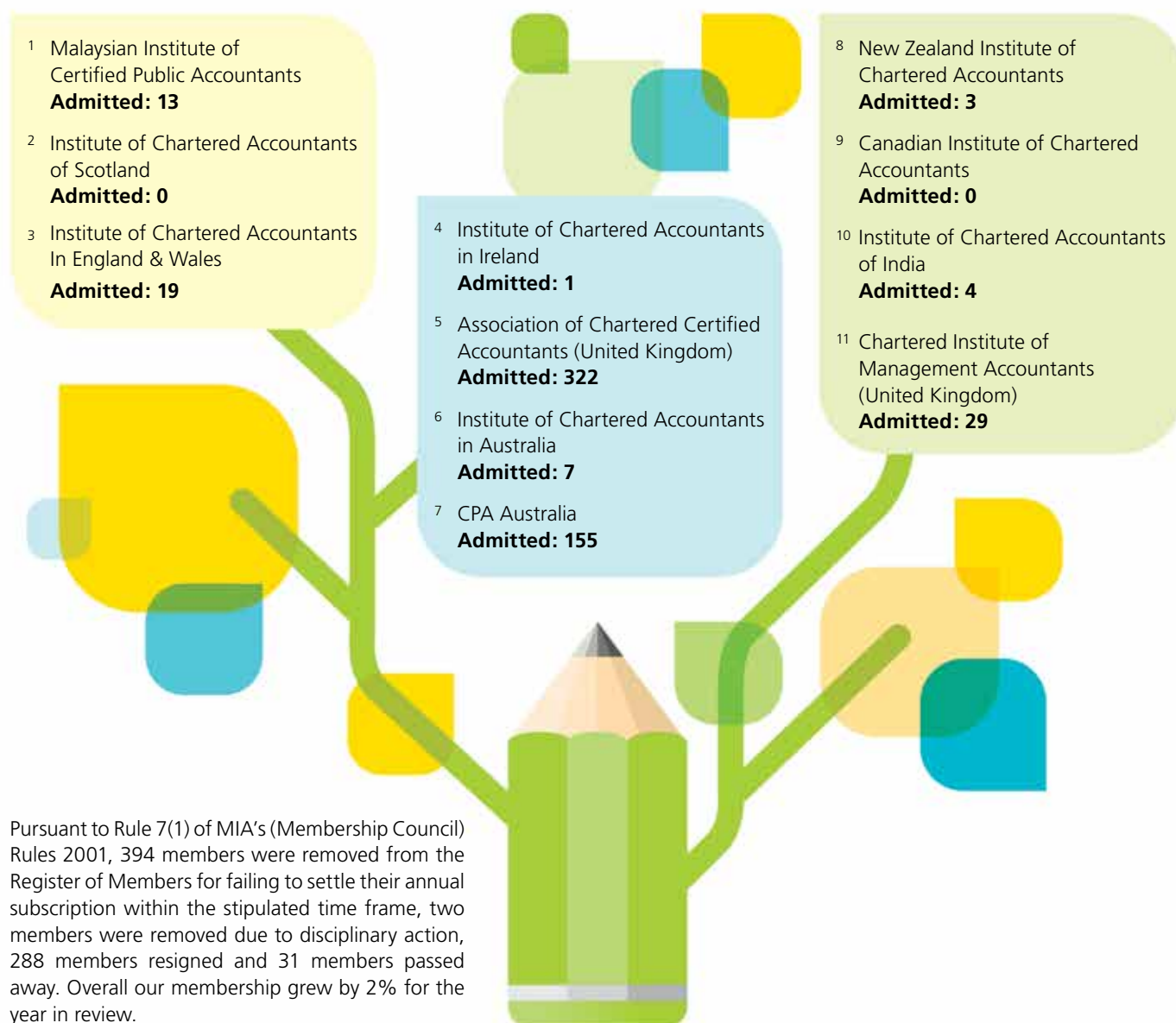
ADMISSION OF MEMBERS VIA PART I OF THE FIRST SCHEDULE OF THE ACCOUNTANTS ACT, 1967

UNIVERSITY



ADMISSION OF MEMBERS VIA PART II OF THE FIRST SCHEDULE OF THE ACCOUNTANTS ACT, 1967

PROFESSIONAL BODY



Pursuant to Rule 7(1) of MIA's (Membership Council) Rules 2001, 394 members were removed from the Register of Members for failing to settle their annual subscription within the stipulated time frame, two members were removed due to disciplinary action, 288 members resigned and 31 members passed away. Overall our membership grew by 2% for the year in review.

Building Capacity

Financial Services forms one of the 12 National Key Economic Areas (NKEAs) in the Government's Economic Transformation Programme (ETP). To help the government realise its national agenda, MIA continues to aggressively promote and drive its membership. In the past 12 months, the Institute has embarked on various recruitment initiatives at various venues and events.

These include:

1. Holding awareness programmes and on-site registration at firms, organisations and institutions of higher learning (17 events), and
2. Holding registration day (12 events) and participation in seminars/exhibitions/career fairs (26 events).

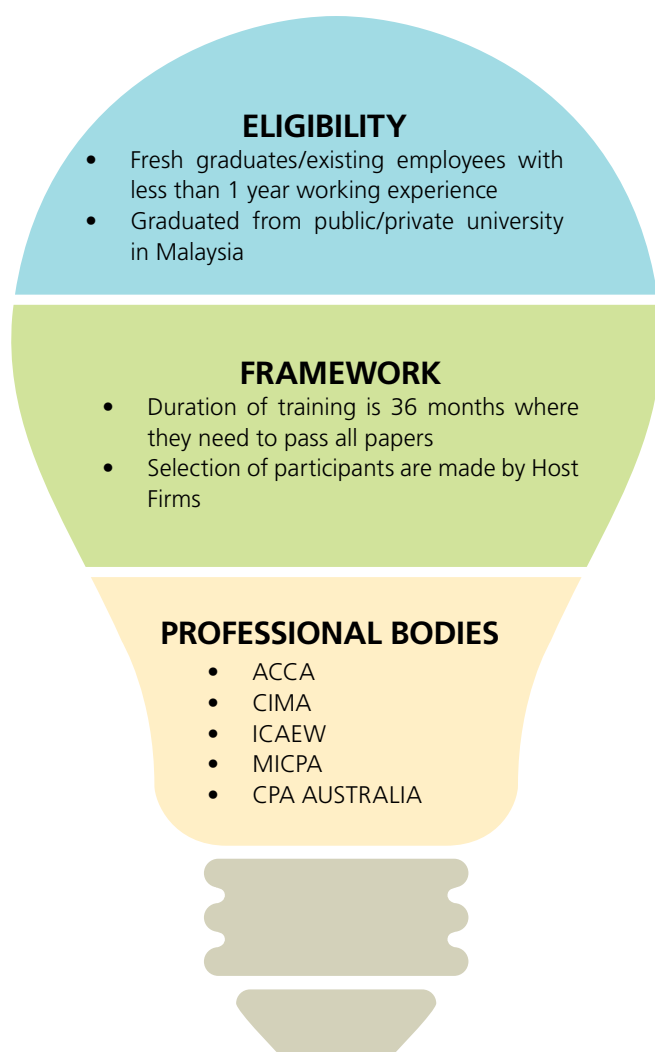
Stakeholder Engagement

We shifted to stakeholder engagement to enhance our visibility and educate the public on the role of the Institute in upholding the Accountants Act, 1967 and the accountancy profession in Malaysia. We believe these efforts will attract more finance and accounts professionals to join us as members.

MIA has worked closely with Talent Corporation (TalentCorp), an agency under the Prime Minister's Department, to ensure the availability of talent in-line with the needs of the country's economic transformation agenda. MIA has participated at events facilitated by TalentCorp including:

1. Sector Focused Career Fair 2014: Accounting at Sunway TES.

- Sarawak Career & Training Fair 2014 and Sector Focused Career Fair 2014: Accounting at Universiti Malaysia Sabah, which was a collaboration with the MIA Sabah Regional office initiated Business & Career Education Fair 2014.
- MIA is currently working with TalentCorp on the Upskilling – Accounting Programme. Under this programme, 50% of the participant's tuition fees will be funded by the Government and the balance by audit firms. The participant's employer is required to pay the tuition fees in advance and the funding will be channelled on claim-basis for candidates who passed each paper, and subject to the endorsement from the professional bodies. We believe this programme will overcome the shortage of qualified professional accountants in the country's financial sector.



- To assist final year accounting students in acquiring the relevant experience during their internship, MIA is working with TalentCorp on devising a Structured Internship Programme. Accounting students who are placed at selected audit firms will follow a specific programme that will better prepare them for a career in accountancy. As an incentive to the firms, participating firms are given a double deduction on monthly allowance paid to interns during the internship period and on other expenses incurred on the interns of up to RM5,000 per year per intern throughout the internship programme.

- Yayasan Peneraju Pendidikan Bumiputera (Peneraju), an agency under the Prime Minister's Office, has been tasked with developing Bumiputeras' capabilities and expertise at the global level through quality education. MIA is working with Peneraju to encourage more Bumiputera to enrol into professional accountancy programmes. Members can apply to earn a professional accounting qualification through the Peneraju Profesional Akauntan programme.
- This year MIA had entered into a Memorandum of Understandings (MoUs) with the Chartered Institute of Management Accountants (CIMA) and CPA Australia to further enhance the professional standing of our members. Members who fulfil the criteria set by CIMA/CPA Australia may obtain their respective professional accounting qualification. MIA hopes that eligible members will take this opportunity to enhance their credentials and support Malaysia's vision to become a global financial and business hub.

MEMBERSHIP STATISTICS

GEOGRAPHIC DISTRIBUTION

TABLE 1: MEMBERSHIP BY GEOGRAPHIC DISTRIBUTION (AS OF 30 JUNE 2014)

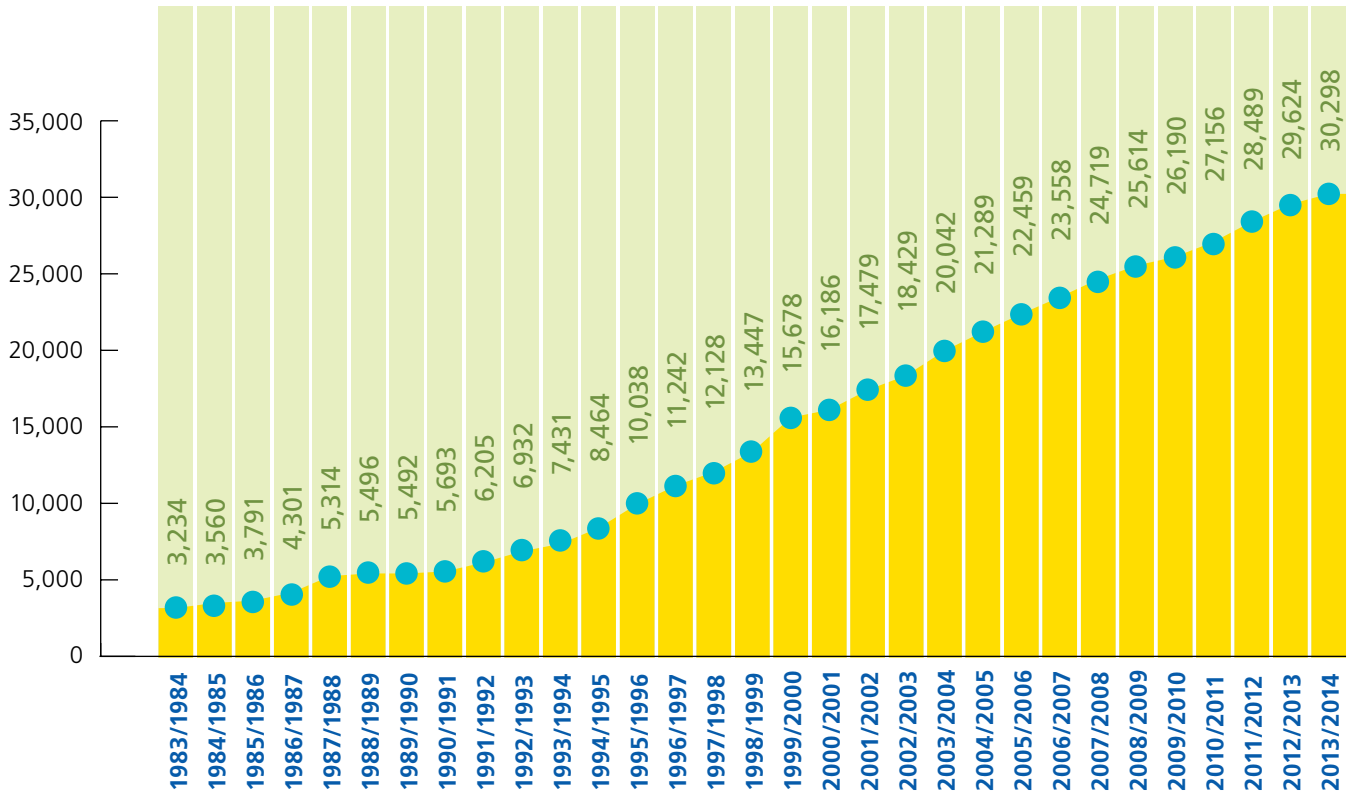
**Including F.T.Labuan*

STATE	AM	CA	LA	TOTAL
Johor	9	1,789	1	1799
Kedah	17	542		559
Kelantan	14	206		220
Melaka	16	603		619
Negeri Sembilan	8	579		587
Pahang	25	377		402
Perak	29	955	3	987
Perlis	18	56		74
Pulau Pinang	4	1,973		1,977
Sabah	4	989		993
Sarawak	11	1,670		1,681
Selangor	48	12,221		12,269
Terengganu	17	258		275
Federal Territory*	20	6,918	1	6,939
Overseas	3	914		917
GRAND TOTAL	243	30,059	5	30,298

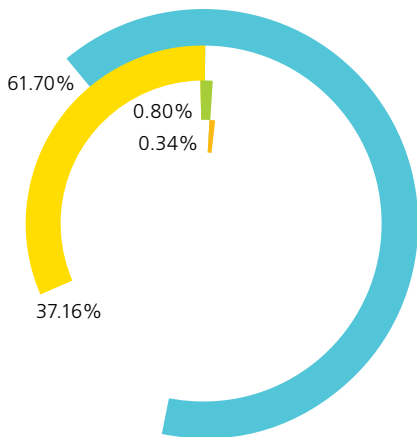
LEGEND

AM	Associate Member
CA	Chartered Accountant
LA	Licensed Accountant

MEMBERSHIP GROWTH

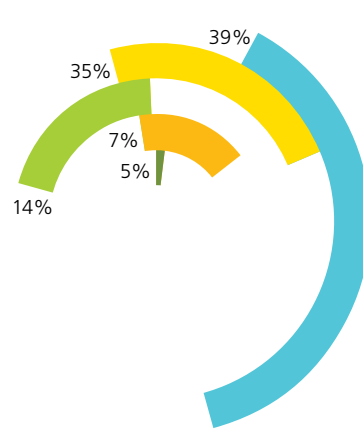


MEMBERSHIP BY QUALIFICATIONS



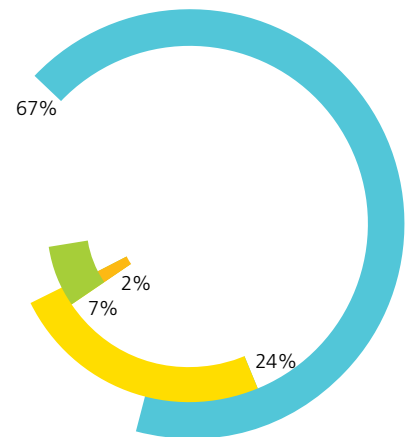
- Professional
- Accountancy Degree
- MIA QE
- Others

MEMBERSHIP BY AGE GROUP



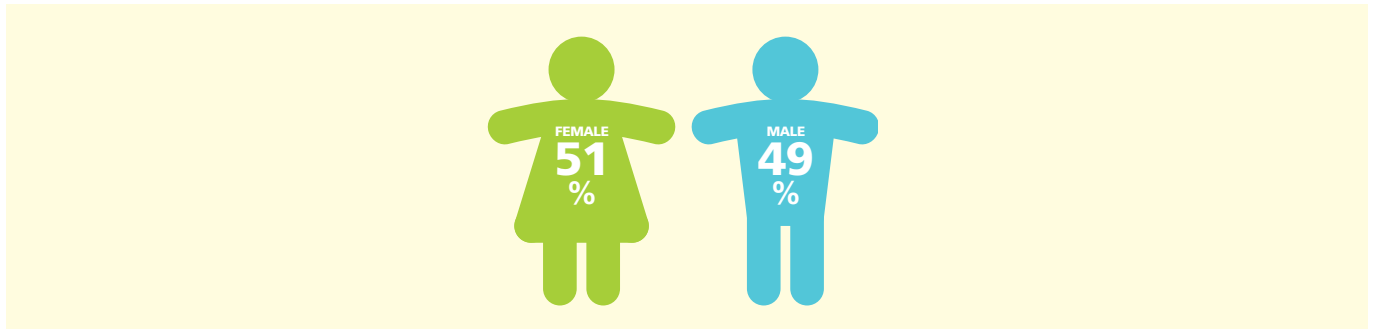
- Below 30 = 2,179 Members
- 31-40 = 11,688 Members
- 41-50 = 10,669 Members
- 51-60 = 4,138 Members
- Above 61 = 1,624 Members

MEMBERSHIP BY EMPLOYMENT



- Academia
- Professional Accountants in Business
- Public Practice
- Public Sector

MEMBERSHIP BY GENDER



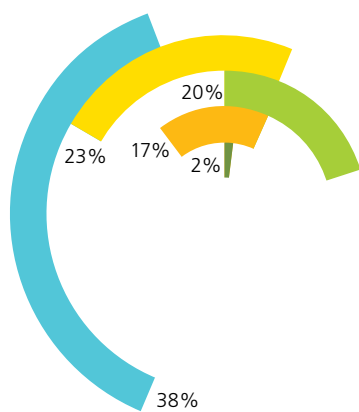
During the financial year, a total of 150 practising certificates were issued. There were also 19 reapplications for the practising certificates. A total of 88 practising certificates were cancelled due to:

1. Non-payment of practising certificate fees (8) and non-renewal of Professional Indemnity Insurance (PII) (1);
2. Non-commencement of public practice within 6 months from date of issuance of the certificate (22);
3. Cessation of practice (50);
4. Resignation from MIA membership (3);
5. Removal from MIA membership (1); and
6. Demise of the certificate holders (3).

STATUS OF PRACTISING CERTIFICATES (PCs) ISSUED

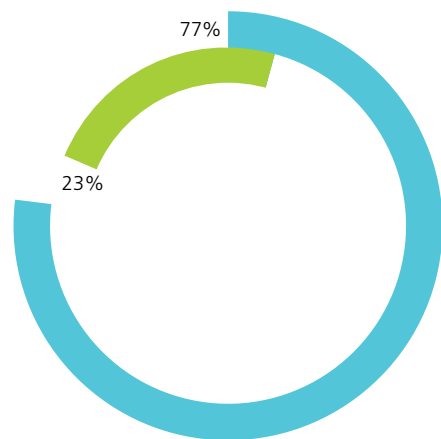
Members Category	Total as at 30/06/2013	New Applications	Re-applications	Cancellation	Total as at 30/06/2014
Chartered Accountants	2699	150	19	-88	2,780
Licensed Accountants	4	-	-	-	4
TOTAL	2,703	150	19	-88	2,784

PROFILE OF PC HOLDERS BY AGE



- Below 30 = 52 Members
- 31-40 = 573 Members
- 41-50 = 1,047 Members
- 51-60 = 643 Members
- Above 61 = 469 Members

PROFILE OF PC HOLDERS BY GENDER



- Male
- Female

In the past 12 months, we registered 2,149 firms consisting of 1,378 and 771 audit and non-audit firms, respectively. MIA deregistered 15 audit and 35 non-audit firms that had ceased operations, suspended 3 audit firms due to inactive firm status and pending documentation from the Companies Commission

of Malaysia (CCM) for deregistration and 4 non-audit firms that had converted to audit firms.

The following table shows the geographic distribution of member firms (audit and non-audit) registered within the Institute.

MEMBER FIRMS BY STATE (AS OF 30 JUNE 2013 AND 30 JUNE 2014)

*Including F.T.Labuan

STATE	AS AT 30 JUNE 2013			AS AT 30 JUNE 2014		
	AUDIT FIRMS	NON-AUDIT FIRMS	TOTAL	AUDIT FIRMS	NON-AUDIT FIRMS	TOTAL
Johor	128	79	207	127	83	210
Kedah	26	13	39	26	15	41
Kelantan	11	7	18	11	7	18
Melaka	34	15	49	34	18	52
Negeri Sembilan	20	14	34	20	15	35
Pahang	23	10	33	23	10	33
Penang	110	49	159	113	50	163
Perak	52	55	107	53	56	109
Perlis	1	2	3	1	2	3
Sabah	83	40	123	86	44	130
Sarawak	77	37	114	76	43	119
Selangor	303	192	495	311	203	514
Terengganu	9	3	12	9	4	13
Federal Territory*	491	220	711	488	221	709
TOTAL	1,368	736	2,104	1,378	771	2,149

Under Section 510 of the Institute's By-Laws (on Professional Ethics, Conduct and Practice) stipulates that every member in public practice is required to ensure that his or her firm carries and maintains a policy of PII. PII was made mandatory for all members in public practice where the minimum mandatory limit of indemnity was set at RM250,000 per partner per firm. The Institute is pleased to report that 99% of our members in public practice have provided valid PII when renewing their practising certificates. This was an encouraging development as the requirement to have a valid Practising Certificate (PC) and PII was only implemented in the last financial year. Only one member failed to provide evidence on his PII and his practising certificate had to be cancelled.

Authorities such as the Ministry of Finance (MOF) and Suruhanjaya Syarikat Malaysia (SSM) shall be notified upon the cancellation of the practising certificate for approved company auditors. With regards to non-audit firms, the member's firm may be required to cease operation.

Audit licence holders must comply with all the Institute's By Laws and specific rules. The Institute will only support the renewal of audit licences of members who have fulfilled their obligations. During the financial year 2012/2013, 428 or 67% of 640 members complied with all their obligations when the

Institute's support was requested. In this financial year, we witnessed a marked improvement with 77% or 694 applicants out of 900 complying with all their obligations at the first instance. The Institute will support all audit licence renewals when all obligations have been met.

Resource Centre

MIA Resource Centre (RC), the knowledge bank for accounting professionals, continues to attract users, both members and non-members. Online access to material like the Commerce Clearing House (CCH) Intelliconnect (Legal, Accounting, Tax, HR and Company Law), Lexis Malaysia (Collection of legal cases) and Lawnet (Government gazette) has fuelled this rise in usage.

In the last 12 months, the Resource Centre has also registered a higher number of audit licence applicants who depended on the resources to prepare for their audit licence interviews. The Resource Centre carries book titles and other reading material which will assist the interviewee to prepare for the interviews.

The Resource has also expanded the number of publications for sale. The RC sources for titles which would be of interest to our members and are sold to members at preferential rates.

Helpdesk

MIA's Helpdesk has been one of the vital components in helping members and the public who are seeking information from the Institute. The Helpdesk monitors queries received through the MIA e-feedback form in the Institute's website to ensure swift response.

We launched MIA Survey 2014 in March 2014 to gauge our members' expectation on the activities conducted or services provided by MIA. Amongst the focus of the survey is to obtain feedback on the Institute's Continuing Professional Education (CPE) activities, Institute's Branding, Accountants Today, Surveillance & Enforcement measures and Education initiatives. To date, more than 3,000 members have participated in this survey. We want to use the input from members to develop and deliver a stronger, more cohesive service to our members and the public.

Regional Offices

Our four regional offices (Johor, Northern, Sabah and Sarawak) continue to serve members in their respective regions with the support of the Regional Committees. The main regional activities are:

1. Conducting CPE events;
2. Providing clarification to members on their obligations and other assistance;
3. Building and maintaining rapport with local stakeholders; and
4. Organising activities for members in the region such as annual dinners and social events.

The Institute also encourages greater participation from members in various Committees. The Regional Committee members, led by the Chairman, has supported the Management in carrying out activities and representing the Institute at the regional level.

In planning and organising activities at the regional level, Management Centre will ensure activities for members such as forum, members' dialogue and Regional Dinner are given priority. Such activities form the platform for members to share issues related to the profession and allow members within the region to network among themselves.

PROMOTING QUALITY AND COMPETENCY THROUGH EDUCATION

The quality of education is a key focus area for MIA since it is entrusted with the responsibility to enhance the profession's competency through education, on-going training and development programmes. MIA's significance in supporting and promoting the development of accounting education in the country has risen notably over the years. We are tasked with ensuring both existing and future professional accountants are able to face global challenges while remaining relevant to the needs of society and businesses.

To achieve this goal, MIA acts as the catalyst in bridging stakeholders' expectations and providing a convenient conduit for them to stay updated with the current developments in accounting education.

MIA also assists and participates in activities carried out by the International Accounting Education Standards Board (IAESB) Committees of the International Federation of Accountants (IFAC) to ensure its accounting education standards comply with global standards.

During the year under review, MIA implemented the following initiatives to ensure the competency of its members:

MIA QUALIFYING EXAMINATION (MIA QE)

The 21st and 22nd sittings of the MIA QE were successfully conducted on 18-19 September 2013 and 19-20 March 2014, respectively at five examination centres, namely Universiti Teknologi MARA in Shah Alam and the MIA Regional Offices in Johor Bahru, Penang, Kota Kinabalu and Kuching. A total of 214 and 171 candidates registered to sit for the respective examinations.

The results of the September 2013 and March 2014 examinations were announced on 19 November 2013 and 17 May 2014, respectively.

The results for the September 2013 sitting were satisfactory.

1. There were three papers i.e. Advanced Financial Accounting & Reporting (AFAR), Business & Company Law (BCL) and Taxation (TAX). All papers recorded an increase in its passing rate compared to the March 2013 sitting.
2. For the Audit & Assurance Services (AUD) paper; the number of passes dropped slightly to 59% from 60%.

The total number of candidates who passed with distinction in various papers also increased to 46 candidates compared to only 31 candidates during the March 2013 sitting.

The results for the March 2014 sitting were also satisfactory.

1. The result for the Taxation paper recorded the highest passing rate at 63% compared to 59% in the September 2013 sitting.
2. The Business & Company Law saw the passing rate improved to 50% from 29% in the September 2013 sitting with candidates scoring passes with distinction.
3. Advanced Financial Accounting & Reporting paper also registered an increase to 33% compared to 29% in the September 2013 sitting.
4. However, the performance for the Audit and Assurance Services paper saw a drop to 18% of passing rate compared to 59% in the September 2013 sitting.

28 candidates scored passes with distinction in various papers.

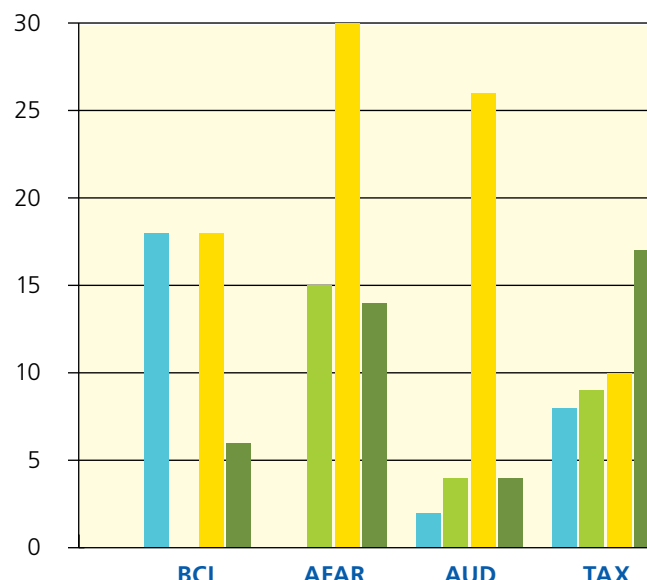
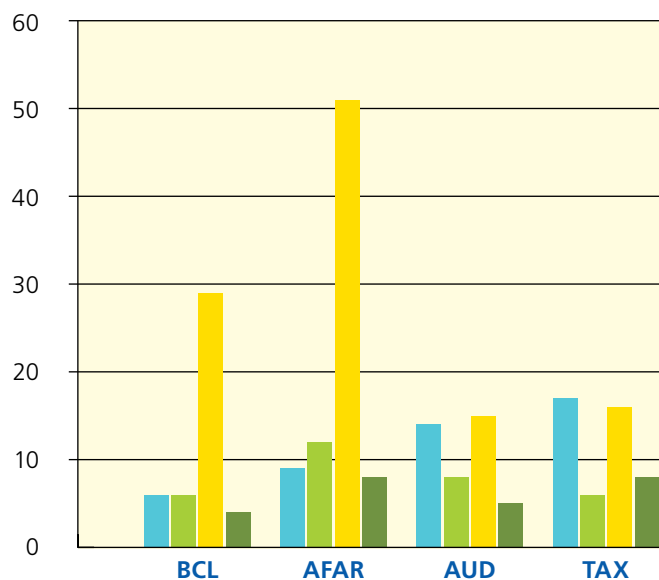
A total of 33 candidates successfully completed the examination, increasing the total number of graduates to 255. Details of the September 2013 and March 2014 examination results are as follow:

SEPTEMBER 2013 QE RESULTS

GRADE	BCL	AFAR	AUD	TAX
Pass with Distinction	6	9	14	17
Pass	6	12	8	6
Fail	29	51	15	16
Absent	4	8	5	8
TOTAL	45	80	42	47

MARCH 2014 QE RESULTS

GRADE	BCL	AFAR	AUD	TAX
Pass with Distinction	18	0	2	8
Pass	0	15	4	9
Fail	18	30	26	10
Absent	6	14	4	7
TOTAL	36	59	36	34



- Pass with Distinction
- Pass
- Fail
- Absent

- Pass with Distinction
- Pass
- Fail
- Absent

LEGEND

BCL Business and Company Law
 AFAR Advanced Financial Accounting and Reporting
 AUD Auditing and Assurance Services
 TAX Taxation

KEY STAKEHOLDERS' LINKAGES

MIA engages with its stakeholders through various channels and initiatives as it continues to advance the profession's interests. MIA also becomes the platform for finance professionals to articulate to key stakeholders on prevailing and critical issues that may impact the development of the profession.

During the year under review, MIA undertook several key strategic initiatives to develop stakeholder linkages:

1. Accounting Students Conference (ASC)

The sixth ASC was organised from 8 to 9 November 2013 at deBaron Resort, Langkawi, Kedah. ASC 2013 was hosted by the Universiti Utara Malaysia (UUM).

Among the ASC's objectives were to expose students to the accountancy profession and educate them on the criteria to excel in their career. The ASC also aims to inculcate a lifelong learning culture among students and nurture their self-confidence through participation in a major professional conference before embarking on their careers.

In conjunction with ASC 2013, MIA honoured 13 accounting students from various universities under Part I of the First Schedule of the Accountants Act 1967 for their outstanding achievements in accounting studies. The awards were presented by MIA President Johan Idris who officiated ASC 2013.

2. MIA – Sunway TES Accounting Quiz 2014

MIA and Sunway TES jointly organised the 2nd Accounting Quiz this year. The 1st Accounting Quiz that was held last year was only open to secondary schools in Selangor, the Federal Territory of Kuala Lumpur and Putrajaya. This year, the quiz is open to all secondary schools in Malaysia. This is also the first online Accounting Quiz in Malaysia. This online competition commenced from 1 April 2014 until the Grand Finals that ended on 13 September 2014 at Sunway College, Petaling Jaya, Selangor.

The objective of the competition is to provide students an insight into the world of professional accountancy. In this Internet era, we believe the online competition will allow students to demonstrate their aptitude on basic accounting in "a fun and entertaining environment" while promoting the profession.

MIA-Sunway TES Accounting Quiz 2014 is supported by the Ministry of Education (MOE), professional accountancy bodies and accounting firms. The competition was open to all Form 4 and Form 5 students in Malaysia. These include students from all secondary schools under MOE, secondary schools under the purview of other government agencies and private secondary schools.

3. Career and Awareness Talks

MIA conducted various career and awareness talks at institutions of higher learning (IHLs) and schools, highlighting the potential of the profession and encouraging

students to consider accountancy as a future career option. Sessions also focused on the means and ways to become qualified accountants and the importance of registering as an MIA member. To maximise the impact of these sessions, MIA members were invited to share their knowledge and experience with the students.

CAREER AND AWARENESS TALKS (JULY 2013 – JUNE 2014)

CATEGORY	SESSION
Secondary schools	0
Institutions of Higher Learning (Public)	13
Institutions of Higher Learning (Private)	5
TOTAL	18

ACCREDITATION EXERCISE

MIA is empowered under the Accountants Act, 1967 to determine the qualifications of persons for admission as members of the Institute. This will ensure that qualifications recognised under the Act fulfil the requisite standards and quality required by MIA. It is via this function that MIA admits qualified, competent and professional accountants as members who are able to effectively fulfil the needs of the public.

During the year under review, the major accreditation activity undertaken by the Institute include:

After careful consideration and deliberation, the Council in its meeting held on 29 May 2014 had granted recognition of the Bachelor of Accounting (Honours) degree programme conferred by INTI International University (INTI).

REVIEW EXERCISE

MIA had completed the review exercise for the following eleven universities listed under Part I, First Schedule of the Accountants Act 1967 in March 2014:

- Bachelor of Accounting (Hons) and Bachelor of Accounting (Hons) (Information System), Universiti Utara Malaysia
- Bachelor of Accounting (Hons), Universiti Sains Malaysia
- Bachelor of Accounting (Hons), Universiti Teknologi MARA
- Bachelor of Accounting (Hons), Universiti Putra Malaysia
- Bachelor of Accounting (Hons), Universiti Islam Antarabangsa
- Bachelor of Accounting (Hons), Universiti Malaya
- Bachelor of Accounting (Hons), Universiti Kebangsaan Malaysia
- Bachelor of Accounting (Hons), Universiti Malaysia Terengganu
- Bachelor of Accounting (Hons), Universiti Malaysia Sabah
- Bachelor of Accounting (Hons), Universiti Tenaga Nasional
- Bachelor of Accounting (Hons), Universiti Multimedia

The review was carried out to certify that the accredited accounting degree programme continues to meet and comply with the required standards determined by MIA. Eleven task force groups, which comprises 34 reviewers were formed in 2013 to review these eleven universities. The review process is summarised as follows:

No.	Details	Timeline
1	<ul style="list-style-type: none"> Notification to universities on conduct of the review – Issued the 1st letter Notification to universities on the revised deadline : 15 Feb 2013 (universities requested for extension of time) – Issued the 2nd letter 	July 2012 Jan 2013
2	Submissions of documents by universities & Formation of 11 Task Force groups	Jan–May 2013
3	Task Force Meetings : <ul style="list-style-type: none"> Preliminary review of documents submitted by universities Pre-site visit meeting Post-site visit meeting 	Jan–July 2013
4	Site visit to universities	Apr–Oct 2013
5	Meetings with the selected graduates and employers	June–Dec 2013
6	Finalisation of reports and Assessment Ratings	Nov–Dec 2013
7	Letter of Clarifications (LOCs) <ul style="list-style-type: none"> Issuance of LOCs to all universities Universities reverted with supporting documents and information Task Forces' comments/feedback received 	13 Jan 2014 27 Jan 2014 29 –30 Jan 2014
8	Review with Education Committee's Chairman	6 Feb 2014
9	Approval by Education Committee	17 Feb 2014
10	Approval by Council	4 March 2014
11	Notification of results to the respective universities	7 March 2014

The review exercise was conducted based on the review framework developed by the MIA Education Committee. The universities were being assessed based on the following six components and the "Hala Tuju 2 for Accounting Programmes offered by Public Institutions of Higher Learning in Malaysia" was referred as the main standards:

No	Components	Weightage (%)
A	Academic Curriculum and Examination	30
B	Students Admission and Development	5
C	Academic staff	15
D	Facilities	5
E	Quality Management Systems	15
F	Professional Assessment	30
	Total	100

The Committee has outlined three categories as the outcomes of the review exercise and the details are as follows:

No	Criteria	Outcomes
1	<ul style="list-style-type: none"> At least 75% of total overall score; and At least 60% for each component 	Compliance
2	<ul style="list-style-type: none"> Between 50%-74% of total overall score; and Between 50%-59% for academic curriculum and professional assessment components 	<ul style="list-style-type: none"> Conditional Compliance – subject to a number of conditions to be rectified; and Specified period (6 months – 1 year) will be given to rectify the areas highlighted for improvements.
3	Below 50% of total overall score	Non-compliance – accreditation declined/withdrawn.

In conclusion, the findings reveal that none of the eleven universities fall under the Non-compliance outcome category during the review exercise.

CHARTERED ACCOUNTANT'S RELEVANT EXPERIENCE (CARE) PROGRAMME

The MIA CARE is a structured assessment programme based on the mentor-mentee approach. The mentees (accounting graduates) are required to appoint a mentor (a Chartered Accountant of MIA) to monitor and verify their three years relevant work experience. Once the mentees have completed the mandatory three years relevant work experience, they will be eligible to be a Chartered Accountant of MIA. As at 30 June 2014, there are 4,154 registered CARE mentees in the programme, out of which 1,543 have become MIA members.

CARE Learning Programme

For the financial year ended 30 June 2014, MIA conducted 23 sessions of CARE Learning Programme. 14 of these sessions were held in MIA offices and the remainder in organisations across Malaysia. The objectives of the session are to get MIA members to register as volunteer mentors and encourage mentees to update their record of work experience in the online database. Details of the sessions are as follows:

Location	No. of Session	Total Mentees Attended	Total MIA Members Attended	Total Volunteer Mentors After Session
Klang Valley	16	253	99	67
Penang	3	15	19	11
Kuching	2	25	7	4
Johor Bahru	1	7	7	6
Seremban	1	15	1	1
Grand Total	23	315	133	89

CARE Awareness Programme

MIA organised 16 sessions of the CARE Awareness Programme for accounting students in Part I universities during the financial year ended 30 June 2014. The main objective of the session is to get accounting students to register as preCARE mentees in the online database. When these students graduate and work in relevant areas, they can appoint a mentor and update their record of work experience in the CARE portal. Details of the sessions are as follows:

No	Details	Timeline	Total Students Attended	Total Students Registered for PreCARE
1	18 Sep 2013	UiTM Perlis	165	149
2	19 Sep 2013	UiTM Merbok, Kedah	100	93
3	2 Oct 2013	Universiti Islam Antarabangsa (UIA)	125	91
4	9 Oct 2013	UiTM Johor	295	274 (130 final year)
5	18 Oct 2013	Universiti Putra Malaysia (UPM)	63	63
6	23 Oct 2013	UiTM Shah Alam	133	115
7	30 Oct 2013	UiTM Pahang	87	87
8	22 Nov 2013	UiTM Sarawak	100	100
9	4 Dec 2013	Multimedia University (MMU), Cyberjaya	32	32
10	22 Feb 2014	Universiti Sains Islam Malaysia (USIM)	233	210
11	5 Mar 2014	Universiti Kebangsaan Malaysia (UKM)	80	80
12	14 Mar 2014	Universiti Malaya (UM)	130	120
13	27 Mar 2014	Universiti Selangor (UNISEL)	42	42
14	10 April 2014	Multimedia University (MMU), Melaka	151	145
15	16 April 2014	Universiti Sains Malaysia (USM)	95	95
16	15 May 2014	Universiti Malaysia Terengganu (UMT)	67	60
GRAND TOTAL			1,898	1,756

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a strategic means for the Institute to position the Malaysian accountancy profession as a competent and unmatched source of quality, talent and expertise in a borderless business environment.

We are committed to enhancing the linkages and communications with diverse stakeholders at the national, regional and international levels, and promote the interests of the Malaysian accountancy profession, and ensure its development and maturity.

MIA's corporate and international affairs function is instrumental in managing diverse stakeholder relationships, including with government agencies and foreign professional bodies, to ensure a positive and facilitative environment for our members and the profession. Through close collaboration, MIA can safeguard the profession's interests and ensure members remain relevant despite a volatile business environment, increasing stakeholder expectations and complex challenges such as liberalisation of trade in services, and changes in standards and regulations.

COMMITTEE TO STRENGTHEN THE ACCOUNTANCY PROFESSION (CSAP)

The CSAP was formed to develop and recommend strategies and measures to strengthen the accountancy profession and heighten the profession's input in enhancing the country's competitiveness, in line with the Government's transformation agenda.

The Institute is represented on the CSAP by Datuk Mohd Nasir Ahmad (former MIA President). During the year in review, the Institute continued to attend the CSAP meetings and contributed MIA's views on ways to improve the profession.

International Initiatives

Monitoring and responding to current trends are important to MIA. We need to respond to this development in order to further develop and safeguard the profession. One of the key trends is globalisation and liberalisation of service sectors. It is expected to open up a wealth of opportunities for cross-border trade in accountancy services, especially for Malaysian accountants who are mobile and technically competent.

We are monitoring the process of globalisation and liberalisation of trade in services at the multilateral, regional and bilateral levels in order to assess their impact on the profession.

The ASEAN Mutual Recognition Arrangement for Accountancy Services is in the finalisation stage by ASEAN member states. As the representative of the government at these meetings, MIA was involved in the negotiation process with other ASEAN member states. We are very mindful that the interests of the profession are not compromised in the face of the liberalisation of trade in services.

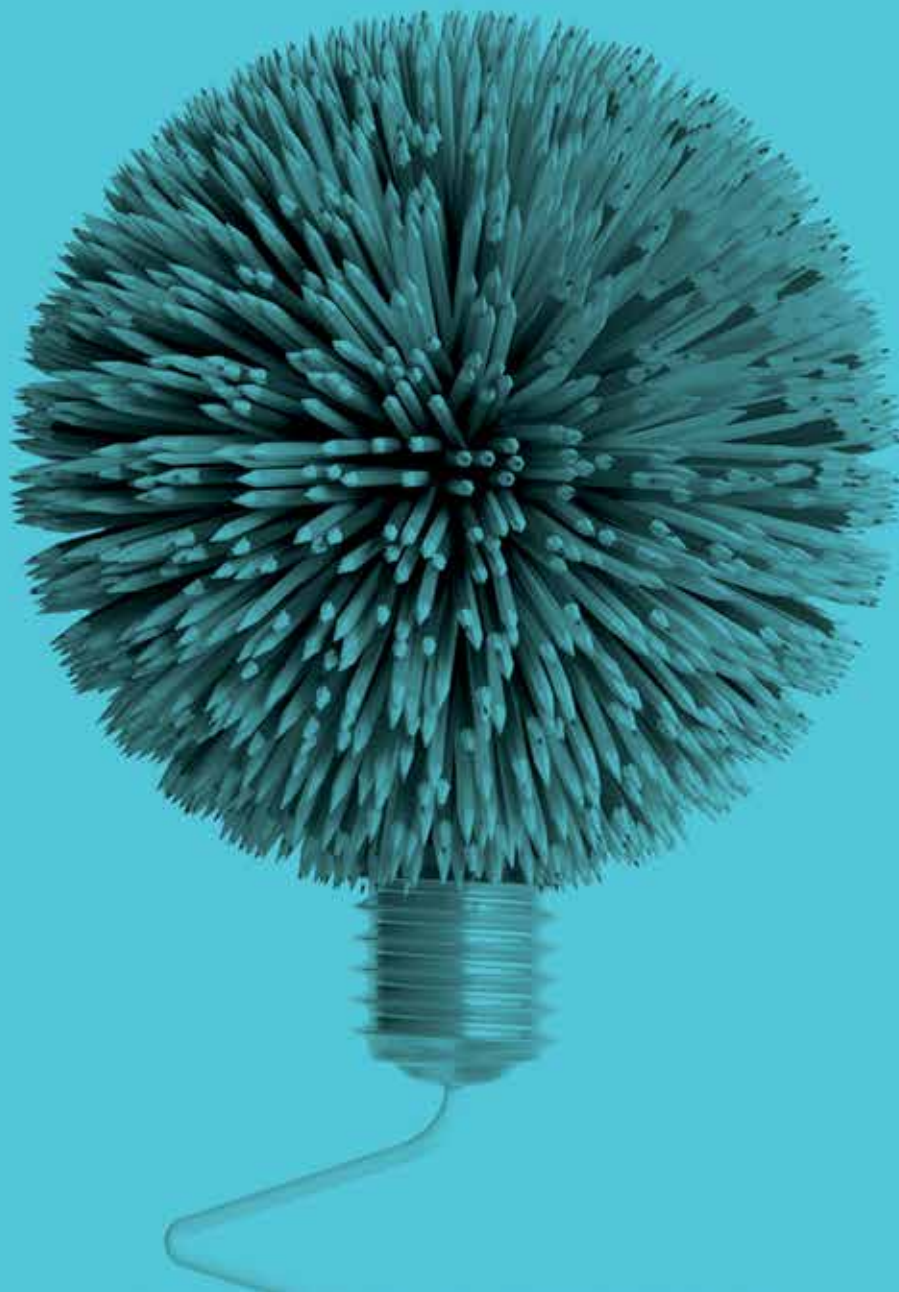
Meanwhile, MIA continues to play an active role in both the ASEAN Federation of Accountants (AFA) and the International Federation of Accountants (IFAC).

MIA's representative attended all four AFA Council meetings conducted in the financial year under review.

AFA's subsequent focus would be on establishing a strategic plan in building the capacity of its member countries.

The Institute is also proud to announce that due to its excellent compliance with IFAC's Statement of Membership Obligations (SMO) as well as consistent reporting, MIA received the privilege of reporting to IFAC on a biennial basis instead of annually as was done previously.

Enriching Knowledge
and
Ensuring Accountability



FACT FILE

- **CPE Programmes Conducted – 877**
- **Total CPE Programmes Participants – 28,734**
- **Professional Development Department (PDD) Income (FY2013/2014) – RM19.25 mil**
- **Free CPE Courses Conducted – 13 courses**
- **Free CPE Course Attendance – Over 450 MIA members**
- **MIA International Accountants Conference 2013 – Over 2,500 delegates from 22 Countries**

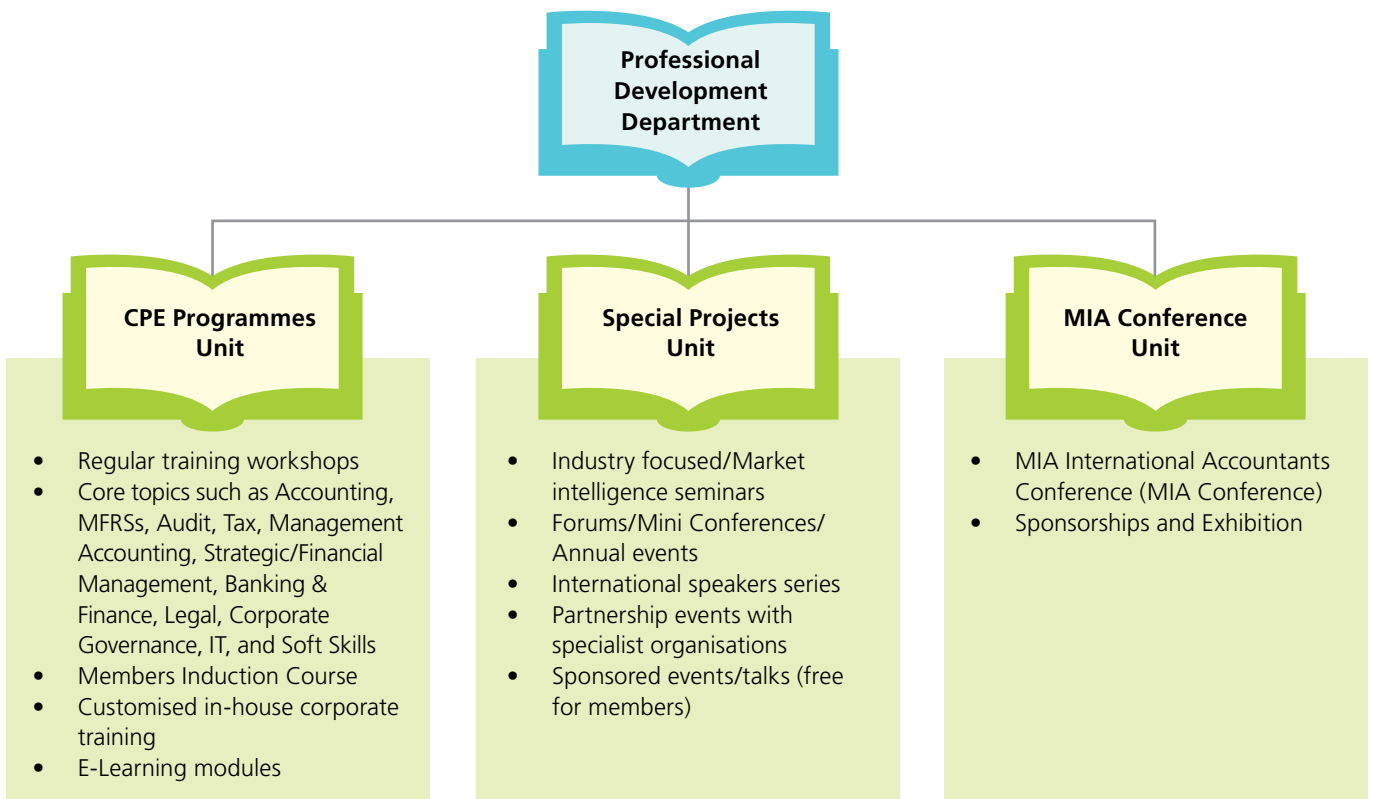
ACCELERATING KNOWLEDGE AND COMPETENCY DEVELOPMENT

The availability of competent and skilled accounting and finance professionals is crucial in maintaining the integrity of the financial reporting chain. It ensures that public interest is protected and the profession continues to thrive in a demanding and ever-changing environment.

The Professional Development Department (PDD), a strategic business unit of MIA, develops and delivers Continuing

Professional Education (CPE) programmes for members, non-members and stakeholders, help them prepare to undertake present and future challenges. PDD CPE programmes in various forms and formats - workshops, seminars, short courses, forums, and conferences as well as online and in-house learning – keep accounting professional abreast on the latest developments in the profession as well as new needs and demands of the sector.

MIA, via PDD and its Regional Offices, also serves its members and stakeholders throughout the country. PDD's customer base consists of approximately 60% MIA members and 40% non-members, who are serviced by three strategic business units within PDD as shown in the chart below:



PDD PERFORMANCE

PDD is tasked with carrying out research work on CPE/training needs and topics for the accounting profession, formulate appropriate CPE programmes, source facilitators/speakers or subject matter experts or secure partners, handle marketing and promotions, and finally present the CPE programmes.

PDD's CPE Programmes Unit focuses on:

1. Producing and delivering regular workshops on core topics such as Malaysian Financial Reporting Standards (MFRS), Audit, Tax, Management Accounting and so forth,
2. Managing the Members Induction Course via an e-learning portal for newly-admitted members,
3. Offering online CPE courses and customised in-house training programmes to organisations with emphasis on MFRS topics, Goods & Services Tax (GST) and other technical topics relevant to the accounting fraternity.

PDD's Special Projects Unit focuses on:

1. Providing value-added CPE activities such as industry-focused and market intelligence seminars,
2. Organising forums and mini conferences targeting specific segments of the accounting profession and business community,
3. Delivering international speakers' series through partnerships with specialist organisations
4. Organising sponsored CPE events and talks that MIA members participate at no cost.

PDD's Conference Unit handles MIA's flagship event, the MIA International Accountants Conference (MIA Conference). MIA Conference 2013 was attended by more than 2,500 delegates including representatives from 22 countries. Thus, it has become one of the country's premier international accountancy events and has helped to position MIA on the global map of the accounting profession. The delegates to the conference represent:

1. Professional Accountants in Business (48%),
2. Public Sector (30%),
3. Public Practice (17%)
4. Academia (5%).

Its significance is also reflected in the support received by MIA. The Conference received sponsorship and support from over 50 organisations including the International Federation of Accountants (IFAC) and other leading global professional bodies and accounting firms. IFAC president, Warren Allen delivered the keynote address at the MIA Conference 2013.

For the financial year ended 30 June 2014, MIA successfully delivered 877 CPE programmes, including 95 new titles. During the year under review, 314 industry specialists and subject matter experts served as facilitators and speakers for the CPE programmes, including 242 new speakers. This further cements MIA's growing reputation as a leading provider of continuing

professional education for the accounting profession. During the financial year under review, MIA delivered CPE programmes in these categories:

Categories	No. of Events	%
FRS & Financial Accounting	147	17%
Audit & Assurance	42	5%
Taxation	262	30%
Management Accounting	69	8%
Legal & Corporate Governance	49	6%
Banking & Finance	7	1%
Financial Management	37	4%
Public Practice & Consultancy	24	3%
IT Application	160	18%
Soft Skills	52	6%
Others	28	2%
TOTAL	877	100%

For the year under review, MIA recorded a total of 28,734 participants, of which 16,275 are MIA members. This represents about 54% of the total MIA membership. The remaining 12,459 participants were non-members from the accounting fraternity. The growing interest suggests the growing confidence of the public and accounting family towards MIA's programmes.

PDD is MIA's main income generator. The income generated from this business unit provides MIA with funding for its other core support functions such as upholding professional standards & practices, and surveillance & enforcement that are carried out to protect public interest.

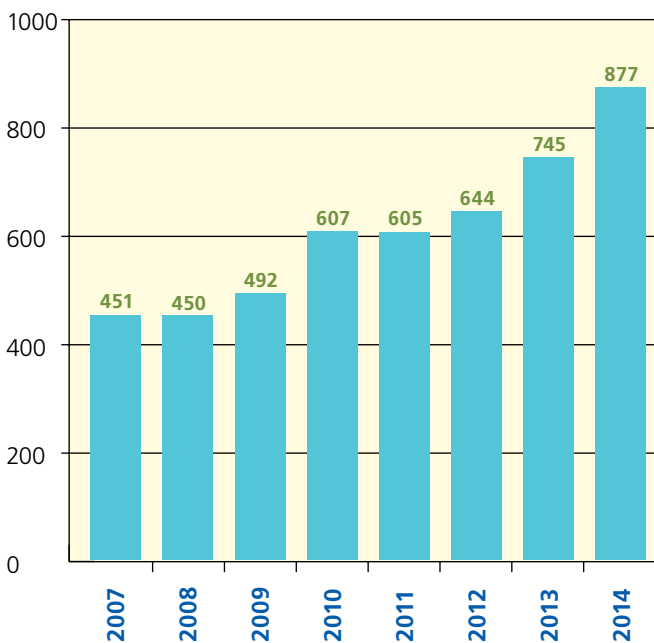
For the financial year 2013/2014, CPE activities housed under PDD generated a revenue of RM19.25 million, a RM3.8 million increase compared to RM15.43 million recorded in the corresponding year. PDD also saw an increased contribution of RM9 million for the year under review.

The CPE needs of MIA members based in various parts of the country have never been neglected. As MIA represents the profession, CPE programmes were also organised in other parts of the country. Below are the locations of the programmes.

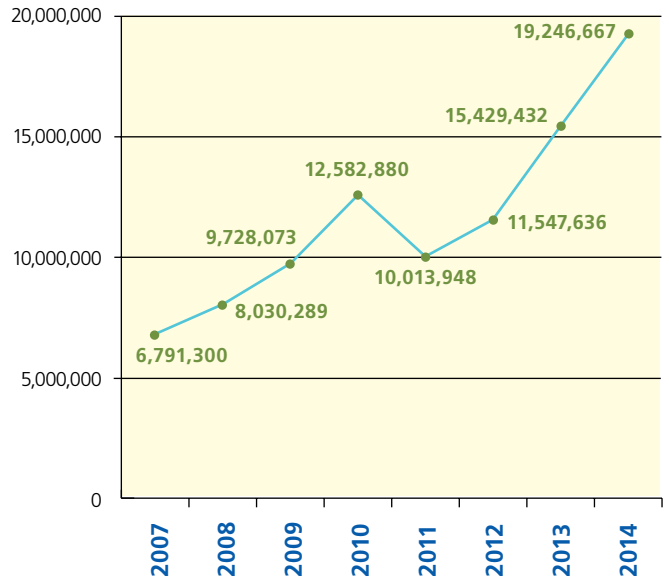
Regions	No. of Programmes	%
Klang Valley	674	77%
Penang	44	5%
Johor	70	8%
Sarawak	35	4%
Sabah	32	4%
Others	22	2%
TOTAL	877	100%

MIA has recorded a steady growth of the number of CPE programmes delivered and income generated. The number of programmes delivered had almost doubled to 877 compared to 451 programmes in 2007. The growth statistics for the number of programmes delivered and the revenue generated for the last eight (8) years are as follows:

NO. OF PROGRAMMES DELIVERED FROM 2007 TO 2014



REVENUE GENERATED FROM 2007 TO 2014



Close collaboration with external organisations has been one of the key factors contributing to the steady rise of MIA’s CPE services. MIA has excellent working relationships with leading accounting firms, professional bodies, regulatory bodies and other specialised organisations. During the year under review, MIA jointly worked on CPE programmes and activities with the following partners:

PARTNERS AND SUPPORTING ORGANISATIONS

- Professional Bodies**
 - ACCA
 - CIMA
 - CPA Australia
 - ICAEW
 - IFAC
 - MICPA
- Regulatory Bodies / Government Departments**
 - Bank Negara Malaysia
 - BAR Council
 - BURSA Malaysia
 - Inland Revenue Board of Malaysia
 - Jabatan Audit Negara
 - Ministry of Education
 - Ministry of Finance
 - Malaysian Accounting Standards Board (MASB)
 - Persatuan Akauntan Percukaian Malaysia (MATA)
 - Royal Malaysian Customs Department
 - Suruhanjaya Syarikat Malaysia (SSM)

Accounting Firms
Baker Tilly
BDO
Cheng & Co
Deloitte
Ernst & Young
Grant Thornton
KPMG
PricewaterhouseCoopers (PWC)

Specialise Organisations
Asian Institute of Finance (AIF)
Asian Pacific Association of Banking Institutes (APABI)
BizNet Global
Crimsonlogic
CSI World Headquarters
Global Event Asia
Globalacc
IBM
ICFE Group of Companies
Institute of Business Analytics Pte Ltd
ISACA
ITD World
Leadership Resources Malaysia
Lee Hishammuddin Allen & Gledhill
London Speaker Bureau
Malaysian National Computer Confederation
MEF Academy
Meridian Communications
Taylor's University
Women's Institute of Management

FINANCIAL ASSISTANCE SECURED FOR MIA MEMBERS OF SMPs/SMEs

MIA strong working relationship with SMECorp has helped to secure a training grant allocation of RM313,350 for the year. The grant enabled MIA to provide financial assistance for small and medium entities (SME) members, particularly the Small Medium Practitioners (SMPs) and their staff members to attend MIA training programmes. With the support of the training grant, MIA provided a 70% subsidy on training fees payable by SMEs and SMPs. Through this initiative, we have successfully trained more than 500 participants in the past 12 months.

FREE CPE COURSES FOR MIA MEMBERS

MIA continues to challenge itself in developing more innovative and forward-looking corporate social responsibility (CSR) initiatives. Besides the subsidised CPE programmes, MIA offered numerous free CPE courses to its members to support their professional development. More than 450 MIA members benefited from these free courses and seminars during the year as follows:

No	Programme Title	Partner	Target	Date	No of Participants
1	The Profitable & Sustainable Business Practice @ MIA	ICAEW	Public Practitioners	4-Jul-13	40
2	AIF Roundtable Forum @ Bank Negara Malaysia	AIF	All	30-Sept-13	56
3	CFO Dialogue: Reshaping the Mission of Finance @ Double Tree by Hilton Hotel	FPLC	CFO/Finance Leaders	7-Nov-13	22
4	Straight Talk! Assertive Communication @ MIA	Mr. Danniell Lim	Management Level	8-Nov-13	38
5	Performing Audits Efficiently and Expanding Service Offerings: Global & Local Insights @ Concorde Hotel	IFAC	Public Practitioners	6-Dec-13	49
6	A Dialogue in Corporate Governance: What should companies be responsible for? @ MIA	ICAEW	Accountants in Business	9-Jan-14	28

No	Programme Title	Partner	Target	Date	No of Participants
7	Creative Teaching with Multiple Modalities @ MIA	Mr. Jeyaraman Seenivasagam	Academics	23-Jan-14	30
8	First Impression Matters @ MIA	Mr. Jean Soong	Management Level	20-Feb-14	37
9	Be Different, Be Better @ MIA	Mr. Anuprakash	All	26-Feb-14	35
10	Strategies to Expand Small Medium Practices @ MIA	Mr. Chua Hock Hoo	Public Practitioners	13-Mar-14	35
11	Be at Your Best: Manage Your Energy and Moods @ MIA	Ms. Valsala Krishnan	All	16-Apr-14	39
12	Understanding Business Beyond the Numbers @ MIA	Mr. James Oh	Accountants	14-May-14	12
13	Outreach Programme by SSM @ SSM Penang	SSM Representative	Accountants in Business	25-Jun-14	31
Total					452

SPECIFIC CPE INITIATIVES AND ACHIEVEMENTS DURING THE YEAR

ENRICHING MEMBERS ON MFRS KNOWLEDGE AND SKILLS

In embracing globalisation, Malaysia converged with the International Financial Reporting Standards (IFRSs) effective 1 January 2012. As the national regulatory body for the accountancy profession, MIA was entrusted to develop and enhance the competency of local accounting professionals and ensure they practise and comply with IFRS which is referred to as MFRS in Malaysia. During the financial year 2013/2014, MIA delivered the necessary technical skills to MIA members on MFRS practices and compliance via a series of training programmes. A total of 147 CPE programmes were organised and they were attended by 4,518 participants mainly members of PAIB and Public Practice.

EDUCATING MEMBERS ON 2014 BUDGET

YAB Dato' Sri Mohd Najib Tun Abdul Razak, the Prime Minister and Minister of Finance, unveiled the 2014 National Budget on 25 October 2013. Following the budget announcement, MIA organised a nationwide roadshow to educate and update its members and the public on key highlights of the Budget, especially in promoting good tax planning and practices. MIA, in collaboration with MATA, organised 16 events with over 3,000 attendees. The location of the events are as follows:

No	Location	Areas to Include	Programme Period	No of Participants
1	Central Region	Kuala Lumpur, Petaling Jaya	25 Nov 13 – 22 Jan 14	1,142
2	Northern Region	Penang, Alor Setar, Ipoh		506
3	East Coast	Kuantan, Kota Bharu, Kuala Terengganu		153
4	Southern Region	Johor Bharu, Melaka		592
5	Sabah	Kota Kinabalu, Sandakan, Tawau		341
6	Sarawak	Kuching, Sibu, Miri		285
Total				3,019

PREPARING MEMBERS FOR GST

In the 2014 Budget announcement, the Government had decided to implement the Goods and Services Tax (GST) starting 1 April 2015. Following the announcement, MIA initiated a series of seminars and workshop to educate its members and the general public on GST. During the year, MIA worked with various GST experts and organisation specialising in taxes and delivered 155 seminars and workshops nationwide. The seminars were well-received with over 7,500 attendees. The initiative included 4 sessions of the 10-day GST Preparatory Course organised together with the Royal Customs Malaysia Department. The majority of the participants were members from public practice.

PREPARING MEMBERS FOR XBRL

eXtensible Business Reporting Language (XBRL) is a global electronic financial reporting standard that has emerged over the years to meet increased regulatory and transparency requirements for financial reporting.

Just like the IFRS convergence, XBRL is expected to become the standard mode for collecting, storing and conveying business financial information in Malaysia in the future. MIA realises the need to educate its members and the accounting fraternity on this new area and initiated several seminars on XBRL. During the year, MIA collaborated with various XBRL experts and specialist organisations to deliver 7 seminars and workshops on XBRL.

EDUCATING MEMBERS ON LLP

Limited Liability Partnerships Act 2012 (LLPA 2012) became the law when it was gazetted on 9 February 2012. This means business owners will have a choice of 3 different business vehicles to organise their business from a sole-proprietorship or partnership (Enterprise), a company or a LLP. In educating its members and business owners, MIA collaborated closely with LLP experts to organise 11 seminars and workshops on LLP.

ENRICHING MIA MEMBERS AT BOARD LEVELS

It is the board of directors' responsibility to ensure the company's prosperity and steady growth by collectively directing the company's affairs while fulfilling the interests of its shareholders and stakeholders. Board members must also deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics in addition to business and financial issues. Recognising the roles played by member of MIA at corporate boards, MIA rolled out 9 specially tailored CPE programmes during the year to support these senior corporate members.

SUPPORTING MEMBERS IN PUBLIC PRACTICE AND IMPROVING AUDIT QUALITY

As an on-going effort to improve the audit quality in Malaysia, especially audit works carried out by SMP, MIA designed various types of CPE initiatives, namely seminars, workshops and forums, to support and educate members of the public practice. During the year the following CPE initiatives were carried out:

No	Programme Title	Programme Period	Location	No of Participants
1	MIA Public Practice Programme	Sept 13 – May 14	KL, PG, JB, PJ	239
2	Interview For Approved Company Auditor and Liquidator	Jul-13 – Jun 14	KL, PJ	285
3	Essential Audit Quality Control Practice (with practice review findings)	Aug 13 – May 14	KL, JB, KK, KCH, PG, PJ	210
4	Practitioners Updates 2013	6 Nov 13	PG	72
5	Audit & ISAs	Jul 13 – Jun 14	Nationwide	648
Total				1,454

SUPPORTING MEMBERS IN PUBLIC SECTOR/GOVERNMENT ON IPSAS

The Federal Government of Malaysia is set to adopt full accrual-based accounting for financial reporting by 1 January 2015, so as to converge with the requirements of the International Public Sector Accounting Standards (IPSAS). This shift from cash-based accounting to accrual accounting will enable the public sector to report its financial performance, financial position and cash flow more accurately towards enhancing accountability and transparency in its financial management. In supporting the government as well as the accounting professionals in public sector, MIA rolled out a series of CPE programmes on IPSAS. During the year MIA delivered 19 seminars and workshops on IPSAS topics.

SUPPORTING MEMBERS IN THE ACADEMIA ON NEW UPDATES AND PRACTICAL INSIGHTS

Accounting educators today face a unique challenge in meeting the demand of providing progressive and knowledgeable graduates who are able to thrive in a dynamic market environment. Cultivating and developing graduates who are able to learn, unlearn and relearn will ensure that high performance human capital assets are in place to lead the nation to excellence and to remain competitive. Recognising the importance of MIA members in academia field, MIA rolled out several CPE initiatives for this academicians group during the year as follows:

No	Programme Title	Programme Period	Location	No of Participants
1	Tax Law for Accounting and Finance Educators	21-Oct-13	KL	19
2	Framework Based Teaching for Financial Reporting Standards	Aug-Sept 13	KL, KCH	84
3	Understanding the New Control Model for Consolidation and Joint Venture Accounting	21-Aug-13	KL	49
4	How to Teach and Engage Accounting Students in Creative and Exciting Ways?	27-Feb-14	KL	84
5	National Accounting Educators Symposium (NAES) 2014	26-27 May 14	KL	107
Total				343

INTERNATIONAL SPEAKER SERIES SPECIALLY ARRANGED FOR MIA MEMBERS

The International Speaker Series are talks delivered by sought after international speakers on a broad range of topics related to management and the accounting profession. The series are mainly organised in collaboration with focused organisations. During the year, MIA members had the opportunity to see and listen to these renowned experts:

- i. **MARK SPOFFORTH**, President of International Finance and Accounting Body ICAEW
- ii. **PAUL DUNN**, Social Innovation Fellow
- iii. **KAREN SCHMIDT**, Author, *Lessons in leading from the garden and Keep 'em keen: a guide on engaging people of all ages and career stages*
- iv. **PROF. SATTAR BAWANY**, Strategic Advisor & Member of International Professional Managers Association (IPMA) Board of Trustees and Governing Council
- v. **LAURENZ KOEHLER**, International Business Trainer
- vi. **NICK VUJICIC**, Author, *Living Life Without Limits*
- vii. **BETH WOLFSON**, Master Certified Trainer and Dynamic Speaker
- viii. **ADRIAN BOND**, Founding Director of Bond Associates Limited
- ix. **DR JEROME-PIERRE BONNIFAY**, Human Resource and Training Consultant
- x. **FRANCIS ROWLANDS**, International Business Trainer
- xi. **PROF DR BRIAN TO**, Senior Wharton Fellow at the Wharton School, University of Pennsylvania
- xii. **PAUL THOMPSON**, Deputy Director, SME and SMP Affairs, IFAC
- xiii. **MATT SMITH**, International Facilitator
- xiv. **JO IWASAKI**, Head of Corporate Governance, ICAEW
- xv. **BILL JAMIESON**, Partner, Colin Ng & Partners
- xvi. **MARTIN GILES MANEN**, International Facilitator
- xvii. **PAUL SOBEL**, Vice President/Chief Audit Executive for Georgia-Pacific, LLC
- xviii. **SIMON LINDLEY**, Director, Business Transformation Services Sourcing Advisory, United Kingdom
- xix. **MICHAL PIECHOCKI**, co-founder, co-owner and the Chief Executive Officer of the Business Reporting Advisory Group
- xx. **MATEUSZ HOJDA**, Chief Information Officer of the Business Reporting Advisory Group
- xxi. **WILLIAM J. ROTHWELL**, PhD., SPHR, Author, *Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within* (4th ed.)
- xxii. **LINDSAY ADAMS**, Master Practitioner in Neuro Linguistic Programming
- xxiii. **TARRAN DEANE**, CEO & Founder, Corporate Cinderella Australia
- xxiv. **PIERLUIGI COLLINA**, The World's Most Famous Football Referee
- xxv. **SAHAR HASHEMI**, Co-founder of Coffee Republic, Entrepreneurial Innovation Expert
- xxvi. **CHARLES LEADBEATER**, Author, Leading Authority on Innovation & Creativity
- xxvii. **CHRISTIAN GANSCH**, Award-Winning Conductor, Producer & Management Consultant
- xxviii. **IAIN FRASER**, CEO, Project Plus Ltd
- xxix. **MICHAEL SIMPSON**, Global Director, FranklinCovey
- xxx. **WARREN ALLAN**, President, IFAC
- xxxi. **MIKKEL LARSEN**, Managing Director, DBS Bank Singapore
- xxxii. **MARTYN JONES**, President, ICAEW
- xxxiii. **LUCIANO PEZZOTA**, Managing Partner, ECSI Consulting
- xxxiv. **JOHN KIDD**, Chief, Global Shared Services Centre
- xxxv. **MICHAEL A. OLESNICKY**, Partner, Baker & McKenzie Hong Kong
- xxxvi. **STEVE TOXERS**, Leader of International Tax Asia Pacific, Deloitte Singapore
- xxxvii. **PAUL DRUM**, Head of Business Investment Policy, CPA Australia
- xxxviii. **TANYA BARMAN**, Head of Ethics, CIMA
- xxxix. **WINANG BUDOYO**, Chief Economist, CIMB Niaga Bank, Indonesia

PROFESSIONAL STANDARDS AND PRACTICES (PSP)

MIA's PSP Department is responsible for promoting adherence to the highest professional standards and practices among members. This ensures the members' conduct will not only maintain but further strengthen public confidence and trust towards the profession. The department has five technical functions as follows:

- Accounting and Financial Reporting Standards Implementation Committee (FRSIC)
- Public Sector Financial Reporting
- Auditing and Assurance
- Ethics, Regulatory and Governance
- Taxation

In support of its technical functions, the PSP Department has carried out the following activities in the financial year under review:

ACCOUNTING AND FRSIC

1. Issued FRSIC Consensus 19 "Accounting for Prepaid Leasehold Land Held for Property Development by Developers" in response to FRSIC Issue No. 39 which required the measurement basis to be used for prepaid leasehold land held for development by property developers. The Consensus has been issued as a best practice implementation guide on 1 November 2013.
2. Initiated and embarked upon technical research initiatives for classification of the Initial Public Offering (IPO) securities of a Special Purpose Acquisition Company while monies held in trust account(s). FRSIC Consensus 20 "Classification of the IPO Investor Securities of a Special Purpose Acquisition Company" has been issued as a best practice guide on 1 November 2013.
3. Issued FRSIC Consensus 21 "Determination of Substantively Enacted Tax Rate In Measuring Deferred Tax Assets and Liabilities" which provides clarification on the appropriate tax rate(s) to be used in measuring deferred tax assets and liabilities when there is an announced (but not gazetted) change in tax rate(s) in Malaysia. The Consensus has been issued as a best practice implementation guide on 17 February 2014.
4. Jointly organised a half-day forum on Financial Reporting Standards for Small and Medium-sized Entities (FRS for SMEs) with the Malaysian Accounting Standards Board (MASB) on 11 July 2013 and 12 July 2013 in Kota Kinabalu and Kuching, respectively. The forum provides stakeholders, especially preparers and auditors, the opportunity to understand the new financial reporting framework for private entities.
5. Organised roundtable discussion with property developers and practitioners on 18 November 2013 to discuss the potential implementation issues affecting property development industry upon adoption of the new revenue standard "Revenue from Contracts with Customers".
6. Jointly organised a two-day workshop on the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) with the MASB and the IFRS Foundation on 30 June – 1 July 2014 in Kuala Lumpur. The workshop provides insight for stakeholders into the requirements for IFRS for SMEs.

PUBLIC SECTOR FINANCIAL REPORTING

1. Technical advisor to the International Public Sector Accounting Standards Board (IPSASB) Member, Datuk Wan Selamah Wan Sulaiman, Accountant General of Malaysia.
2. Attended quarterly IPSASB meetings in September and December 2013 and March 2014.
3. Member of the Government Accounting Standards Advisory Committee (GASAC). The Committee adopts and approves the Malaysian Public Sector Accounting Standards (MPSASs) to facilitate the migration to accrual accounting by the Government of Malaysia.
4. Provided input to the IPSASB by reviewing and providing comments on the following IPSASB consultation documents:
 - Exposure Draft on Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities: Presentation in General Purpose Financial Reports
 - Exposure Draft 48, Separate Financial Statements
 - Exposure Draft 49, Consolidated Financial Statements
 - Exposure Draft 50, Investments in Associates and Joint Ventures
 - Exposure Draft 51, Joint Arrangements
 - Exposure Draft 52, Disclosure of Interests in Other Entities
 - Exposure Draft 53, First-Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs)
 - Exposure Draft 54, Reporting Service Performance Information
 - IPSASB Strategy Consultation
5. Presentation on "Insights of MPSASs Having Significant Impact on Transition to Government Accrual Accounting" at the Seminar Sistem Perakaunan Akruan Kerajaan in October 2013.
6. Presentation on "Recommended Practice Guidelines (RPGs) and Recent Exposure Draft issued by the IPSASB" at the seminar organised by Persatuan Akauntan Sektor Awam Malaysia (PERASAMA) in December 2013.
7. Shared experience on supporting the Government of Malaysia move to accrual accounting with Federal Government of Nigeria IPSAS Implementation Committee in April 2014.
8. Engagements and outreach with various government ministries and departments on RPGs issued by the IPSASB.
9. Engagements with various ministries on the IPSASB current projects.
10. Produced article entitled "Introduction to MPSAS" in the Accountants Today bimonthly publication.

AUDITING AND ASSURANCE

1. Contributed directly to the international development of quality control, auditing, review, other assurance and related service pronouncements or services with the aim of providing constructive feedback to the International Auditing and Assurance Standards Board (IAASB). During the financial year, comments have been submitted in response to the IAASB Exposure Draft, Reporting on Audited Financial Statements: Proposed New and Revised International Standards on Auditing (ISAs).

2. Adoption of the IAASB pronouncement, ISA 610 (Revised 2013), Using the Work of Internal Auditors and Related Conforming Amendments.
3. Issued one Recommended Practice Guide (RPG) for members' guidance and compliance - RPG 5 (Revised), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report.
4. Ongoing discussion with Bank Negara Malaysia (BNM), Royal Malaysian Customs, Malaysian Communications and Multimedia Commission (MCMC) and Ministry of Urban Wellbeing, Housing and Local Government relating to legislations and regulations affecting auditor reporting.
5. Produced the following articles:
 - "When is the auditor's report not reliable?";
 - "Overhaul of auditor reporting: IAASB proposes fundamental changes to the auditor's report"
6. Shared experience and views on auditing standards with the Nepal Auditing and Accounting Standards Board.
7. Presentation on "Overview of IAASB – A Framework for Audit Quality" and participated in panel session in The Value of Quality Audit Forum in July 2013. Investors, businesses, auditors and regulatory bodies were brought together to facilitate open and constructive dialogue about audit quality issues in the broadest sense.
8. Participated in panel session on "Future of Auditor's Report" in 2014 Audit Committee Conference in March 2014. The session discussed the impact of improvements to auditor reporting on the audit committees, director and management.
9. Hosted roundtable with practitioners in October 2013 on IAASB's Exposure Draft, Reporting on Audited Financial Statements: Proposed New and Revised International Standards on Auditing (ISAs) to discuss IAASB's suggested improvements to auditor reporting.
10. Outreach session with regulators in October 2013 on IAASB's Exposure Draft, Reporting on Audited Financial Statements: Proposed New and Revised International Standards on Auditing (ISAs) to highlight suggested improvements to auditor reporting.
11. Provided input to local authorities on proposed laws and regulations which have implications on auditing practices in Malaysia. During the financial year, comments have been provided to the consultation paper on Proposed Review of Listing Requirements in Various Areas issued by the Bursa Malaysia Securities Berhad through Capital Market Advisory Committee of the Institute.
12. Presentation on "The New Era of Auditor Reporting: IAASB's Exposure Draft – Changing the Face of Auditor Reporting" in the National Accounting Educators Symposium (NAES) 2014 in May 2014. The NAES 2014 provides an avenue for accounting educators to explore the practical issues and latest developments confronting the accounting profession.

ETHICS, REGULATORY & GOVERNANCE

1. Adopted the following International Ethics Standards Board for Accountants (IESBA) pronouncements as part of the MIA By-Laws on Professional Ethics, Conduct and Practices on 22 July 2013 and 29 May 2014:
 - i. "A Breach of a Requirement of the By-Laws"
 - ii. "Definition of Engagement Team"
 - iii. "Conflict of Interest"; and
 - iv. "Definition of Those Charged with Governance".

2. Reviewed and provided comments on the following proposals issued by Bursa Malaysia Securities Berhad (the Exchange).
 - Review of Timeframe for Issuance of Financial Statements and Annual Reports. The comments were submitted to the Exchange on 5 July 2013; and
 - Proposed review of listing requirements in various areas, including the criteria of PN17, foreign issuer, bonus issue and etc. The comments were submitted to the Exchange on 19 March 2014.
3. Conducted a survey on Recommended Practice Guide 10 "Role of a Reporting Accountant in Due Diligence Working Group" in July 2013. The Capital Market Advisory Committee is currently conducting a study on this with the intention to enhance the guide.
4. Reviewed and commented on Exposure Draft entitled "The Companies Bill 2013". The letter of comment was submitted to Suruhanjaya Syarikat Malaysia on 5 August 2013.
5. Provided input to and resolved issues with Suruhanjaya Syarikat Malaysia at the Corporate Practice Consultative Forum on matters relating to the Companies Act 1965, Limited Liabilities Partnership Act 2012 and others.
6. Provided input to the Extensible Business Reporting Language (XBRL) Steering Committee on XBRL related matters on a regular basis.
7. The Capital Market Advisory Committee is currently embarking upon the following projects relating to capital markets, with the intention to provide guidance or make proposed changes to the relevant regulator. They are:
 - i. "Prospective financial information";
 - ii. "Combined financial statements";
 - iii. "Pro forma financial information"; and
 - iv. "Forms and Contents of Accountants' Report".
8. Ethics Standards Board (ESB) Initiatives:

ESB Outreach

22 April 2014 and 13 June 2014

As part of the ESB's continuous effort to uphold and encourage ethical behaviour, ESB organised an outreach event entitled "Ethical Challenges in Today's World" in Kuala Lumpur on 22 April 2014 and in Penang on 13 June 2014. The event attracted 150 participants comprised of professional accountants from business, public practice as well as students. The outreach offered members and students an opportunity to keep themselves abreast with the latest updates on MIA By-Laws on Professional Ethics, Conduct and Practices. It also provided them with the opportunity to analyse and seek solutions to practical ethical dilemmas.

The panel discussion was moderated by MIA Ethics Standards Board Chairman, Eugene Wong Weng Soon. The panel speakers included:

- i. Nik Mohd Hasyudeen Yusoff, Executive Chairman of the Audit Oversight Board (KL);
- ii. Mohd Izani Ghani, Chief Financial Officer of Khazanah Nasional Berhad (KL);
- iii. Ravi Navaratnam, Executive Vice President of Minconsult Sdn Bhd (KL and Penang);
- iv. Tan Soo Yan, Professional Practice Director of EY Malaysia (KL and Penang); and
- v. Dr. Mary Ann Harris, General Manager of Eastin Hotel Penang (Penang).

The discussion emphasised the need for professional accountants to abide with the five fundamental principles of professional ethics at all times. The principles which form the bedrock of the profession are integrity, objectivity, professional competency and due care, confidentiality and professional behavior.

An ethics board game called "Living Ethics" was also introduced to the participants at the event. The board game reflects real-life situations whereby in the midst of attempting and struggling to beat business competition or achieving goals, people tend to choose "merely moderate" solution and forget about the ethical side of a business decision. By playing the board game, participants were also reminded that by reinforcing ethical practices and promoting ethical culture in their organisation, it would result in enhancing stakeholders' confidence and benefit the accountant and their organisation's progression.

ESB Roundtable 12 May 2014

The ESB held the Roundtable with regulators on 12 May 2014. The purpose of the Roundtable was to solicit views and comments from the regulators on the topic "Non-compliance with Laws and Regulations".

The Roundtable was a follow-up discussion to the Exposure Draft issued by the International Ethics Standards Board of Accountants (IESBA) in August 2012, which describes circumstances in which a professional accountant would be required or expected to breach confidentiality and disclose the matter to an appropriate authority. The discussion revolved around how to balance professional accountants' responsibility to act in the public interest against confidentiality.

The participating regulators include Bank Negara Malaysia, Malaysian Anti-Corruption Commission, Suruhanjaya Syarikat Malaysia, Audit Oversight Board and Securities Commission.

TAXATION

- Submitted a memorandum to the Inland Revenue Board (IRB) in relation to the IRB's feedbacks and proposals with regards to the review of the Malaysian Stamp Act 1949 on 30 August 2013.
- Submitted a joint memorandum on issues relating to the 2014 Budget Proposal and Finance (No. 2) Bill 2013 to the Ministry of Finance (MOF) on 22 November 2013. The Joint parties are MIA, the Malaysian Institute of Certified Public Accountants (MICPA), the Chartered Tax Institute of Malaysia (CTIM) and the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA).
- Submitted 37 budgets proposal for 2015 to MOF jointly with MICPA on 16 May 2014. Amongst the budget proposals submitted, inter-alia, are:
 - Goods and Services Tax (GST)
 - Interest on Overdue Trade Debts and Interest from Housing Development Account
 - Deduction for Interest Incurred on Loans and Borrowings

- Extension of the "Special Relief" of RM2,000 in respect with Chargeable Income of Persons Having Total Aggregate Income of Not More than RM96,000
- Relief on Purchase of Computer.

DEVELOPMENT INITIATIVES FOR PROFESSIONAL ACCOUNTANTS IN PUBLIC PRACTICE

In continuation of the past years strategic aims, various activities have been initiated for the professional accountants in Public Practice in our efforts to realise the following three strategic aims:-

A) Enhancing Competency and Quality

In this reporting period, MIA organised several complimentary events to help members in public practice to manage challenges, both technical and practice management related. These complimentary event include the MIA – ACCA Forum on the Value of Quality Audit, Merger and Affiliation (M&A) seminars, Seminar on Recent Amendments in MIA By-Laws and Personal Data Protection Act 2010 and coaching sessions.

MIA-ACCA Forum: The Value of Quality Audit 5 July 2013

The half-day forum brought together the stakeholders, investors, businesses, auditors and regulators to facilitate open and constructive dialogue about audit quality issues in the broadest sense. Among the key issues debated are the definition of quality audit, ways to measure and benchmark audit quality, would businesses still demand audits if it is no longer mandatory, the value of a quality audit to business and markets, and ways to improve audit quality.

The forum which was held in collaboration with ACCA has attracted 100 participants in Kuala Lumpur.

Merger and Affiliation Seminars 2013 5 December 2013, Penang 12 December 2013, Kuala Lumpur

The one-day seminar designed specifically for Small Medium Practices (SMPs) who are interested in exploring the option of strategic alliance in the face of recent legislative changes, such as the introduction of Limited Liability Partnership (LLP) and the possibility of audit exemption in the future. The seminar was held in 2 locations, i.e. in Georgetown, Penang on 5 December 2013 and in Kuala Lumpur on 12 December 2013, with the financial support from the Ministry of International Trade and Industry (MITI).

This full-day seminar provides the latest information on M&A among accounting firms and updates on current regulatory changes in accounting, auditing, ethics and practicing guidelines.

The seminars attracted 80 participants in Georgetown, Penang and 170 participants in Kuala Lumpur.

Seminar on MIA By-Laws: Highlight on Recent Amendments

11 June 2014

In line with the recent changes in MIA By-Laws which took effect on 1 January 2014, the seminar is designed to assist members to achieve competent level of knowledge with MIA By-Laws. In addition, it also aimed to address the area of weaknesses among the candidates of audit approval interviews identified by MIA's Interviewers Panel.

Highlights of the seminar:

- Definition of engagement partner, firm, member firm and partnership.
- Amendments in Section 400
- Amendments in Section 500
- Appendix vi – Statement on Practice Review for Section 550
- Common areas of failure for candidates who failed the audit approval interviews.

The seminar was attended by 150 participants in Kuala Lumpur.

PDPA 2010: Compliance by Accounting Firms

11 June 2014

The Personal Data Protection Act 2010 (PDPA) became effective on 15 November 2013 and MIA member firms (in partnerships) are required to register themselves with the Personal Data Protection Commissioner as data user by 14 February 2014. The half-day seminar addressed the requirements for compliance by accounting firms under PDPA, types of notices to be issued and common issues faced by accounting firms in complying with PDPA, including key areas of concern and ongoing maintenance obligations.

This seminar was conducted in Kuala Lumpur and was attended by 150 practitioners.

Coaching Sessions for Candidates Pursuing Audit Approval Interview

The Institute conducts coaching sessions for candidates who intend to become approved company auditor, but have had two or more failed attempts at the audit approval interview sessions at Accountant General's office. The coaching session serves as an opportunity to discuss areas for improvement of candidates in order to further enhance the possibility of passing the interview.

15 coaching sessions have been conducted from September 2013 to March 2014.

B) Promoting Growth and Meeting New Challenges

In line with the country's economic transformation agenda, accounting firms are challenged to push their competencies and services level beyond information analysis and instead help organisations harness knowledge. A proposal which focuses on the transformation agenda for the public practice sector of the profession was submitted to Ministry

of International Trade and Industry (MITI) for consideration under the "Rancangan Malaysia Ke-11" on May 2014.

With the changing landscape in the profession, the Public Practice Programme that is mandatory for members who wish to apply for a practicing certificate has been revised in 2014. The revised programme, designed to meet future challenges, incorporates the main contents from the IFAC Guide to Practice Management. Besides being a common platform for competency self-assessment, it also encourages public practitioners to engage in continuous learning and keep them in touch with the new demands of the profession.

A greater emphasis has been placed on merger and affiliation, service diversification, branding and the export of services among accounting firms. A complimentary seminar on "Performing Audits Efficiently and Expanding Service Offerings: Global and Local Insights" was conducted on 6 December 2013 by the Deputy Director of IFAC SMP Committee and a member of IFAC SMP Committee. They shared on the audit challenges, methods to improve audit efficiency, tips on sustainability of SMPs and marketing strategies.

C) Shifting the Thought Paradigm of Members and Other Regulators

MIA continued to devote significant amount of time in 2014 to professional reform. As at to date, we have driven interventions to address immediate hindrances in legislations / regulations that have caused talent shortage and low audit fees in Malaysia. For example, we have engaged with the following authorities for the benefit of members in public practice:

- Malaysian Competition Commission (MyCC) in exploring the exclusions or exemptions provisions provided under the Competition Act 2010 for MIA's *Recommended Practice Guide 7: Charging for Professional Assurance Services*
- Accountant General (AG)'s Department on further streamlining the audit approval issues and
- PEMANDU and MITI on brain drain issues.

On the audit approval side, with the agreement of AG's Department, re-attempt is allowed for single module if candidates failed marginally in one module, effective from 1 July 2013. The waiting period for next interview session has also been reduced to 6 months, regardless of how many modules a candidate fails. Also, approved company auditors are now encouraged to submit their renewal forms 6 months prior to the expiry date. Such move is applauded as it allows sufficient time for the renewal process and to facilitate the renewal of audit approval before the expiration, especially in cases which are under investigation proceedings which may require deliberation amongst various regulators.

The Institute has issued a discussion paper regarding the Institute's governance structure for members' comments and/or feedback on 21 August 2013 and members are invited to provide comments on the discussion paper from 29 August to 13 September 2013. The comments and/or

feedback obtained have formed the basis of the Institute's proposal submission to the Committee to Strengthen the Accountancy Profession (CSAP) regarding the Institute's governance structure.

Following the issuance of Companies Bill for public consultation in July 2013, a memorandum on the proposed criteria for approved liquidators was submitted to SSM in November 2013. The Institute has also engaged with the Insolvency Practitioners Association of Malaysia (IPAM) and the MICPA in order to formulate a competency framework for approved liquidators in Malaysia. The proposed competency framework will form the basis for developing the insolvency professional examinations for liquidators in Malaysia.

DEVELOPMENT FOR PROFESSIONAL ACCOUNTANTS IN BUSINESS

MIA continues to carry out projects to develop and support members who are professional accountants in business in the country. Through this function, MIA strives to provide a platform to facilitate the exchange of information regarding current developments and emerging issues that shape the profession and to promote global best practices for the enhancement of the profession.

Ultimately through this platform, MIA hopes to provide thought leadership to stakeholders and excellent services to members by maintaining and enhancing the reputation and status of the Institute and its members in technical areas. To support these objectives, MIA carried out the following activities:

1. The organising of the MIA Articles of Merit Award on PAIB 2013. Member development is one of MIA's main agendas and as such, contributions from members who are professional accountants in business (PAIB) have to be acknowledged. MIA in turn consistently interacts with members, and encourages them towards developing their professional knowledge and skills with the objective of enhancing the members' status.
2. This award intends to provide a platform for engagement on issues and topics relevant to the profession and we hope that it would spur the adoption and development of best practices in order to promote the value of professional accountants in business.
3. The inaugural National Award for Management Accounting (NAfMA) was officially launched in April 2004. In 2014, the awards have been elevated to recognise the excellence of professionals such as CEOs, CFOs, entrepreneurs and business managers for their outstanding contribution towards management accounting in Malaysia. NAfMA aims to elevate the critical role of management accounting in sustainable business success.

The new NAfMA awards were launched on 4 September 2013. A panel of judges comprising high level corporate figures will assess the nominations and the winners will be announced during the award gala dinner in September 2014.

The award has a number of categories including CEO of the Year, CFO of the Year, Organisation of the Year, Business Manager of the Year and the Outstanding Contribution to Business Performance.

The supporting partners are KPMG and Universiti Teknologi Mara. NAfMA 2014 is endorsed by the Accountant-General's Department of Malaysia, EU-MCCI (EU Malaysia Chamber of Commerce & Industry), Bursa Malaysia and the Malaysia International Chamber of Commerce and Industry.

4. MIA in collaboration with ACCA, the Securities Commission and the International Integrated Reporting Council (IIRC) organised a forum entitled "Integrated Reporting: Revolutionising the Way We Communicate Value in Malaysia".
5. While Integrated Reporting (IR) may not yet be the norm for the majority of Malaysian companies, it is already proving its worth in other countries that were early adopters. Results of efforts implemented by early adopters are becoming tangible, and the trend is expected to grow as more companies come to realise the real value of IR.
6. This was the primary message of the forum and the key presenters among others were Paul Druckman, Chief Executive Officer of IIRC and Mikkel Larsen, Managing Director and Head of Tax & Accounting of Development Bank of Singapore.
7. It was highlighted that IR focuses on bringing better efficiency to the reporting process as well as adopting integrated thinking as a way of breaking down internal silos in organisations. The speakers also reiterated that integrated reporting is the next stage in the evolution of corporate reporting. The participants were also given updates on IR and the benefits of adopting IR in their organisations.

ISLAMIC FINANCE

In the areas of Islamic Finance (IF), MIA through various initiatives and collaborations aims to showcase Malaysia's expertise in IF and promote its accountants' marketability locally and internationally. It plans to develop the knowledge base on application of IFRS on Islamic Finance as well as to encourage research on this area through collaborations and share the findings with stakeholders. To support these objectives, MIA carried out the following activities:

1. MIA in collaboration with Universiti Tenaga Nasional (UNITEN) organised the Nasional Business Zakat Symposium on 8 October 2013. The partners were Lembaga Zakat Selangor (LZS), Pusat Pungutan Zakat Wilayah Persekutuan (PPZWP), Persatuan Akauntan Percukaian Malaysia (MATA) and Universiti Sultan Zainal Abidin (UniSZA).

The symposium was officiated by YB Dato' Seri Ahmad Husni Mohamad Hanadzlah, Minister of Finance II Malaysia.

Over 300 participants comprising business and corporate leaders, regulators, zakat agencies, academicians and students attended the inaugural Business Zakat Symposium.

The aims of this one-day Symposium were to convey accounting knowledge on business zakat to the accounting practitioners and preparers to improve and standardise accounting and reporting practices for all stakeholders in the zakat eco-system. Among key issues discussed during the Symposium include the zakat concept and philosophy, “zakatable” items for business, requirements and application of MASB TR i-1 and the future direction of accounting on business zakat. There was also a session on sharing of experience by industry players on how they have implemented business zakat successfully in their respective organisations.

The event was covered by the media such as Alhijrah TV, RTM 1 & 2, Bernama TV and Astro Awani.

Sponsorship for the event was received from various organisations such as, zakat authorities, banks and institutions of higher learning. The gold sponsors were LZS and PPZWP. The other sponsors include Pusat Zakat Negeri Sembilan, Takaful Ikhlas, Yayasan Canselor UNITEN, Tenaga Nasional Berhad, Yayasan Pelajaran MARA, YLI Holdings Berhad, Bank Kerjasama Rakyat Malaysia Berhad, UniSZA, Malaysia Building Society Berhad, and Majlis Agama Islam & Adat Istiadat Melayu Perlis and Perak.



Upholding the Public Interest



FACT FILE

- **Annual CPE Audit (October 2013) – 13,516 members**
- **Submitted the CPE Online Declaration – 3,909 (as at 30 June 2014)**
- **Formal complaints received by the Institute – 45**
- **Punishment meted by Disciplinary Committee – Removed (2), Suspended (3), Fined (23)**

ENSURING COMPETENCE THROUGH CONTINUING PROFESSIONAL EDUCATION (CPE) COMPLIANCE

All professional accountants have an ethical obligation to maintain professional competence and exercise due care at all times. They have a responsibility to themselves, their employers, their clients and other stakeholders to ensure that they keep abreast with the current developments that affect their current and future professional work.

To do so, professional accountants are required to participate in Continuing Professional Education (CPE) learning activities that are relevant to their current and future work and professional responsibilities. CPE compliance ensures that members adhere to the basic tenets of ethical and professional conduct.

To ensure that standards of professional competence are rigorously upheld, MIA will continue to conduct CPE compliance audit on all active members.

A batch of 13,516 members comprising Practising Certificate Holders and Non-practising Certificate Holders were audited in October 2013.

As at 30 June 2014, a total of 3020 non-practitioners and 889 practitioners had submitted the CPE Online Declaration. A total of 3658 non-practitioners complied with the CPE requirements for Audit Period 1 January 2011 - 31 December 2013, with 7521 members having a shortfall in CPE credit hours and 27 members were exempted. However, only 1662 Practising Certificate Holders who are audited annually, complied with the CPE requirements for Audit Period 1 January - 31 December 2013, with 648 practitioners failing to record the required CPE credit hours and no exemption had been given to members.

MIA also performed "CPE Evidence Review" in April 2014 for the audit period involving 200 members comprising practitioners and non-practitioners.

Selected members were required to forward all supporting documents (hardcopy/softcopy) in relation to the training recorded for the CPE audit period 2013 to the Institute. During the "CPE Evidence Review" 44 Practitioners and 27 Non-Practitioners reported compliance with the CPE hours requirements. However, the submission of evidence from members was not very encouraging and the Institute will be taking stricter action on these members.

PRACTICE REVIEW – IMPROVING AND ENHANCING AUDIT QUALITY FOR THE PROFESSION

DUAL RESPONSIBILITIES OF THE INSTITUTE AFFECTING PRACTICE REVIEW

The Institute is committed in protecting the public and members' interest. Members realise the Institute's responsibility to advance integrity, objectivity and competence.

In accordance with the requirements of International Federation of Accountants (IFAC), the practice review programme ensures that member firms adopt or develop quality control policies and procedures for all professional services and they adhere to these policies.

ACTIVITIES

- The Institute implemented the revised practice review framework based on the risk approach with effect from 1 January 2014. Risk profile questionnaires were sent out to practitioners who have not been reviewed to gather information on their risk levels. Other risk information may be derived from regulatory authorities who may have dealings with these member firms. The risk based approach allows for the selection of firms for review in accordance with the risk methodology developed by the Institute which prioritises firms with higher risk.
- The Practice Review (PR) department published its Practice Review Report 2009 – 2013 in February 2014 which highlighted its activities, results of reviews and survey findings. The report also included some common findings of practice review.
- The department continued to assist in providing ISQC 1 courses and conduct seminars for corporate directors on fundamentals and governance issues.

As at end of the financial year, the statistics showed the following:

State	1st Review (a)	Firms Reviewed (b)	Balance not reviewed for 1st review	
	Audit Firms		Total	(c) %
Johor	127	103	24	19
Kedah	26	22	4	15
Kelantan	11	1	10	91
Melaka	34	26	8	24
Negeri Sembilan	20	5	15	75
Pahang	23	1	22	96
Perak	53	33	20	38
Perlis	1	0	1	100
Pulau Pinang	113	88	25	22
Sabah	86	56	30	35
Sarawak	76	68	8	11
Selangor	311	108	203	65
Terengganu	9	0	9	100
Federal Territory	488	161	327	67
Grand Total	1378	672	706	51%

Description	As at 30 June 2014	As at 30 June 2013
No. of registered audit firms	1378	1363
a) Percentage of firms reviewed	49%	47%
b) No. of completed reviews (report signed by MIA)	625	539
c) Total firms notified for follow up review	116	84
d) Cumulative results of review		
i) Type 1 (satisfactory)	7%	8%
ii) Type 2 (assurance of compliance to be provided)	46%	48%
iii) Type 3 (follow up)	47%	44%

FINANCIAL STATEMENTS REVIEW

The Malaysian Institute of Accountants' Financial Statements Review (FSR) function serves to monitor the quality of financial information and reports that are prepared by or are the responsibility of members of the Institute.

Under this function, MIA monitors compliance with statutory and other requirements, approved accounting standards and approved auditing standards in Malaysia in relation to financial reporting. MIA also shares with its members about financial reporting best practices based on common findings identified during the review process.

The review of financial statements is carried out by MIA's Financial Statements Review Committee (FSRC) which monitors the quality of financial statements through the review process, including cases referred by other regulators.

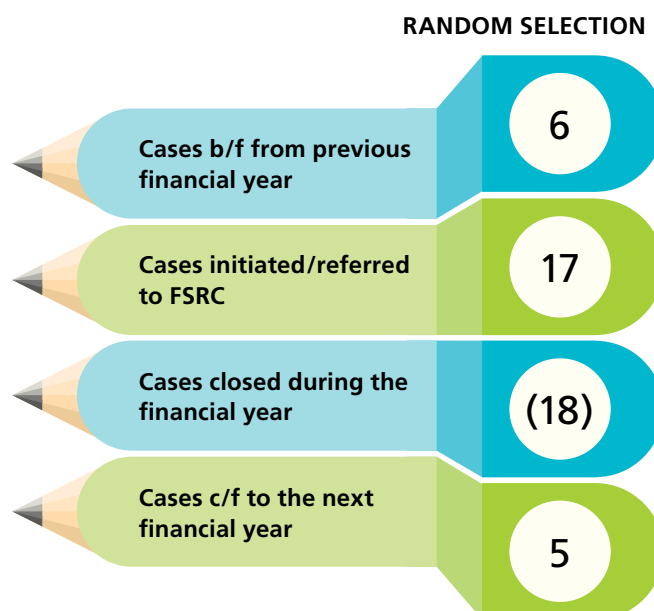
MIA also monitors the media as part of a proactive surveillance approach on potential accounting irregularities and reporting deficiencies in public-listed companies and public-interest entities and will take action, where necessary, should a member be found to have breached any by-laws and/or other statutory requirements in the preparation of their financial statements.

In supporting MIA to regulate the practices and strengthen the credibility of the accountancy profession in Malaysia, the Financial Statements Review Department (FSRD) carried out the following activities during the year:

1. To monitor compliance with statutory and other requirements, approved accounting standards and approved auditing standards in Malaysia in relation to financial reporting, FSRC reviewed financial statements

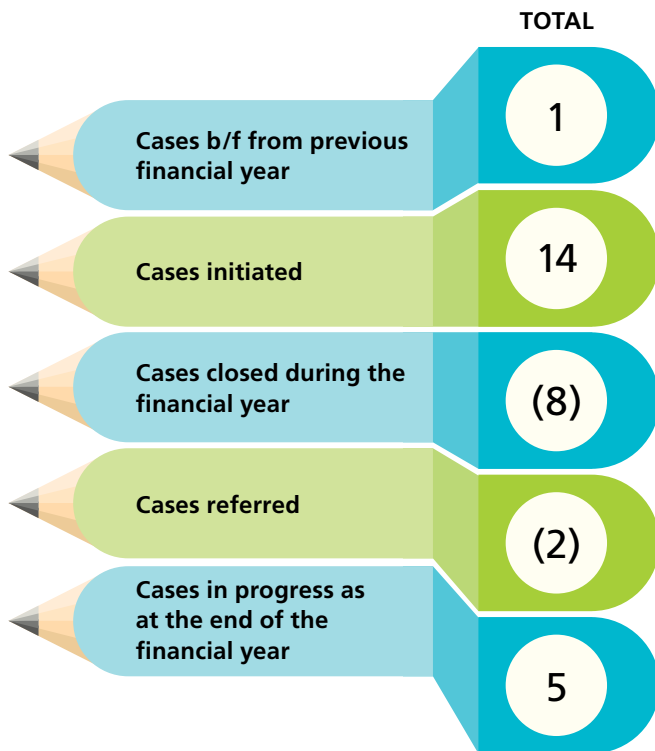
of listed companies selected on a random basis and cases of public interest (inclusive of those referred by other regulators). During the financial year ended 30 June 2014, FSRC reviewed seventeen (17) new financial statements of listed companies.

The summary of the reviews conducted were as follows:



For the year under review, FSRC has categorised two (2) cases as Category 2 of the penalty tariff, whereby a warning letter was issued to the preparer for a substantial number of non-compliances with the requirements of Malaysian Financial Reporting Standards. Three (3) cases have been categorised as Category 3, whereby the matter was referred to MIA Investigation Committee for appropriate action.

2. MIA actively keeps track of cases of public interest reported in the media on financial reporting and ensures prompt action is taken to address the issues. During the financial year, media reports and referrals from other regulators that prompted further analysis by MIA were as follows:



3. To promote higher standards of financial reporting in Malaysia, MIA jointly organised the National Annual Corporate Reporting Awards (NACRA) together with Bursa Malaysia and the Malaysian Institute of Certified Public Accountants (MICPA). The award aims to promote greater and more effective communication of financial and business information through the publication of timely, informative, factual and reader-friendly annual reports.

ENSURING CHECKS AND BALANCES IN THE PROFESSION

As the national regulatory body for the accountancy profession in Malaysia, MIA is responsible to ensure that the credibility of the profession is maintained and public interest continues to be upheld. MIA, through its enforcement mechanism, uses the statutory powers given to impose effective sanctions in an effort to further raise the standards of professional conduct of members.

Under Rule 3 of the Malaysian Institute of Accountants (Disciplinary) (No.2) Rules 2002, every complaint against any MIA member shall be addressed in the first instance to the Registrar of MIA (Registrar). The Registrar shall then refer such complaint to the Investigation Committee once it satisfies the requirements of Rule 4 of the same Rules.

The numbers of formal complaints received by Registrar during the year decreased slightly compared to the previous year. Registrar received 45 (2013: 49) complaints during the year of which 21 (2013: 22) complaints were related to auditing and accounting failures.

88 informal complaints were received during the year. These included walk-ins, on-line complaints and complaints from other regulators/parties against our members. As most of these complaints do not contain sufficient details for MIA to act on them, the Registrar accordingly advises the complainants on the fundamental requirements for a complaint to be valid. Most times, the statistics show that these Complainants do not follow up with a formal complaint.

INVESTIGATION

The Investigation Committee (IC) is a statutory committee established under Section 19(a) of the Accountants Act 1967. It will investigate complaints against MIA members and will refer them to the Disciplinary Committee (DC), where appropriate. Each complaint is investigated and assessed objectively in line with the requirement of natural justice.

There were 164 complaints brought forward from the previous financial year end while during the financial year, 45 new complaints were lodged with the Registrar on various forms of alleged misconduct. The IC held 8 investigative meetings throughout the financial year which resulted in the dismissal of 20 complaints, the referral of 39 complaints to the DC while another 20 complaints are still under deliberation.

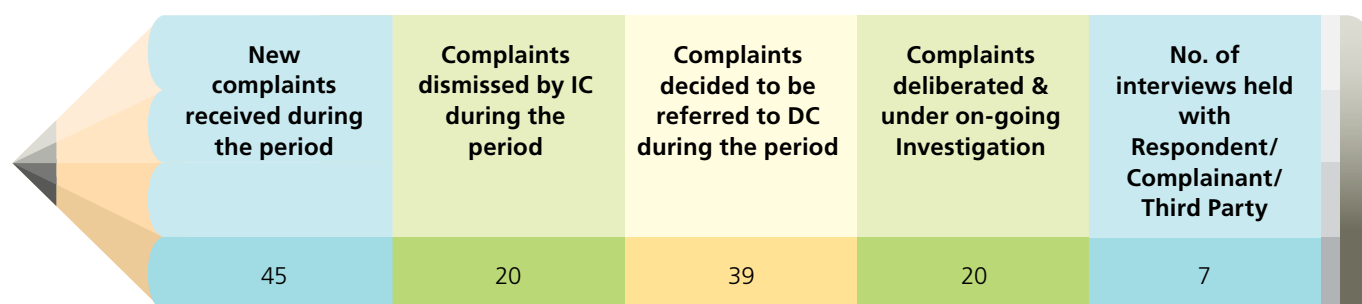
The IC in its course of investigation accords the parties involved in the investigation the opportunity to be heard. The IC held 7 such interviews during the year. These interviews which are also conducted prior to IC sittings by the Investigation Officer (IOs), provides an avenue for the parties involved to render their explanations and representations and for the IC and IOs to clarify matters pertaining to the complaint.

There was a total of 20 (2013: 22) complaints dismissed by the IC on grounds of frivolity and insufficient evidence during the year.

The IC is also involved in DC mentions and hearings as prosecutors. At a DC mention, the IC renders clarification (if requested by the DC) while at a DC hearing, the IC is required to present the case against the Respondent, examine the Complainant, re-examine the Respondent and make its final submission. The IC attended 34 such mentions of which 11 turned into DC hearings.

MIA also accords the Respondent an avenue to appeal through the Disciplinary Appeal Board. During the year, 8 appeals were submitted of which the IC submitted 7 written representations.

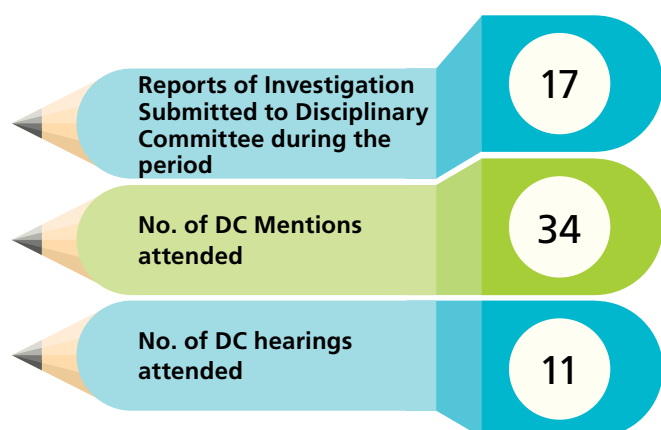
STATISTICS OF INVESTIGATION FROM 1 JULY 2013 TO 30 JUNE 2014



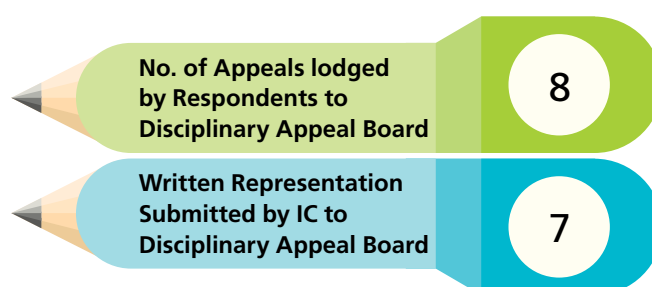
The complaints above are in respect of various types of alleged misconduct as narrated below.

Types of misconduct	Complaints brought forward from previous financial years	New complaints received during the period	Complaints dismissed by IC during the period	Complaints decided to be referred to DC during the period	Cases deliberated & under on-going Investigation	No. of interview held with Respondent / Complainant / Third Party
Accounting & auditing failures	55	18	3	4	10	5
Liquidators' failures	10	3	-	-	-	-
Company secretary's failures	37	11	4	1	-	1
Practice Review's failures	5	3	1	2	2	1
Other misconducts: • Failures on membership matters • Others (Fees disputes, termination of employment, conflict of interest, etc)	57	-	10	32	8	-
	-	10	2	-	-	-
Total	164	45	20	39	20	7

STATISTICS OF COMPLAINTS REFERRED TO DISCIPLINARY COMMITTEE FROM 1 JULY 2013 TO 30 JUNE 2014



STATISTICS OF CASES AT THE DISCIPLINARY APPEAL BOARD FROM 1 JULY 2013 TO 30 JUNE 2014



DISCIPLINARY COMMITTEE REPORT

The Disciplinary Committee (DC) is the other statutory arm of the Institute, established under Section 19(b) of the Accountant's Act 1967. The DC is empowered under the Act to consider all complaints referred to it by the Investigation Committee (IC) and cases coming directly to it under Rule 18(2) of the MIA (Disciplinary) Rules 2002 (the 18(2) Rule). The DC has the power to impose disciplinary punishments where it thinks fit and proper against members of the Malaysian Institute of Accountants (MIA) pursuant to Rule 18(3) of the MIA (Disciplinary) Rules 2002.

During the FYE 30 June 2014, as shown in **Table A**, the DC dealt with 22 complaints referred by IC which were brought forward from the previous financial year end and a total of 20 complaints in the current financial year, 17 of which were referred by the IC and 3 cases came directly under the 18(2) Rule. The number of complaints heard and disposed by the DC varies annually due to the timing of the individual hearings. On average, the DC had disposed about 17 complaints each year over the last five financial years. The scheduling of hearings of these cases has to take into account the availability of the DC members, the representatives of the IC, the member involved and if they are represented, their legal counsel.

Statistics show that the DC is more inclined to issue a reprimand, and/or impose costs and/or a fine against members for minor audit or accounting offences and membership issues and take a more drastic stand of removing or suspending members where

cases come to DC via the Rule 18(2) route. Rule 18(2) cases relate to those where judgments have been obtained against the member for offences involving fraud, gross negligence, misconduct or dishonesty or where members have been declared a bankrupt. The DC views such offences seriously as it involves the integrity of the profession. Some referrals by the IC that involved serious audit related breaches have also resulted in the removal or suspension of the member.

Where the DC makes a decision on a case and metes out its punishment, these decisions, including the member's name, regardless of the severity of the punishment imposed, are published in the Institute's magazine, Accountants Today and in both an English and Bahasa Malaysia news daily. Similar information is also given to all relevant government licensing authorities and to the association of accountants to which the member is also a member. It is also uploaded in the Institute's website as a sign of transparency and a warning to potential wrongdoers.

Table B depicts the type of decisions meted out by the DC from FYE 2008 till 2014. Cases referred with punishments meted out rose significantly between FYE 2011 to 2014, testifying to the increasing importance the Institute places on complaints lodged against its members and its seriousness in sending a stern message across the accounting fraternity. Although the number of members disciplined is comparatively low compared to the Institute membership of more than 30,500, it demonstrates the Institute seriousness in upholding the standard and the integrity of its members. We hope these punishments will serve as a deterrent to members and protect the professional image of the accounting profession.

TABLE A: CASES BEFORE THE DISCIPLINARY COMMITTEE FROM 1 JULY 2013 TO 30 JUNE 2014

Pending cases from previous financial years	No. of Cases referred to the DC during current financial year	Cases Heard (including cases from previous financial years)		No. of Cases Withdrawn by IC	*Cases currently pending	Complainant		Cases Involving :	
		No. of Cases Resulting in Punishment	No. of Cases Dismissed by the DC			Individual / Others	Regulators	Auditors	-Directors -Liquidators -Others
22	20**	33	5	1	3	39	3	11	31

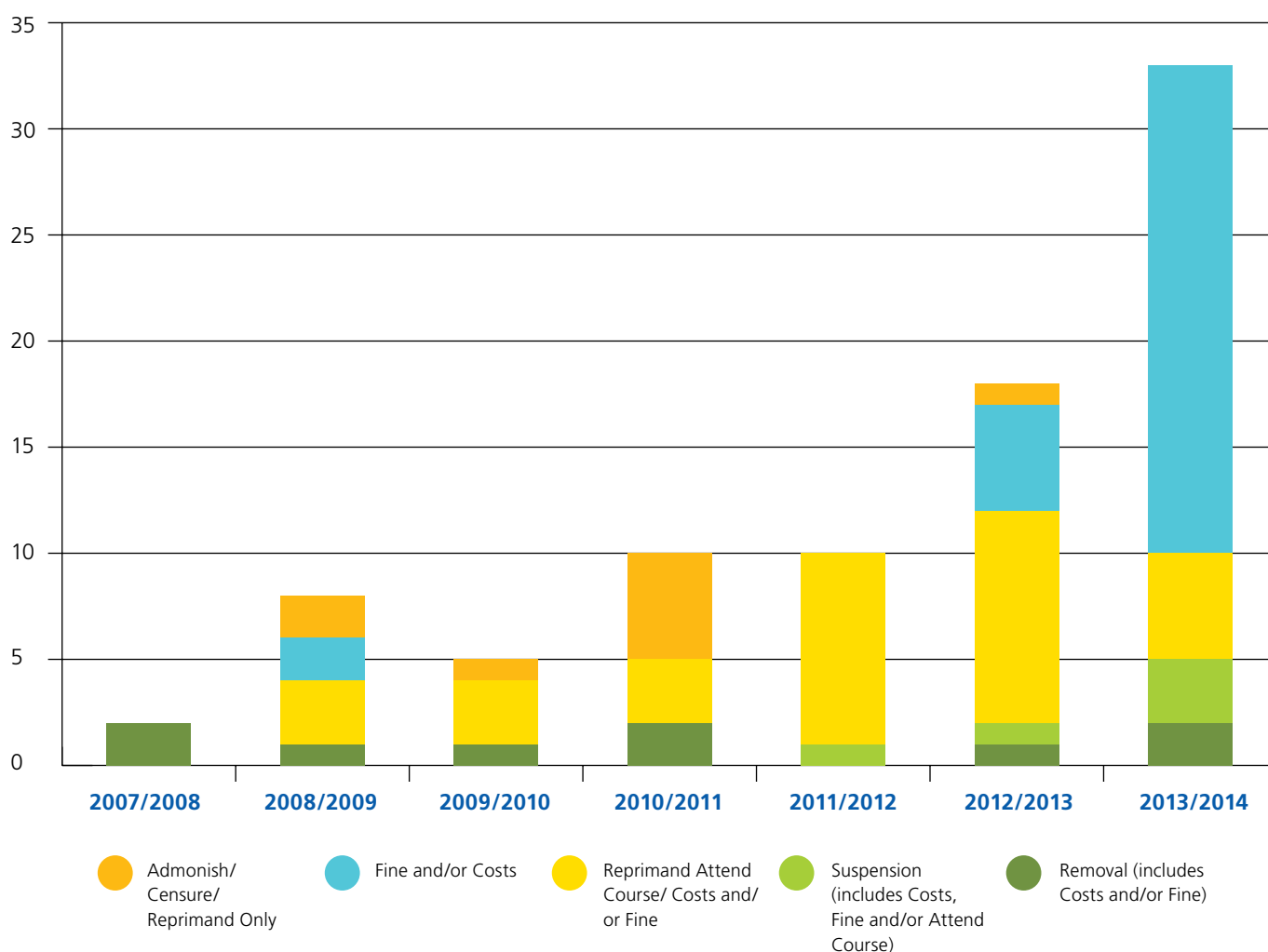
***Pending cases: 3**

- 2 pending further action by the Investigation Committee.
- 1 pending due to on-going court proceedings.

****3 came directly to the Disciplinary Committee under R. 18 (2) of the MIA (Disciplinary) Rules, 2002**

TABLE B: PUNISHMENTS METED OUT BY THE DISCIPLINARY COMMITTEE

PUNISHMENTS METED BY DISCIPLINARY COMMITTEE	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Removal (includes Costs and/or Fine)	1	1	1	2	0	1	2
Suspension (includes Costs, Fine, and/or Attend Course)	0	0	0	0	1	1	3
Reprimand/Attend Course/ Costs and/or Fine	0	3	3	3	9	10	5
Fine and/or Costs	0	2	0	0	0	5	23
Admonish/Censure/ Reprimand Only	0	2	1	5	0	1	0

PUNISHMENTS METED OUT BY THE DISCIPLINARY COMMITTEE

DISCIPLINARY APPEALS

Any member aggrieved by the decision of the Disciplinary Committee may, within a specified period, appeal to the Disciplinary Appeal Board of the Institute (DAB). The DAB is empowered under the Act to consider appeals by members, and may confirm, reverse or vary the decisions of the Disciplinary Committee.

During the year under review, a total of four (4) appeals have been disposed by the DAB, of which three (3) were appeals that were brought forward from the previous years under review.

As at 30 June 2014, there are eight (8) appeals pending deliberation, of which two (2) were lodged in the third quarter of the year under review and six (6) were lodged in the fourth quarter of the year under review.

Committees: Statutory and Other Committees



(1) STATUTORY

INVESTIGATION COMMITTEE

No. of Meetings: 8

No.	Name	Designation	Status	Attendance
1.	Soo Hoo Khoon Yean	Chairman	Appointed 6 February 2014	7/8
2.	Mohamad Raslan Abdul Rahman	Chairman	Retired 31 December 2013	2/2
3.	Dr. Mohd Nordin Mohd Zin	Member	Appointed 6 February 2014	5/6
4.	Leong Kah Mun	Member	Appointed 29 September 2012	7/8
5.	Ooi Thiam Poh, Alex	Member	Appointed 29 May 2013	8/8
6.	Prof. Dr. Rozainun Haji Abdul Aziz	Member	Appointed 1 November 2013	1/6

DISCIPLINARY COMMITTEE

No. of Meetings: 11

No.	Name	Designation	Status	Attendance
1.	Ken Pushpanathan	Chairman	Re-appointed 1 November 2013	11/11
2.	Chan Wan Siew, Paul	Member	Re-appointed 1 November 2013	6/11
3.	Dr. Nurmazilah Dato' Mahzan	Member	Re-appointed 1 November 2013	6/11
4.	Kua Choo Kai, Simon	Member	Re-appointed 1 November 2013	10/11
5.	Mohd Noh Jidin	Member	Appointed 1 November 2013	4/8

DISCIPLINARY APPEAL BOARD

No. of Meetings: 1

No.	Name	Designation	Status	Attendance
1.	Dato' Abdul Rauf Rashid	Chairman	Appointed 1 November 2013	1/1
2.	Mohd Noh Jidin	Chairman/ Member	Retired 1 November 2013	-
3.	Assoc. Prof. Dr. Sabri Mohamat Hassan	Member	Re-appointed 1 November 2013	1/1
4.	Baharuddin Ahmad	Member	Retired 15 July 2013	-
5.	Dealanathan Joseph Lourdes	Member	Appointed 1 November 2013	1/1
6.	Yeo Tek Ling	Member	Re-appointed 1 November 2013 Retired 22 January 2014	-
7.	Zahrah Abd Wahab Fenner	Member	Appointed 1 November 2013	0/1

EXAMINATION COMMITTEE

No. of Meetings: 2

No.	Name	Designation	Status	Attendance
1.	Dr. Mohd Nordin Mohd Zain	Chairman	Appointed 1 November 2013	1/2
2.	Assoc. Prof. Dr. Nor Aziah Abu Kasim	Member	Appointed 29 October 2012	1/2
3.	Assoc. Prof. Noorbijan Abu Bakar	Member	Appointed 29 October 2012	1/2
4.	Dato' Rosini Abd Samad <u>Representative:</u> Pn Rosenida Abd Rahman	Member	Appointed 29 October 2012	1/2
5.	Foo Yoke Pin	Member	Appointed 29 October 2012	1/2
6.	Prof. Dr. Nik Nazli Nik Ahmad	Member	Appointed 1 November 2013	1/2
7.	Prof. Dr. Rozainun Haji Abdul Aziz	Member	Appointed 29 October 2012	2/2
8.	Syahrul Idzuan Mohamad <u>Representative:</u> Mohd Noramin Khalid	Member	Appointed 14 January 2013	2/2
9.	Yeo Tek Ling	Member	Retired 21 January 2014	1/1

(2) TECHNICAL

AUDITING AND ASSURANCE STANDARDS BOARD (AASB)

No. of Meetings: 4

No.	Name	Designation	Status	Attendance
1.	Lee Tuck Heng	Chairman	Re-appointed as Chairman 22 July 2013	4/4
2.	Ahmad Shahrul Mohamed	Member	-	3/4
3.	Chan Wan Siew, Paul	Member	-	1/4
4.	Cheong Thoong Farn	Member	-	3/4
5.	Hooi Kok Mun	Member	-	2/4
6.	Lock Peng Kuan	Member	Re-appointed 22 July 2013	3/4
7.	Loh Kam Hian	Member	Appointed 22 July 2013	2/4
8.	Mohamed Raslan Abdul Rahman	Member	Resigned 9 July 2013	0/0
9.	Ooi Song Wan	Member	Appointed 3 October 2013	2/3
10.	Phan Su Han, Josephine	Member	-	3/4
11.	Prof. Takiah Mohd Iskandar	Member	-	2/4
12.	Quay Chew Soon	Member	-	4/4
13.	Sukanta Kumar Dutt	Member	Re-appointed 22 July 2013	2/4
14.	Tan Bun Poo, Robert	Member	Re-appointed as member 22 July 2013	2/4
15.	Tang Seng Choon	Member	-	4/4
16.	Thong Foo Vung	Member	-	1/4
17.	Walter Sandosam	Member	-	3/4

ETHICS STANDARDS BOARD (ESB)

No. of Meetings: 3

No.	Name	Designation	Status	Attendance
1.	Eugene Wong Weng Soon	Chairman	Appointed 1 November 2013	3/3
2.	Zahrah Abd Wahab Fenner	Chairperson	Retired 1 November 2013	-
3.	Loh Kam Hian	Member	-	2/3
4.	Mohd Nizam Mohd Ali	Member	Appointed 2 December 2013	2/3
5.	Prof. Dr. Ayoib Che Ahmad	Member	Appointed 1 November 2013	2/3
6.	Ravi Navaratnam	Member	-	2/3
7.	Stefanie Ng	Member	-	2/3
8.	Tan Khoon Yeow	Member	Appointed 6 February 2014	2/2
9.	Tan Soo Yan	Member	-	2/3
10.	Teow Wuey Sze	Member	Appointed 6 February 2014	2/2

CAPITAL MARKET ADVISORY COMMITTEE (CMAC)

No. of Meetings: 6

No.	Name	Designation	Status	Attendance
1.	Dato' Mohammad Faiz Mohammad Azmi	Chairman	-	6/6
2.	Carol Eng	Member	-	5/6
3.	Ch'ng Boon Huat	Member	Resigned 15 October 2013	-
4.	Chan Kuan Chee, James	Member	Appointed 6 February 2014	4/4
5.	Chan Wan Siew, Paul	Member	-	3/6
6.	Dato' Narendra Kumar Jasani	Member	-	3/6
7.	Dato' Wong Wing Seong	Member	-	4/6
8.	Foong Mun Kong	Member	-	3/6
9.	Gary Huang	Member	Appointed 6 February 2014	4/4
10.	Leong Shook Kheng, Kelly	Member	-	5/6
11.	Leou Thiam Lai	Member	Appointed 6 February 2014	1/4
12.	Lock Peng Kuan	Member	Appointed 6 February 2014	3/4
13.	Oong Kee Leong, Stephen	Member	-	5/6
14.	Stephen Wan	Member	Appointed 6 February 2014	2/4
15.	Sukanta Kumar Dutt	Member	-	3/6
16.	Tan Lay Khoon	Member	Appointed 1 November 2014	4/6
17.	Tiang Woon Meng	Member	Appointed 6 February 2014	4/4

FINANCIAL REPORTING STANDARDS IMPLEMENTATION COMMITTEE (FRSIC)

No. of Meetings: 2

No.	Name	Designation	Status	Attendance
1.	Johan Idris	Chairman	-	1/2
2.	Ahmad Zahirudin Abdul Rahim	Member	Resigned 25 March 2014	1/1
3.	Cheah Pooi Lin, Esther	Member	-	2/2
4.	Cheong Thoong Farn	Member	Appointed 25 March 2014	1/1
5.	Dr. Numazilah Dato' Mahzan	Member	-	1/2
6.	Mohd Zabidi Md Nor	Member	Appointed 1 November 2013	0/2
7.	Ng Kean Kok	Member	-	1/2
8.	Ng Kim Tuck	Member	-	2/2
9.	Ooi Thiam Poh, Alex	Member	-	2/2
10.	Oong Kee Leong, Stephen	Member	-	2/2
11.	Sharon Sung	Member	Appointed 25 March 2014	0/1
12.	Siew Kar Wai	Member	-	2/2
13.	Soo Hoo Khoo Yean	Member	-	0/2
14.	Thong Foo Vung	Member	-	1/2
15.	Yeah Seok Luan	Member	Appointed 25 March 2014	1/1

AMLATFA COMMITTEE

No.	Name	Designation	Status
1.	Soo Hoo Khoo Yean	Chairman	Appointed 1 November 2013
2.	Assoc. Prof. Dr. Nor Aziah Abu Kassim	Member	Appointed 1 November 2013
3.	Kua Choo Kai, Simon	Member	Appointed 1 November 2013
4.	Leong Kah Mun	Member	Appointed 1 November 2013
5.	Ng Kim Tuck	Member	Appointed 1 November 2013

TAXATION PRACTICE COMMITTEE

No. of Meetings: 3

No.	Name	Designation	Status	Attendance
1.	Dato' Abdul Rauf Rashid	Chairman	Appointed 1 November 2013	3/3
2.	Assoc. Prof. Dr. Choong Kwai Fatt	Member	Re-appointed 10 December 2013	1/3
3.	Beh Tok Koay	Member	Re-appointed 10 December 2013	2/3
4.	Datin Tam Poh Lin, Pauline	Member	Re-appointed 10 December 2013	2/3
5.	Dato' Narendra Kumar Jasani	Member	Appointed 1 November 2013	1/2
6.	Dealnathan Joseph Lourdes	Member	Re-appointed 1 November 2013	3/3
7.	Eng Hooi Ling, Carol	Member	Re-appointed 10 December 2013	2/3
8.	Dato' Heng Ji Keng	Member	Appointed 1 November 2013	0/2
9.	Lim Thiam Kee, Peter	Member	Re-appointed 1 November 2013	2/3
10.	Mohd Noor Abu Bakar	Member	Re-appointed 10 December 2013	3/3
11.	Po Yih Ming, Frances	Member	Re-appointed 10 December 2013	3/3
12.	Salihin Abang	Member	Re-appointed 10 December 2013	2/3
13.	Soh Siong Hoon, Sam	Member	Re-appointed 10 December 2013	2/2
14.	Wong Yok Chin	Member	Re-appointed 10 December 2013	3/3
15.	Woon Yoke Lee	Member	Re-appointed 10 December 2013	2/3
16.	Yeo Eng Ping	Member	Re-appointed 10 December 2013	2/3

EDUCATION COMMITTEE

No. of Meetings: 9

No.	Name	Designation	Status	Attendance
1.	Datuk Zaiton Mohd Hassan	Chairman	Appointed 5 September 2013	6/6
2.	Prof. Dr. Ku Nor Izah Ku Ismail	Chairman	Retired 15 July 2013	1/1
3.	Assoc. Prof. Dr. Kalsom Salleh	Member	Retired 15 July 2013	1/1
4.	Assoc. Prof. Dr. Mohamat Sabri Hassan	Member	-	5/9
5.	Assoc. Prof. Dr. Nor Aziah Abu Kasim	Member	Appointed 1 November 2013	5/5
6.	Dato' Mohammad Faiz Mohammad Azmi	Member	-	7/9
7.	Dato' Rosini Abd Samad <u>Representative:</u> i) Rosenida Abd Rahman ii) Abdul Majid Salleh	Member	-	4/9
8.	Dr. Nurmazilah Dato' Mahzan	Member	Resigned 20 July 2013	0/1
9.	Ken Pushpanathan	Member	-	8/9
10.	Kua Choo Kai, Simon	Member	-	6/9
11.	Phan Su Han, Josephine	Member	-	7/9
12.	Prof. Dr. Rozainun Haji Abdul Aziz	Member	Appointed 5 September 2013	4/6

SSM COMMITTEE

No. of Meeting: 1

No.	Name	Designation	Status	Attendance
1.	Johan Idris	Chairman	Appointed 22 July 2013	1/1
2.	Abraham Verghese	Member	-	1/1
3.	Chanthiran Nagappan	Member	-	0/1
4.	Datuk Mohd Nasir Ahmad	Member	-	0/1
5.	Dealanathan Joseph Loudres	Member	Appointed 1 November 2013	0/0
6.	Dato' Heng Ji Keng	Member	Appointed 1 November 2013	0/0
7.	Ken Pushpanathan	Member	Retired 1 November 2013	1/1
8.	Lee Hin Kan	Member	-	1/1
9.	Mohd Noh Jidin	Member	Appointed 1 November 2013	0/0
10.	Ng Kean Kok	Member	-	1/1
11.	Ong Ching Chuan	Member	-	1/1
12.	Soh Siong Hoon, Sam	Member	Retired 1 November 2013	1/1
13.	Subramaniam AV Sankar	Member	Retired 1 November 2013	1/1
14.	Thong Foo Vung	Member	-	0/1
15.	Zahrah Abd Wahab Fenner	Member	Retired 1 November 2013	0/1

PUBLIC SECTOR ACCOUNTING COMMITTEE (PSAC)

No. of Meetings: 3

No.	Name	Designation	Status	Attendance
1.	Datuk Wan Selamah Wan Sulaiman	Chairman	Appointed 3 October 2013	3/3
2.	Chong Dee Shiang, Teresa	Member	Appointed 3 October 2013	1/3
3.	Dato' Mohammad Faiz Mohammad Azmi	Member	Appointed 3 October 2013	1/3
4.	Datuk Haji Anwari Suri	Member	Appointed 3 October 2013	3/3
5.	Dr. Mohd Nordin Mohd Zain	Member	Appointed 3 October 2013	3/3
6.	Dr. Nurmazilah Dato' Mahzan	Member	Appointed 3 October 2013	1/3
7.	Er Beng Kiong	Member	Appointed 3 October 2013	3/3
8.	Muhammad Syarizal Abdul Rahim	Member	Appointed 3 October 2013	2/3
9.	Nor Yati Ahmad	Member	Appointed 3 October 2013	3/3
10.	Nurul Ain Abdul Latif	Member	Appointed 3 October 2013	2/3
11.	Zahrah Abd Wahab Fenner	Member	Appointed 6 February 2014	1/2

(3) SURVEILLANCE

FINANCIAL STATEMENTS REVIEW COMMITTEE (FSRC)

No. of Meetings: 10

No.	Name	Designation	Status	Attendance
1.	Ahmad Zahirudin Abdul Rahim	Chairman	-	10/10
2.	Lam Kee Soon	Deputy Chairman	-	5/10
3.	Abdul Rahim Abdul Hamid	Member	Retired 1 November 2013	0/3
4.	Asna Atqa Abdullah	Member	-	8/10
5.	Chan Kuan Chee, James	Member	-	7/10
6.	Chen Voon Hann	Member	-	6/10
7.	Cheong Chye Hin, Raymond	Member	-	6/10
8.	Cheong Thoong Farn	Member	-	7/10
9.	Chew Lam Koon	Member	-	9/10
10.	Khairudin Ibrahim	Member	-	7/10
11.	Khoo Siong Kee, Stephen	Member	Retired 10 December 2013	2/4
12.	Mohd Nordin Mohd Zain	Member	Appointed 1 November 2013 Retired 6 February 2014	2/2
13.	Oong Kee Leong, Stephen	Member	-	8/10
14.	Ow Peng Li	Member	-	7/10
15.	Prof. Dr. Ayoib Che Ahmad	Member	Appointed 1 November 2013	2/7
16.	Soon Teck Thong	Member	-	8/10
17.	Subramaniam AV Sankar	Member	Retired 1 November 2013	2/3
18.	Sung Foong Fui, Sharon	Member	-	8/10
19.	Tan Lay Khoon (alternate member to Wong Kay Yong)	Alternate member	-	8/10
20.	Tang Seng Choon	Member	-	5/10
21.	Wong Kay Yong	Member	-	8/10

PRACTICE REVIEW COMMITTEE (PRC)

No. of Meetings: 4

No.	Name	Designation	Status	Attendance
1.	Ahmad Zahirudin Abdul Rahim	Chairman	Appointed as Chairman 4 March 2014	4/4
2.	Johan Idris	Chairman	Resigned February 2014	1/3
3.	Chan Kuan Chee, James	Member	Appointed 8 April 2014	1/1
4.	Foong Mun Kong	Member	Appointed 10 December 2013	1/2
5.	Lim Thiam Kee, Peter	Member	Appointed 1 November 2013	2/3
6.	Mohd Afrizan Husain	Member	-	3/4
7.	Ooi Chee Kun	Member	-	2/4
8.	Pauline Ho	Member	-	3/4
9.	Prof. Dr. Ayoib Che Ahmad	Member	Appointed 1 November 2013	2/3
10.	Siew Kah Toong, David	Member	-	4/4
11.	Soh Siong Hoon, Sam	Member	Appointed 10 December 2013	3/3

(4) REPRESENTATIVES OF MEMBERSHIP

PROFESSIONAL ACCOUNTANTS IN BUSINESS (PAIB) COMMITTEE

No. of Meetings: 3

No.	Name	Designation	Status	Attendance
1.	Datuk Mohd Nasir Ahmad	Chairman	-	3/3
2.	Assoc. Prof. Dr. A. Thillaisundaram	Member	-	3/3
3.	Assoc. Prof. Dr. Kalsom Salleh	Member	Retired 19 December 2013	-
4.	Assoc. Prof. Dr. Muslim Har Sani Mohamad	Member	Retired 19 December 2013	-
5.	Chan Feoi Chun, Francis	Member	Retired 19 December 2013	-
6.	Dr. Ng Boon Beng	Member	-	3/3
7.	Wong Weng Soon, Eugene	Member	-	2/3
8.	Lee Hin Kan	Member	-	1/3
9.	Leong Kah Mun	Member	-	3/3
10.	Mazhairul Jamaludin	Member	-	2/3
11.	Mustapa Kamal Mohd Razali	Member	Retired 19 December 2013	-
12.	N. Chanthiran Nagappan	Member	-	2/3
13.	Nur Hayati Baharuddin	Member	-	2/3
14.	Prof. Dr. Ibrahim Kamal Abd Rahman	Member	Retired 19 December 2013	-
15.	Saat Esa	Member	Retired 19 December 2013	-
16.	Yeo Tek Ling	Member	Appointed 4 March 2014	2/2
17.	Zahrah Abd Wahab Fenner	Member	Retired 19 December 2013	-

PUBLIC PRACTICE COMMITTEE (PPC)

No. of Meetings: 5

No.	Name	Designation	Status	Attendance
1.	Dato' Narendra Kumar Jasani	Chairman	-	5/5
2.	Chan Kuan Chee, James	Member	Resigned 14 April 2014	2/4
3.	Dato' Liew Lee Leong, Raymond	Member	-	3/5
4.	Dato' Heng Ji Keng	Member	-	5/5
5.	Huang Shze Jiun	Member	-	3/5
6.	Kang Wei Geih, Billy	Member	-	4/5
7.	Khaw Hock Hoe, Alex	Member	-	2/5
8.	Leong Kah Mun	Member	-	5/5
9.	Lim Thiam Kee, Peter	Member	-	5/5
10.	Mohd Noh Jidin	Member	Appointed 1 November 2013	1/3
11.	Ngiam Mia Teck	Member	Appointed 29 May 2014	0/0*
12.	Ooi Chee Kun	Member	-	4/5
13.	Ooi Thiam Poh, Alex	Member	Appointed 1 November 2013	3/3
14.	Oong Kee Leong, Stephen	Member	-	4/5
15.	Phan Su Han, Josephine	Member	Retired 10 December 2013	2/2
16.	Rejeesh Balasubramaniam	Member	Retired 10 December 2013	1/2
17.	Salihin Abang	Member	-	4/5
18.	Soh Siong Hoon, Sam	Member	Appointed 10 December 2013	3/3
19.	Soo Hoo Khoon Yean	Member	Appointed 10 December 2013	1/3
20.	Subramaniam AV Sankar	Member	-	4/5
21.	Tan Chee Beng, Desmond	Member	-	3/5
22.	Tan Cheng Hooi, Michael	Member	-	5/5
23.	Tan Poh Ling	Member	-	4/5
24.	Yap Weng Seong	Member	-	4/5

*There were no meetings held between 29 May - 30 June 2014

INSOLVENCY PRACTICE COMMITTEE (IPC)

No. of Meetings: 2

No.	Name	Designation	Status	Attendance
1.	Dato' Heng Ji Keng	Chairman	Appointed 1 November 2013	1/1
2.	Andrew Heng	Member	Retired 4 March 2014	0/1
3.	Dato' Gan Ah Tee	Member	Appointed 4 March 2014	0/1
4.	Dato' Liew Lee Leong, Raymond	Member	-	1/2
5.	Dato' Narendra Kumar Jasani	Member	Appointed 1 November 2013	1/1
6.	Datuk Ng Seing Liong	Member	-	2/2
7.	Duar Tuan Kiat, Stephen	Member	-	1/2
8.	Foo Lai-Don, Geoffrey	Member	-	1/2
9.	Kumar Kanagasingam	Member	-	1/2
10.	Lim San Peen	Member	-	2/2
11.	Lim Swee Geok, Amy	Member	-	2/2
12.	Lim Thiam Kee, Peter	Member	Appointed 1 November 2013	0/1
13.	Lim Tian Huat	Member	Retired 4 March 2014	0/1
14.	Lok Peng Chuan, Aaron	Member	Appointed 4 March 2014	1/1
15.	Mak Kum Choon	Member	-	2/2
16.	Mea Fatt Leong	Member	Retired 4 March 2014	1/1
17.	Mohd Noh Jidin	Member	-	0/2
18.	Mok Chew Yin	Member	-	1/2
19.	Nirmala Devi Ramadass	Member	Appointed 4 March 2014	1/1
20.	Ong Hock An	Member	Retired 4 March 2014	1/1
21.	Subramaniam AV Sankar	Member	-	2/2
22.	Wong Chee Lin	Member	-	2/2

ISLAMIC FINANCE COMMITTEE (IFC)

No. of Meetings: 3

No.	Name	Designation	Status	Attendance
1.	Abdul Rahim Abdul Hamid	Chairman	-	3/3
2.	Ahmad Nasri Abdul Wahab	Member	Appointed 10 December 2013	3/3
3.	Assoc. Prof. Dr. Mohamat Sabri Hassan	Member	Appointed 1 November 2013	1/3
4.	Badlisyah Abdul Ghani	Member	-	1/3
5.	Dato' Mohammad Faiz Mohammad Azmi	Member	-	3/3
6.	Daud Vicary Abdullah	Member	-	3/3
7.	Dr. Mohd Nordin Mohd Zain	Member	Appointed 1 November 2013	2/3
8.	Mohd Zabidi Md Nor	Member	Appointed 1 November 2013	2/3
9.	Nik Mohd Hasyudeen Yusoff	Member	-	1/3
10.	Norfadelizan Abdul Rahman	Member	-	0/3
11.	Rafe Haneef	Member	Resigned 7 January 2014	-
12.	YM Raja Teh Maimunah Raja Abdul Aziz	Member	-	1/3
13.	Zainal Izlan Zainal Abidin	Member	-	1/3

Financial Statements

For the Financial Year
Ended 30 June 2014





**REPORT OF THE AUDITOR GENERAL
ON THE FINANCIAL STATEMENTS OF
MALAYSIAN INSTITUTE OF ACCOUNTANTS
FOR THE YEAR ENDED 30 JUNE 2014**

Report on the Financial Statements

The financial statements of the Malaysian Institute of Accountants have been audited by my representative, which comprise the Statement of Financial Position as at 30 June 2014 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Accumulated Fund and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Accountants Act 1967 (Act 94). The Council is also responsible for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit. The audit has been carried out in accordance with the Audit Act 1957 and in conformity with approved standards on auditing in Malaysia. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of Malaysian Institute of Accountants as at 30 June 2014 and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.



(ONG SWEE LENG)

For AUDITOR GENERAL
MALAYSIA

PUTRAJAYA
15 AUGUST 2014



MALAYSIAN INSTITUTE OF ACCOUNTANTS

STATEMENT BY THE COUNCIL

We, Johan Idris and Ho Foong Moi, being the President and Chief Executive Officer, respectively, of the MALAYSIAN INSTITUTE OF ACCOUNTANTS, do hereby state that, in the opinion of the Council, the accompanying financial statements are properly drawn up in accordance with the provisions of the Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Institute as at 30 June 2014 and of its results and cash flows for the year then ended.

Signed on behalf of the Council in accordance with a resolution by the Council.

JOHAN IDRIS
PRESIDENT

HO FOONG MOI
CHIEF EXECUTIVE OFFICER

Dated: 24 July 2014
Kuala Lumpur

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE INSTITUTE

I, Chua Suat Khim, being the officer primarily responsible for the financial management of the MALAYSIAN INSTITUTE OF ACCOUNTANTS, do solemnly and sincerely declare that the accompanying financial statements 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 above named
CHUA SUAT KHIM at Kuala Lumpur in Wilayah
Persekutuan on 24 July 2014

CHUA SUAT KHIM

Before me,

No. 148, Ground Floor
Jalan Tun Sambanthan
Brickfields, 50470 Kuala Lumpur

STATEMENT OF FINANCIAL POSITION

as at 30 June 2014

	Note	2014 RM	2013 RM
Assets			
Non-current assets			
Property, plant and equipment	3	12,141,792	12,380,559
Intangible asset	4	120,148	78,860
Investment	5	7,458	7,458
		12,269,398	12,466,877
Current assets			
Inventories	6	28,926	35,495
Receivables, deposits and prepayments	7	1,921,750	1,732,419
Subscriptions receivables	8	-	-
Current tax recoverable		83,828	-
Institutional trust account	9	-	3,396,342
Fixed deposits with licensed financial institutions	10	25,124,707	14,223,923
Cash and bank balances		4,175,898	3,622,703
		31,335,109	23,010,882
Total assets		43,604,507	35,477,759
Non-current liabilities			
Islamic financing	11	5,561,200	5,561,200
Deferred tax liability	12	123,864	129,207
		5,685,064	5,690,407
Current liabilities			
Subscriptions in advance		3,815,300	1,637,000
Sundry payables and accruals	13	5,848,020	4,341,559
Deferred income	14	2,749,117	1,113,439
Deferred income - Government grants	15	132,895	611,624
Current tax payable		-	71,968
		12,545,332	7,775,590
Total liabilities		18,230,396	13,465,997
Total net assets		25,374,111	22,011,762
Accumulated fund		25,374,111	22,011,762

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2014

	Note	2014 RM	2013 RM
Membership income	16	12,305,950	9,053,400
Income from events and conferences	17	19,246,667	15,429,432
Total revenue		31,552,617	24,482,832
Other income	18	2,255,576	2,395,644
Total income		33,808,193	26,878,476
Operating expenses			
Depreciation of property, plant and equipment	3	522,221	512,025
Amortisation of intangible assets	4	51,739	44,977
Expenses for events and conferences	17	10,182,788	8,173,180
Employees' benefits	19	14,827,070	11,826,556
Membership services		1,310,727	1,254,018
Other expenses		4,193,958	3,760,435
Total expenses		31,088,503	25,571,191
Surplus before tax	20	2,719,690	1,307,285
Income tax	21	642,659	(59,122)
Surplus for the financial year, representing total comprehensive income for the financial year		<u>3,362,349</u>	<u>1,248,163</u>

STATEMENT OF CHANGES IN ACCUMULATED FUND

for the financial year ended 30 June 2014

	RM
At 1 July 2012	20,763,599
Surplus for the financial year, representing total comprehensive income for the financial year	<u>1,248,163</u>
At 30 June 2013	22,011,762
Surplus for the financial year, representing total comprehensive income for the financial year	<u>3,362,349</u>
At 30 June 2014	<u><u>25,374,111</u></u>

STATEMENT OF CASH FLOWS

for the financial year ended 30 June 2014

	Note	2014 RM	2013 RM Restated
Cash flows from operating activities			
Receipts from members and non-members		38,218,596	26,377,498
Payments for expenditures		(31,157,162)	(28,003,003)
Cash generated from/(used in) operations		7,061,434	(1,625,505)
Government grants received		63,340	1,090,440
Rental income		33,600	37,800
Management fees		6,000	5,000
Tax paid		(155,796)	-
Tax refund		637,316	-
Net cash generated from/(used in) operating activities		7,645,894	(492,265)
Cash flows from investing activities			
Placement of fixed deposits with licensed financial institutions maturing later than 3 months		(4,436,699)	(7,601,438)
Purchase of property, plant and equipment and intangible asset (Note A)		(287,349)	(9,109,914)
Dividend received from institutional trust account		36,383	205,032
Interest received		662,709	448,140
Net cash used in investing activities		(4,024,956)	(16,058,180)
Cash flow from financing activity			
Proceeds from borrowing, representing net cash generated from financing activity		-	5,561,200
Net increase/(decrease) in cash and cash equivalents		3,620,938	(10,989,245)
Cash and cash equivalents at beginning of financial year		10,070,777	21,060,022
Cash and cash equivalents at end of financial year		13,691,715	10,070,777
Analysis of cash and cash equivalents:			
Cash in hand		4,345	6,033
Bank balances		4,171,553	3,616,670
Fixed deposits with licensed financial institutions maturing within 3 months	10	9,515,817	3,051,732
Institutional trust account		-	3,396,342
		13,691,715	10,070,777
Note A: Purchase of property, plant and equipment and intangible asset			
Purchase of property, plant and equipment during the financial year	3	283,462	9,600,664
Earnest money for purchase of new office suite paid in previous financial year		-	(480,000)
		283,462	9,120,664
Purchase of intangible asset during the financial year	4	93,027	10,100
Add: Unpaid purchases as at previous financial year end		20,850	-
		397,339	9,130,764
Less: Unpaid purchases as at financial year end		(109,990)	(20,850)
		287,349	9,109,914

The notes on pages 77 to 104 form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

1. GENERAL INFORMATION

The Institute is established under the Accountants Act, 1967 (the Act) and domiciled in Malaysia. The principal objectives/activities of the Institute under the Act are:

- a. to determine the qualifications of persons for admission as members;
- b. to provide for the training and education by the Institute or any other body, of persons practising or intending to practice the profession of accountancy;
- c. to approve the Malaysian Institute of Accountants Qualifying Examination and to regulate and supervise the conduct of that Examination;
- d. to regulate the practice of the profession of accountancy in Malaysia;
- e. to promote, in any manner it thinks fit, the interests of the profession of accountancy in Malaysia;
- f. to render pecuniary or other assistance to members or their dependents as it thinks fit with a view to protecting or promoting the welfare of members; and
- g. generally to do such acts as it thinks fit for the purpose of achieving any of the aforesaid objectives.

There have been no significant changes in the nature of the principal objectives/activities of the Institute during the financial year.

The registered office of the Institute is located at Dewan Akauntan, 2 Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur.

The financial statements were authorised for issue by the Council in accordance with a resolution of the Council on **24 July 2014**.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Institute have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) and International Financial Reporting Standards.

The financial statements of the Institute have been prepared under the historical cost basis, unless otherwise stated in the accounting policies below.

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

2.2. ADOPTION OF NEW AND REVISED PRONOUNCEMENTS

As of 1 July 2013, the Institute adopted the following relevant pronouncements that have been issued by the Malaysian Accounting Standards Boards (MASB) as listed below:

Effective for financial period beginning on or after 1 January 2013

MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards - Government Loans
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

The adoption of the above MFRSs and amendments to MFRSs did not have any significant impact to the Institute upon its initial application.

2.3 NEW AND REVISED PRONOUNCEMENTS YET IN EFFECT

The relevant accounting standards, amendments and interpretations that have been issued by the MASB which have not been adopted by the Institute are as follows:

Effective for financial period beginning on or after 1 January 2014

Amendments to MFRS 132	Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Financial Instruments : Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting

Effective for financial period beginning on or after 1 July 2014

Amendments to MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements to MFRSs 2010 - 2012 Cycle)
Amendments to MFRS 119	Employee Benefits - Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements to MFRSs 2010 - 2012 Cycle)
Amendments to MFRS 138	Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)

Effective for financial period beginning on or after 1 January 2016

Amendments to MFRS 116 and MFRS 138	Property, Plant and Equipment - Clarification of Acceptable Methods of Depreciation and Amortisation
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Effective date yet to be determined by MASB

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009)
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2010)
MFRS 9	Financial Instruments - Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139

The Institute will adopt the above MFRSs and amendments to MFRSs, when they become effective, and they are expected not to have any significant impact on the financial statements of the Institute upon its initial application.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably.

Cost includes expenditure that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Subsequent to recognition, costs are included in the asset's carrying amount 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 recognised in profit or loss as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated as it has an infinite life. Depreciation of other property, plant and equipment is computed on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	50 years
Office equipment	10 years
Furniture and fittings	10 years
Computer equipment	3 years
Renovation	10 years

Office suite under construction included in the property, plant and equipment is not depreciated as this asset is not available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(b) Intangible asset - computer software

Computer software is measured initially at cost. Following initial acquisition, computer software is measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of computer software are assessed to be finite. Computer software is amortised over their estimated useful lives of 3 years and assessed for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. The amortisation expense on computer software with finite lives is recognised in profit or loss.

Gain or loss arising from derecognition of computer software is measured as the difference between the net disposal proceed and the carrying amount of the asset and is recognised in profit or loss when the computer software is derecognised.

(c) Impairment of non-financial assets

The Institute assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Institute makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units (CGU)).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognised in profit or loss. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(d) Inventories

Inventories such as publications are stated at the lower of cost and net realisable value. Cost is determined on first-in first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(e) Subscriptions receivables

Subscriptions receivables for 6 months and above due from members who were removed from the Register of Members and where, in the opinion of the Council, these debts are no longer recoverable are written off to the profit or loss. An impairment of receivables is carried out based on a review of all subscription in arrears at the reporting date. Subsequent recovery is taken up on a cash basis. Members who have ongoing investigation and disciplinary proceedings instituted against them and whose

subscriptions are in arrears for more than 6 months will not be removed from the Register of Members.

(f) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash in hand, bank balances, deposits with licensed financial institutions with original maturities within 3 months 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.

(g) Impairment of financial assets

The Institute assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Institute considers factors such as the significant financial difficulties of the debtor and default or significant delay in payments. Certain categories of financial assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Institute's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss 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. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of amount due from events and conferences participants and other receivables, where the carrying amount is reduced through the use of allowance accounts. When trade receivables and other receivables become uncollectible, they are written off against the allowance accounts.

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

(ii) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The difference is recognised in profit or loss. Such impairment losses are not reversed in subsequent periods.

(h) 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 financial instruments.

(i) 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 financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets, depending on the nature and purpose of the financial assets and are determined at the time of initial recognition.

The Institute categorises its financial assets as follows:

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market 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.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Available-for-sale financial assets

Available-for-sale financial assets comprise investment in equity and debt securities instruments that are not held for trading and do not fall in other categories of financial assets.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses

from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and 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. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Institute's right to receive payment is established.

Investment in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

(ii) Derecognition of financial assets

A financial asset is derecognised when, and only when, the contractual right to receive cash flows from the financial assets has expired 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.

(iii) Regular way purchase or sale of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases or sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Institute commits to purchase or sell the asset.

(i) Financial liabilities

Financial liabilities are classified according to the substance of the contractual agreements entered into and the definitions of a financial liability.

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 financial instruments.

(i) Classification and measurement

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities. The Institute categorises its financial liabilities as other financial liabilities.

Other financial liabilities are recognised initially at fair value plus directly attributable transaction cost and

subsequently measured at amortised cost using the effective interest method. Other financial liabilities of the Institute include subscriptions in advance, payables and Islamic financing.

For other financial liabilities, gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(ii) 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 replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(j) 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(k) Government grants

Government grants are recognised initially at their fair values in the statement of financial position as deferred income where there is reasonable assurance that the grants will be received and all conditions attached will be complied.

Grants related to property, plant and equipment are set up as deferred income and recognised as income on a systematic basis over the estimated lives of the assets. Grants that compensate the Institute for expenses incurred are recognised as income over the periods to match the cost that the grants are intended to compensate. These are shown as a net effect in the profit or loss.

(l) Income recognition

(i) Membership subscription and practising certificate fees are payable annually at the beginning of the financial year. Only subscription which is attributable to the current financial year is recognised as income.

Subscription relating to periods beyond the current financial year is recognised as subscription in advance in deferred income under current liabilities in the statement of financial position.

(ii) Membership admission is recognised upon approval by Council. Membership subscription and admission fees for applicants approved after the end of the financial year but received during the financial year are taken up as deferred income under current liabilities in the statement of financial position.

(iii) Income from events and conferences is recognised in the period the services are provided. Advanced payments received from events and conferences are recognised as deferred income under current liabilities in the statement of financial position.

(iv) Processing fee on registration as a candidate for the Qualifying Examination is recognised upon receipt but the candidacy fee is only recognised upon approval by the Examination Committee. Examination fees are recognised twice every calendar year when the examination is held. Tuition fees are recognised over the tuition term.

(v) Income from advertisements placed in the Institute's journal is recognised over the advertisement period. Income received for such advertisements that take place before the said period is taken up as deferred income. Sponsorship income is deferred until the activities are rolled out.

(vi) Deferred income on review of accreditation represents the initial amount agreed, to the extent that it is probable that they will result in revenue and can be measured reliably. The deferred income is recognised in profit or loss in proportion to the stage of completion.

(vii) Income from sale of technical materials/publications is recognised when physical control of the technical materials/publications passes to the purchasers.

(viii) Practice review income is recognised upon completion of field work and subsequent issuance of the draft practice review report to the firm.

(ix) Dividend income is recognised when the right to receive payment is established.

(x) Interest income is recognised based on an effective yield basis.

(xi) Rental income is recognised on an accrual basis.

(m) Income taxes

Income tax on profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except for the deferred tax liability that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except for the deferred tax asset that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised as income or expense and included in the statement of profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity.

Deferred tax assets and liabilities are offset, if legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(n) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Institute. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulated compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contributions plans

Defined contribution plans are post-employment benefit plans under which the Institute pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss in the period in which the related service is performed. As required by law in Malaysia, such contribution is made to the Employees Provident Fund (EPF).

(o) Foreign currency transactions and balances

Transactions in foreign currencies are translated into Ringgit Malaysia, which is also the Institute functional currency at the exchange rates prevailing at the transaction dates or, where settlement has not yet taken place at the end of the financial year, at the approximate exchange rates prevailing at that date. All exchange gains and losses are taken up in the profit or loss.

(p) Leases

(i) As lessee

Finance leases, which transfer to the Institute substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Institute will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as reduction of rental expense over the lease term on a straight-line basis.

(ii) As lessor

Leases where the Institute retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added

to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.4 (l)(xi).

(q) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Institute incurred in connection with the borrowing of funds.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

There were no significant judgements made in applying the accounting policies of the Institute which may have significant effects on the amounts recognised in the financial statements.

Management makes 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.

The following represents a summary of the key sources of estimation uncertainty:

(i) Useful lives of property, plant and equipment and intangible asset

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Council estimates that the useful lives of the property, plant and equipment to be within 3 years to 50 years. The carrying amount of the Institute's property, plant and equipment as at 30 June 2014 was RM12,141,792 (2013: RM12,380,559). Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of the property, plant and equipment. Therefore, the future depreciation charge could be revised.

For intangible asset, changes in the expected useful lives or the expected pattern of consumption of future embodied in the asset are accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortisation expenses on computer software with finite lives are recognised in profit or loss. The carrying amount of the intangible asset as at 30 June 2014 was RM120,148 (2013: RM78,860).

(ii) Impairment 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 receivables. The carrying amounts of the receivables and the cumulative allowance for impairment losses are disclosed in Note 7 and Note 8.

(iii) Income taxes and deferred tax

Estimation is required to determine the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Institute recognises liabilities for tax based on estimates of assessment of the tax liability 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 provisions, where applicable, in the periods in which such determination is made.

Deferred tax implications arising from the changes in income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While the Institute's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in profit or loss in the period in which actual realisation and settlement occurs. The carrying amount of the deferred tax liability as at 30 June 2014 was RM123,864 (2013: RM129,207).

(iv) Stage of completion for review of accreditation

The stage of completion for the review of accreditation is assessed by reference to the proportion of works performed as of the reporting date.

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land	Buildings	Office suite under construction	Computer equipment	Renovation	Furniture & fittings	Office equipment	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Cost								
At 1 July 2012	580,160	2,426,239	-	2,105,656	1,257,573	508,644	814,834	7,693,106
Additions	-	-	9,055,574	170,532	289,357	61,462	23,739	9,600,664
Write-offs (Note 20)	-	-	-	(376,722)	(50,182)	(20,218)	(72,216)	(519,338)
At 30 June 2013	580,160	2,426,239	9,055,574	1,899,466	1,496,748	549,888	766,357	16,774,432
Accumulated depreciation								
At 1 July 2012	-	935,002	-	1,596,912	933,775	360,127	519,424	4,345,240
Charge for the year (Note 20)	-	48,644	-	268,731	106,300	32,643	55,707	512,025
Write-offs (Note 20)	-	-	-	(376,627)	(17,412)	(10,019)	(59,334)	(463,392)
At 30 June 2013	-	983,646	-	1,489,016	1,022,663	382,751	515,797	4,393,873
Net carrying amount at 30 June 2013	580,160	1,442,593	9,055,574	410,450	474,085	167,137	250,560	12,380,559

4. INTANGIBLE ASSET

	2014	2013
	RM	RM
Computer software		
Cost		
At beginning of financial year	261,257	251,157
Addition during the financial year	93,027	10,100
At end of financial year	<u>354,284</u>	<u>261,257</u>
Accumulated amortisation		
At beginning of financial year	182,397	137,420
Amortisation for the financial year (Note 20)	51,739	44,977
At end of financial year	<u>234,136</u>	<u>182,397</u>
Net carrying amount at end of financial year	<u>120,148</u>	<u>78,860</u>

The computer software represents the costs of software acquired. The costs of software acquired, including all directly attributable costs of preparing the assets for their intended use, are amortised on the straight line basis over the estimated useful life of 3 years.

5. INVESTMENT

	2014	2013
	RM	RM
At cost		
Investment, unquoted	<u>7,458</u>	<u>7,458</u>

The Institute has acquired 9.09% share in the issued and paid-up share capital of Ultimate Professional Centre (Sarawak) Sdn. Bhd. (UPC) in the financial year ended 30 June 1996.

6. INVENTORIES

	2014	2013
	RM	RM
At cost		
Publications, souvenirs and merchandise items	<u>28,926</u>	<u>35,495</u>

During the financial year, the amount of inventories recognised as expense was RM56,155 (2013: RM101,280).

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2014 RM	2013 RM
Amount due from events and conferences participants	936,648	362,953
Sundry receivables	325,764	534,133
	1,262,412	897,086
Less : Allowance for impairment losses	(69,783)	(28,769)
	1,192,629	868,317
Prepayments	664,837	793,569
Sundry deposits	64,284	70,533
	729,121	864,102
	1,921,750	1,732,419

The credit period granted to receivables ranges from 30 days to 90 days (2013: 30 days to 60 days).

The ageing analysis of receivables is as follows:

	2014 RM	2013 RM
Neither past due nor impaired	858,002	382,332
1 to 30 days past due not impaired	167,022	244,500
31 to 60 days past due not impaired	94,459	77,775
61 to 90 days past due not impaired	73,146	75,569
More than 90 days past due but not impaired	-	88,141
	1,192,629	868,317
Impaired	69,783	28,769
	1,262,412	897,086

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. 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 debtors with slower repayment pattern. Based on past experience, the Council of the Institute is confident to collect the debts and is of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable. The Institute does not hold any collateral over these balances.

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

Receivables that are impaired

Receivables that are impaired at the reporting date are as follows:

	2014	2013
	RM	RM
Receivables - nominal amounts	69,783	28,769
Less : Allowance for impairment losses	(69,783)	(28,769)
	<u>-</u>	<u>-</u>

These receivables have been individually determined to be impaired as the Council has, based on its assessment at the reporting date, estimated these receivables to be irrecoverable.

The movement of allowance for impairment losses during the financial year is as follows:

	2014	2013
	RM	RM
At beginning of financial year	28,769	29,544
Impairment losses recognised during the financial year (Note 20)	69,783	5,725
Reversal of impairment losses (Note 20)	(28,769)	(6,500)
At end of financial year	<u>69,783</u>	<u>28,769</u>

During the financial year, a written off of receivables amounting to RM9,901 (2013: RM8,970) was recognised in profit or loss (Note 20).

8. SUBSCRIPTIONS RECEIVABLES

In accordance with the (Membership and Council) Rules 2001, Part II, para 7(1), the Council may require the Registrar to remove from the register the name of any member who is in arrears for 6 months or more in the payment of any fees. Members who have ongoing investigation and disciplinary proceedings instituted against them and who are in arrears of more than 6 months will not be removed from the Register of Members. An estimate is made for allowance for impairment losses based on a review of all subscriptions in arrears at the reporting date.

	2014	2013
	RM	RM
Subscriptions receivables	11,150	9,250
Less : Allowance for impairment losses	(11,150)	(9,250)
	<u>-</u>	<u>-</u>

These receivables have been individually determined to be impaired as the Council has, based on its assessment at the reporting date, estimated these receivables to be irrecoverable.

8. SUBSCRIPTIONS RECEIVABLES (CONT'D)

The movement of allowance for impairment losses during the financial year is as follows:

	2014 RM	2013 RM
At beginning of financial year	9,250	5,750
Impairment losses recognised during the financial year (Note 20)	5,350	3,500
Reversal of impairment losses (Note 20)	(1,700)	-
Written off	(1,750)	-
At end of financial year	<u>11,150</u>	<u>9,250</u>

During the financial year, a written off of subscriptions receivables amounting to RM209,850 (2013: RM98,850) was recognised in profit or loss (Note 20).

9. INSTITUTIONAL TRUST ACCOUNT

The Institute had placed funds in an Institutional Trust Account maintained by Amanah Raya Berhad, a public limited liability company domiciled in Malaysia and this fund was fully withdrawn on 1 August 2013. The gross dividend rate received by the Institute prior to withdrawal was 4.25% per annum. (2013: 4.25% per annum).

10. FIXED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

The effective interest rates receivable for the fixed deposits placed with licensed financial institutions range from 3.05% to 3.80% (2013: 2.75% to 3.80%) per annum.

The maturity profile of fixed deposits is presented as follows:

	2014 RM	2013 RM
Within 3 months	9,515,817	3,051,732
Later than 3 months	15,608,890	11,172,191
	<u>25,124,707</u>	<u>14,223,923</u>

11. ISLAMIC FINANCING

	2014 RM	2013 RM
Repayable between two to five years	1,390,300	1,042,725
Repayable later than five years	4,170,900	4,518,475
	<u>5,561,200</u>	<u>5,561,200</u>

11. ISLAMIC FINANCING (CONT'D)

The Institute obtained an Islamic financing amounting to RM18.9 million during 2013 to part finance the acquisition of 2 units of office suite in Bangsar South. The financing is secured over the office suite under construction (Note 3). The Effective Profit Rate "EPR" of the financing is at 4.2% per annum. However, the EPR should not exceed the Ceiling Profit Rate "CPR" of 10.75% per annum. The financing is repayable over 192 monthly instalments.

The Bank has undertaken to grant Ibra' (rebate) of such amount if any where the EPR is less than CPR; upon early settlement of the facility; and/or upon receipt by the Bank of early settlement amount pursuant to occurrence of any of the Events of Default per facility agreement.

12. DEFERRED TAX LIABILITY

	2014 RM	2013 RM
Deferred tax liability - property, plant and equipment	123,864	129,207
At beginning of financial year	129,207	130,085
Recognised in profit or loss (Note 21)	(5,343)	(878)
At end of financial year	123,864	129,207

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items at the reporting date as there is uncertainty of the availability of future taxable profit utilising the potential tax benefit.

	2014 RM	2013 RM
Deductible temporary differences	187,998	304,616
Unabsorbed capital allowance	1,207,652	934,461
Unutilised tax losses	2,026,662	1,896,903
	3,422,312	3,135,980
Potential deferred tax assets not recognised at 24%	821,355	752,635

13. SUNDRY PAYABLES AND ACCRUALS

	2014 RM	2013 RM
Sundry payables	512,859	533,724
Accruals - events and conferences expenses	1,376,378	639,721
Accruals - employee benefits	3,335,381	2,363,135
Accruals - education expenses	217,790	447,000
Accruals - others	405,612	357,979
	<u>5,848,020</u>	<u>4,341,559</u>

The credit periods granted by sundry payables to the Institute ranges from 14 days to 60 days (2013: 14 days to 60 days).

14. DEFERRED INCOME

	2014 RM	2013 RM
Membership admission pending Council's approval	319,957	243,482
Practising certificate holders pending Council's approval	9,000	13,500
Deferred income – readmission pending Council's approval	15,700	19,600
Deferred income - events and conferences	2,251,078	676,923
Deferred income - review on accreditation of universities	85,000	118,200
Deferred income - others	68,382	41,734
	<u>2,749,117</u>	<u>1,113,439</u>

15. DEFERRED INCOME - GOVERNMENT GRANTS

	FRSIC	ICS	SSCDF	Capacity building	SMIDEC training grant	Total
	RM	RM	RM	RM	RM	RM
2014						
Grants received / receivable	2,000,000	125,000	639,096	1,372,400	2,623,894	6,760,390
Deferred income released	(2,000,000)	(116,724)	(639,096)	(1,328,383)	(2,543,292)	(6,627,495)
	-	8,276	-	44,017	80,602	132,895
2013						
Grants received	2,000,000	125,000	565,400	1,372,400	2,560,554	6,623,354
Deferred income released	(2,000,000)	(90,629)	(565,400)	(1,133,697)	(2,222,004)	(6,011,730)
	-	34,371	-	238,703	338,550	611,624

(a) FRSIC

The Capital Market Development Fund (CMDf) has approved a grant to the Institute in 2008. This grant was for the establishment and operation of a dedicated secretariat to manage the implementation of Financial Reporting Standards Implementation Committee (FRSIC). It was receivable yearly over a period of 5 years from 1 October 2007 to 30 September 2012 totalling RM2,000,000. The grant had been fully utilised in the previous financial year.

Detailed below was the movement of FRSIC account in the previous financial year:

	2014	2013
	RM	RM
(i) Grant received		
At beginning/end of financial year	2,000,000	2,000,000
(ii) Deferred income released to compensate the related expenditure incurred		
At beginning of financial year	2,000,000	1,928,695
Meeting	-	5
Salaries	-	71,300
At end of financial year	2,000,000	2,000,000

15. DEFERRED INCOME - GOVERNMENT GRANTS (CONT'D)

(b) ICS

This represents grant from the Ministry of Higher Education Malaysia of RM125,000 for the Institute to develop integrated cases to be used by universities under a newly introduced course, namely Integrated Case Study (ICS).

Detailed below is the movement of ICS account during the financial year:

	2014 RM	2013 RM
(i) Grant received		
At beginning/end of financial year	125,000	125,000
(ii) Deferred income released to compensate the related expenditure incurred		
At beginning of financial year	90,629	83,820
Meeting, workshop and travelling	1,851	-
Printing of ICS Books	20,044	209
Honorarium	4,200	6,600
At end of financial year	26,095	6,809
	116,724	90,629

15. DEFERRED INCOME - GOVERNMENT GRANTS (CONT'D)

(c) SSCDF

RM1.1308 million was approved under the Malaysian Industrial Development Authority (MIDA) Service Sector Capacity Development Fund (SSCDF) with RM630,800 for Upgrading and Modernisation Programme and RM500,000 for Training/Outreach Programme. 50% of the grant amounting to RM565,400 was received by the Institute in the previous financial year and the balance will be claimable upon completion of the programmes.

As at reporting date, the Institute has submitted to MIDA the full report of utilisation and is currently waiting for MIDA's approval for reimbursement of the expenses incurred.

Detail below is the movement of SSCDF account during the financial year:

	2014		2013	
	Upgrading & Modernisation - development RM	Training / Outreach RM	Upgrading & Modernisation - development RM	Training / Outreach RM
	Total RM		Total RM	
(i) Grant received/receivable				
At beginning of financial year	315,400	250,000	315,400	250,000
Grant receivable during the financial year	73,696	-	-	-
At end of financial year	389,096	250,000	315,400	250,000
(ii) Deferred income released to compensate the related expenditure incurred				
At beginning of financial year	432,193	133,207	77,244	66,537
Meeting and workshop	-	-	3,416	-
Facilitator training expenses	-	-	-	66,670
Printing of MIA QE Study Texts & workshop manuals	7,029	-	94,866	-
Professional fees	-	-	190,000	-
Depreciation of assets acquired using government grant (Note 3 and 18)	66,667	-	66,667	-
At end of financial year	73,696	-	354,949	66,670
	505,889	133,207	432,193	133,207
	639,096		565,400	
	639,096		565,400	

15. DEFERRED INCOME - GOVERNMENT GRANTS (CONT'D)

(d) CAPACITY BUILDING

2014	Merger & affiliation RM	CARE awareness RM	CARE software system RM	CARE mentoring RM	Non-accounting student course RM	Review of accreditation RM	MFRS courses RM	Total RM
(i) Grant received								
At beginning/end of financial year	76,304	147,200	94,000	127,296	116,600	120,000	691,000	1,372,400
(ii) Deferred income released to compensate the related expenditure incurred								
At beginning of financial year	76,304	124,855	54,400	111,351	40,540	35,247	691,000	1,133,697
Chartered Accountants Relevant Experience Programme (CARE) awareness expenses	-	22,345	-	-	-	-	-	22,345
CARE mentoring expenses	-	-	-	11,528	-	-	-	11,528
Non-accounting bridging course	-	-	-	-	76,060	-	-	76,060
Review of accreditation	-	-	-	-	-	84,753	-	84,753
	-	22,345	-	11,528	76,060	84,753	-	194,686
At end of financial year	76,304	147,200	54,400	122,879	116,600	120,000	691,000	1,328,383

15. DEFERRED INCOME - GOVERNMENT GRANTS (CONT'D)

(d) CAPACITY BUILDING (CONT'D)

2013	Merger & affiliation RM	CARE awareness RM	CARE software system RM	CARE mentoring RM	Non-accounting student course RM	Review of accreditation RM	MFRS courses RM	Total RM
(i) Grant received								
At beginning of financial year	70,000	79,000	150,000	157,900	58,300	120,000	350,000	985,200
Grant received during the financial year	-	28,200	50,000	75,700	58,300	-	175,000	387,200
Grant transfer from/(to)	6,304	40,000	(106,000)	(106,304)	-	-	166,000	-
At end of financial year	76,304	147,200	94,000	127,296	116,600	120,000	691,000	1,372,400
(ii) Deferred income released to compensate the related expenditure incurred								
At beginning of financial year	33,780	86,841	-	29,450	-	-	153,000	303,071
Merger and affiliation expenses	42,524	-	-	-	-	-	-	42,524
CARE awareness expenses	-	38,014	-	-	-	-	-	38,014
CARE system	-	-	54,400	-	-	-	-	54,400
CARE mentoring expenses	-	-	-	81,901	-	-	-	81,901
Non-accounting bridging course	-	-	-	-	40,540	-	-	40,540
Review of accreditation	-	-	-	-	-	35,247	-	35,247
MFRS courses	-	-	-	-	-	-	538,000	538,000
At end of financial year	42,524	38,014	54,400	81,901	40,540	35,247	538,000	830,626
	76,304	124,855	54,400	111,351	40,540	35,247	691,000	1,133,697

Approval for government assistance for Capacity Building was obtained on 12 April 2012 to carry out the above programmes.

15. DEFERRED INCOME - GOVERNMENT GRANTS (CONT'D)

(e) SMIDEC training grant

The Institute was offered training grant from SMECorp Malaysia (SMIDEC) for mandatory and skill programme. Course fees for qualified participants will be subsidised.

	2014 RM	2013 RM
Grant received		
At beginning of financial year	2,560,554	1,857,314
Grant received during the financial year	63,340	703,240
At end of financial year	2,623,894	2,560,554
Grant utilised	(2,543,292)	(2,222,004)
	<u>80,602</u>	<u>338,550</u>

16. MEMBERSHIP INCOME

	2014 RM	2013 RM
Members' annual subscription fees	10,904,450	7,563,550
Members' admission fees	694,000	804,600
Practising certificate fees	707,500	685,250
	<u>12,305,950</u>	<u>9,053,400</u>

17. INCOME FROM AND (EXPENSES FOR) EVENTS AND CONFERENCES

	2014 RM	2013 RM
Income	19,246,667	15,429,432
Direct expenses	(10,182,788)	(8,173,180)
	<u>9,063,879</u>	<u>7,256,252</u>

18. OTHER INCOME

	2014	2013
	RM	RM
Education income	809,790	932,335
Accountants Today and other web advertisements	179,175	250,256
Practice review billings	206,838	239,361
Income from joint activities with other professional bodies	97,645	101,728
Amortisation of deferred income - government grant (Note 15 (c))	66,667	66,667
Dividend from institutional trust accounts	12,325	186,400
Interest on fixed deposits and current accounts	718,100	512,022
Rental income	33,600	33,600
Regional office activities	-	33,050
Enforcement penalty - reimbursement	88,050	13,750
Miscellaneous income	43,386	26,475
	<u>2,255,576</u>	<u>2,395,644</u>

19. EMPLOYEES' BENEFITS

	2014	2013
	RM	RM
Salaries, overtime and bonus	11,993,694	9,386,384
Contributions to EPF	1,838,292	1,414,553
Other staff benefits	449,086	377,719
Social security contribution	84,519	77,515
Staff training	279,911	343,616
Staff welfare	181,568	226,769
	<u>14,827,070</u>	<u>11,826,556</u>

20. SURPLUS BEFORE TAX

	Note	2014 RM	2013 RM
Surplus before tax has been arrived at after charging/(crediting):			
Education expenses		489,511	330,845
Depreciation of property, plant and equipment	3	522,221	512,025
Amortisation of intangible asset	4	51,739	44,977
Auditor's remuneration - statutory audits		15,032	14,516
Impairment loss on financial assets:			
- receivables	7	69,783	5,725
- subscriptions receivables	8	5,350	3,500
Reversal of impairment loss on financial assets:			
- receivables	7	(28,769)	(6,500)
- subscriptions receivables	8	(1,700)	-
Financial assets written off:			
- receivables	7	9,901	8,970
- subscriptions receivables	8	209,850	98,850
Non-financial assets written off:			
- Property, plant and equipment	3	8	55,946
- Inventories		15,390	3,159
Assets expensed off		5,070	3,167
Office rental		526,350	532,954

21. INCOME TAX

		2014 RM	2013 RM
Income tax			
- current year		-	60,000
- over provision in respect of previous years		(637,316)	-
		(637,316)	60,000
Deferred tax (Note 12)			
- relating to origination and reversal of temporary differences		(5,343)	(878)
		(642,659)	59,122

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.

21. INCOME TAX (CONT'D)

A reconciliation of income tax expense applicable to surplus before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Institute is as follows:

	2014	2013
	RM	RM
Surplus before tax	<u>2,719,690</u>	<u>1,307,285</u>
Taxation at applicable statutory tax rate of 24% (2013: 24%)	652,726	313,748
Tax effects of:		
- expenses not deductible for tax purposes	56,985	72,751
- unabsorbed capital allowances for the current year disregarded under Addendum to Public Ruling No. 6/2005	38,507	28,483
- deferred tax assets not recognised	68,720	43,528
- membership income not subject to tax	(822,281)	(399,388)
- over provision of income tax in respect of previous years	(637,316)	-
	<u>(642,659)</u>	<u>59,122</u>

22. RELATED PARTY DISCLOSURES

The transactions carried out with related parties during the financial year were as follows:

(a) Fees paid by Council members

	2014	2013
	RM	RM
Members' annual subscription fees	8,850	7,200
Practising certificate fees	3,000	3,500
	<u>11,850</u>	<u>10,700</u>

(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 Chief Executive Officer, Chief Operating Officer and Directors of Membership Development & Education, Professional Standards & Practices and Surveillance & Enforcement. Their remunerations for the financial year are as follows:

	2014	2013
	RM	RM
Salaries and bonus	1,273,936	681,065
Contribution to EPF	188,925	95,928
Social security contribution	2,014	1,033
	<u>1,464,875</u>	<u>778,026</u>

The year-end outstanding balance of RM350,838 (2013: RM14,371) in relation to compensation payable to key management personnel is included in payables and accruals.

23. 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.

(a) Categories of financial instruments

	Available-for- sale financial assets	Loans and receivables	Financial liabilities at amortised cost	Total
	RM	RM	RM	RM
As at 30 June 2014				
Financial assets:				
- Investment	7,458	-	-	7,458
- Receivables and deposits	-	1,256,913	-	1,256,913
- Fixed deposits with licensed financial institutions	-	25,124,707	-	25,124,707
- Cash and bank balances	-	4,175,898	-	4,175,898
Total financial assets	<u>7,458</u>	<u>30,557,518</u>	<u>-</u>	<u>30,564,976</u>
Financial liabilities:				
- Islamic financing	-	-	5,561,200	5,561,200
- Payables	-	-	512,859	512,859
- Accruals	-	-	5,335,161	5,335,161
Total financial liabilities	<u>-</u>	<u>-</u>	<u>11,409,220</u>	<u>11,409,220</u>
As at 30 June 2013				
Financial assets:				
- Investment	7,458	-	-	7,458
- Receivables and deposits	-	938,850	-	938,850
- Fixed deposits with licensed financial institutions	-	14,223,923	-	14,223,923
- Institutional trust account	-	3,396,342	-	3,396,342
- Cash and bank balances	-	3,622,703	-	3,622,703
Total financial assets	<u>7,458</u>	<u>22,181,818</u>	<u>-</u>	<u>22,189,276</u>
Financial liabilities:				
- Islamic financing	-	-	5,561,200	5,561,200
- Payables	-	-	533,724	533,724
- Accruals	-	-	3,807,835	3,807,835
Total financial liabilities	<u>-</u>	<u>-</u>	<u>9,902,759</u>	<u>9,902,759</u>

(b) Net gains arising from financial instruments

	2014 RM	2013 RM
Net gain on loans and receivables	<u>466,010</u>	<u>587,877</u>

23. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risk management objectives and policies

The Institute's financial risk management objectives are to ensure that the Institute creates value and maximises returns to the Institute and its members at large. The Institute's financial risk management policies seek to ensure that adequate financial and non-financial resources are available for the smooth implementation of its operations. The Institute has exposure on liquidity risk, interest rate risk and profit rate risk arising from Islamic financing. The Institute does not invest in quoted shares and is, therefore, not exposed to market risk arising from the risk of the financial instruments fluctuating due to changes in market prices.

(i) Credit risk

Receivables and transactions with banking institutions may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are licensed financial institutions and organisations. It is the policy of the Institute to monitor the financial standing of these counter parties on an on-going basis to ensure that the Institute is exposed to minimal credit risk. The Institute has also exercised strict control in removing members in arrears of more than 6 months as provided under the Malaysian Institute of Accountants (Membership and Council) Rules 2001.

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

(ii) Liquidity risk

Liquidity or funding risk is the risk of the inability to meet commitments associated with financial instruments.

The Institute practices prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient levels of cash or cash equivalents to meet its requirements of working capital.

Maturity analysis

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

	Carrying amount RM	Contractual profit rate	Gross contractual cash flow RM	< than a year RM	1 - 5 years RM	> 5 years RM
2014						
Islamic financing	5,561,200	4.20%	7,646,784	-	6,499,824	1,146,960
Sundry payables and accruals	5,848,020		5,848,020	5,848,020	-	-
	<u>11,409,220</u>		<u>13,494,804</u>	<u>5,848,020</u>	<u>6,499,824</u>	<u>1,146,960</u>
2013						
Islamic financing	5,561,200	4.20%	7,646,784	-	4,874,868	2,771,916
Sundry payables and accruals	4,341,559		4,341,559	4,341,559	-	-
	<u>9,902,759</u>		<u>11,988,343</u>	<u>4,341,559</u>	<u>4,874,868</u>	<u>2,771,916</u>

23. FINANCIAL INSTRUMENTS (CONT'D)

(iii) Interest rate risk

The Institute is also exposed to interest rate in respect of its fixed deposits and profit rate risk in respect of Islamic financing with licensed financial institutions and banks.

The Institute ensures that it places fixed deposits at competitive rates under the most favourable terms and conditions.

The Institute is exposed to interest rate risk in respect of its fixed deposits with licensed financial institutions and banks. As this fixed deposit is subject to fixed rate and not accounted for at fair value through profit or loss, a change in the market interest rates would not affect the financial result for the financial year and the fund of the Institute.

The Institute is also exposed to profit rate risk for its Islamic financing with a licensed bank to a maximum ceiling rate of 10.75%. The Bank will grant "Ibra" (rebate) to the Institute where EPR is less than CPR: upon early settlement of the facility and/or upon receipt by the licensed bank of the settlement amount pursuant to occurrence any of the Events of Default as set out in the facility agreement.

(d) Fair value

The carrying amount of the financial assets and financial liabilities of the Institute at the end of the financial year approximated their fair values, on the following basis: -

Short-term financial assets and financial liabilities

Carrying amounts approximated fair values due to the relatively short term nature of these financial instruments.

Long-term financial liability (Islamic financing)

The fair value of the Islamic financing is determined by discounting the relevant cash flows using current profit rates for similar instruments at the end of the reporting period.

24. CAPITAL MANAGEMENT

The objectives of the Institute in managing capital are:

- to safeguard the Institute's function, which is to regulate and develop the accountancy profession in Malaysia in line with its statutory obligations under the Accountants Act, 1967;
- to develop and enhance competency through continuous education and training to meet the challenges of the global economy; 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.

25. COMMITMENTS

2014	2013
RM	RM

(a) Capital commitments

(i) Property, plant and equipment

Approved and contracted for	16,683,480	16,683,480
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(ii) Intangible asset

Approved and contracted for	72,473	-
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Note (i): This relates to the acquisition of new office suite at Bangsar South.

Note (ii): This relates to the acquisition of Human Resource System.

25. COMMITMENTS (CONT'D)

(b) Lease of office premises

Leases as lessee

The Institute has entered into leases of office premises. These non-cancellable leases have remaining lease terms of between 1 to 3 years. Future minimum rental payable under non-cancellable operating lease at the reporting date are as follows:

	2014 RM	2013 RM
Less than one year	494,350	467,850
Between one and five years	326,225	243,200
	<u>820,575</u>	<u>711,050</u>

Leases as lessor

The Institute has entered into leases of office premises. These non-cancellable leases have remaining lease term of 1 year. Future minimum rental receivable under non-cancellable operating lease at the reporting date are as follows:

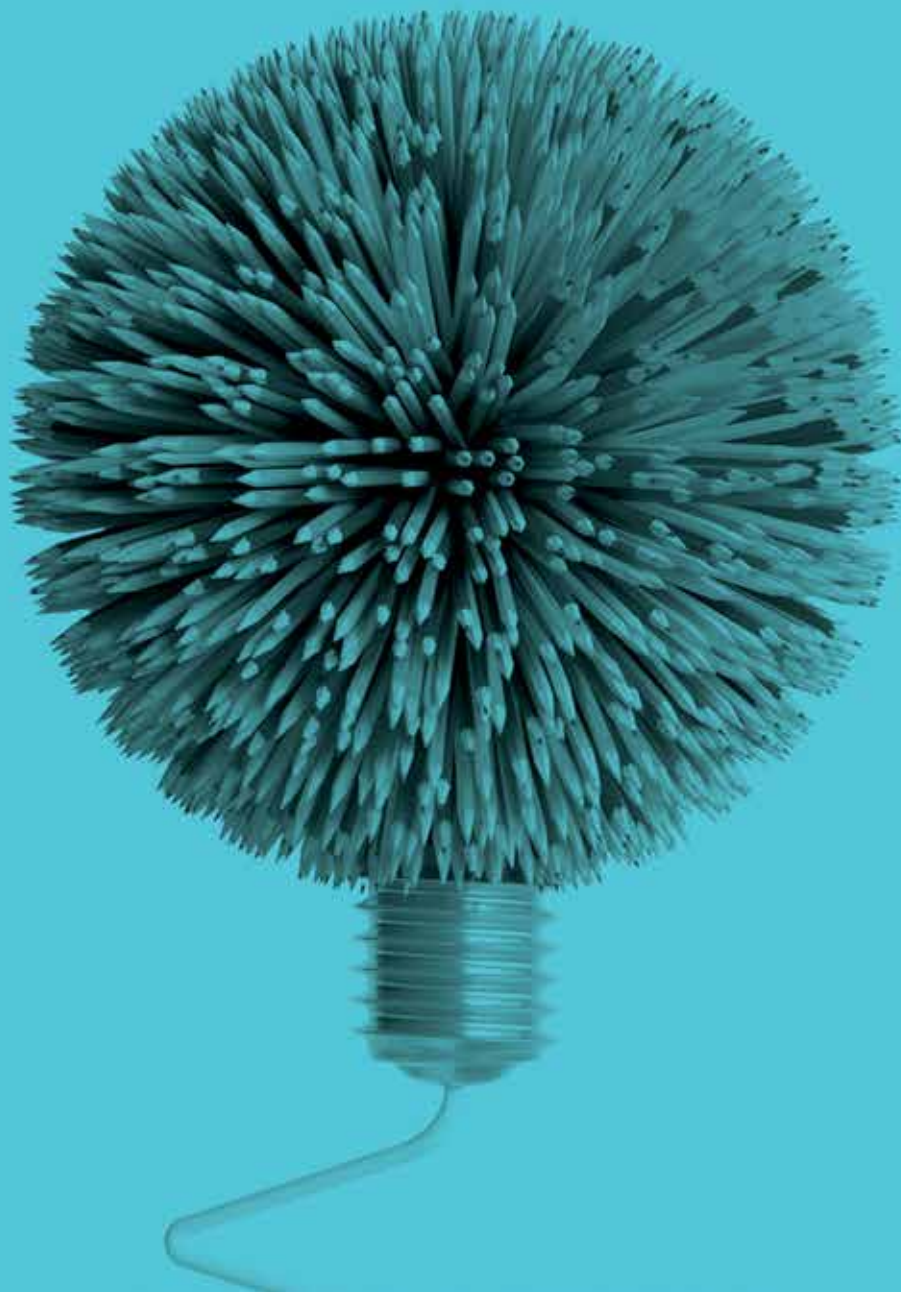
	2014 RM	2013 RM
Less than one year	33,600	33,600
Between one and five years	-	67,200
	<u>33,600</u>	<u>100,800</u>

26. COMPARATIVES

In the statement of cash flows, the Institute classifies the fixed deposits with licensed financial institutions maturing within 3 months as cash equivalents because the fixed deposits are held for the purpose of meeting short-term cash needs. Hence certain comparative figures for the fixed deposits have been amended to conform with current year's presentation.

	As previously stated RM	Reclassification RM	As restated RM
Placement of fixed deposits with licensed financial institutions maturing later than 3 months	-	(7,601,438)	(7,601,438)
Fixed deposits with licensed financial institutions maturing within 3 months	14,223,923	(11,172,191)	3,051,732
Cash and cash equivalents at beginning of financial year	24,630,775	(3,570,753)	21,060,022
Cash and cash equivalents at end of financial year	<u>21,242,968</u>	<u>(11,172,191)</u>	<u>10,070,777</u>

Significant Events Highlights



RECOGNITION

MIA has notched another first by winning the 'National Conference for Excellence' in the Business Events category at the inaugural rAWr (Recognising Award Winning Results) Awards 2013, through its flagship event, the MIA International Accountants Conference (MIA Conference) 2012. The rAWr Awards is co-organised by the Malaysia Convention & Exhibition Bureau (MyCEB) and the Malaysian Association of Convention and Exhibition Organisers and Suppliers (MACEOS) to recognise excellence, leadership, professional standards, innovation and best practices within the Meeting, Incentive, Convention and Exhibition (MICE) or business events industry.



18 SEPTEMBER 2013
MIA Takes home rAWr

STAKEHOLDER LINKAGES

In the year under review, MIA organised and carried out events to strengthen its relationships while enhancing public awareness on issues affecting the accountancy profession. To promote growth and development of the accountancy profession locally, regionally and globally, MIA has engaged actively with its stakeholders from the Government, regulatory bodies, industry, academia and also, the Institute's members.



4 JULY 2013

Breakfast Talk by Immediate Past President of the Institute of Chartered Accountants England & Wales (ICAEW), Mark Spofforth



28 SEPTEMBER 2013

MIA 27th Annual General Meeting



24 SEPTEMBER 2013

Courtesy visit to Companies Commission of Malaysia (SSM) CEO, Dato' Mohd Naim Daruwish



22 OCTOBER 2013
ACCA President Martin Turner visits MIA



4 NOVEMBER 2013
113th AFA Council Meeting and 18th AFA Conference Phnom Penh, Cambodia



28 JANUARY 2013

Courtesy Visit to Royal Malaysian Customs Department, Director General of Customs, Dato' Sri Khazali Haji Ahmad



8 NOVEMBER 2013

Visit by a Group of TERAJU Students



29 JANUARY 2014

Visit by the Chartered Institute of Public Finance & Accountancy (CIPFA) to MIA



20 JANUARY 2014

MIA-CIMA MoU Signing Ceremony



18 FEBRUARY 2014

Meeting with Talent Corp CEO, Johan Mahmood Merican



18 FEBRUARY 2014
MIA PD Appreciation Luncheon & Knowledge Sharing



7 APRIL 2014
Courtesy Visit to SME Corp CEO Dato' Hafsa Hashim



27 MARCH 2014
Institute of Chartered Accountants Nepal Visit to MIA



15 APRIL 2014
Mongolian Institute of Certified Public Accountants Visit to MIA



23 APRIL 2014
MIA strenghtens ties with Bursa Malaysia



30 APRIL 2014
Nigerian Federation Visit to MIA



8 MAY 2014
MIA – CPA Australia MoU Signing Ceremony



10 JUNE 2014
MIA – ACCA Seminar with Accounting Teachers and Counsellors



26 MAY 2014
Japanese Institute of Certified Public Accountants
Visit to MIA



13 JUNE 2014
115th AFA Council Meeting Yogyakarta, Indonesia

ENHANCING COMPETENCY AND MAINTAINING INTEGRITY

During the year under review, MIA organised the following events and programmes to enhance the competencies of professional accountants with a view to strengthening the profession's quality and reputation. These events serve as knowledge based platforms for MIA members by enabling them to function effectively as essential business partners in the economic eco-system.



8 JULY 2013
Interview for Approved Company Auditor 2



23 AUGUST 2013 – 5 OCTOBER 2013
(A 10-DAY PROGRAM)
Goods & Services Tax (GST)



20 AUGUST 2013
Living Life Without Limits



17 DECEMBER 2013
The Companies Bill 2013: Revamping the Companies Act 1965



10 SEPTEMBER 2013
Limited Liability Partnership and the New Taxation Entity



25 NOVEMBER 2013
Budget 2014 Seminar



26 NOVEMBER 2013
MIA International Accountants Conference 2013



17 FEBRUARY 2014
GST From A Legal Perspective



25 MARCH 2014
Corporate Governance Guide
(Towards Boardroom Excellence - 2nd Edition)



20 MARCH 2014
Audit Committee Conference 2014



7 MAY 2014
MIA Public Practice Programme



5 JULY 2013
Strategic Engagement MIA - ACCA Forum



5 DECEMBER & 12 DECEMBER 2013
Merger and Affiliation Seminar 2013 (Penang and KL)



8 OCTOBER 2013
National Business Zakat Symposium

CORPORATE SOCIAL RESPONSIBILITY

For the year under review, MIA continued its focus on further integrating its corporate social responsibility (CSR) initiatives. Among the major accomplishments include capacity building through student outreach and accountancy awareness programmes which was especially targeted for the Generation Y students. While MIA plays a significant role in upholding the public interest, the Institute makes it a point to give back to society via charitable endeavours and through green initiatives.

CSR IN BUSINESS



21 NOVEMBER 2013
NACRA 2013 Awards



4 SEPTEMBER 2013
NAfMA Launching Ceremony

CSR IN THE COMMUNITY



7 SEPTEMBER 2013

MIA – Sunway TES Accounting Quiz 2013



8 NOVEMBER 2013

Accounting Students Conference 2013



16 DECEMBER 2013

5th MIA QE Graduation Ceremony



24 FEBRUARY 2014
Mini Sector Focused Career Fair



22 MARCH 2014
IVAQ 2014 Launching



22 MARCH 2014
Supporting FRIM's Green Cause



22 APRIL 2014
PAIB Article of Merits 2013 Awards



27 MARCH 2014
Launch of National Accounting Quiz 2014 (NAQ) at Ministry of Education

REGIONAL ACTIVITIES

JOHOR REGION



19 SEPTEMBER 2013
Singapore-JB SMP Forum



20 NOVEMBER 2013
MIA JB Career Talk with Kolej Komuniti Ledang



25 OCTOBER 2013
MIA JB Members' Dialogue



4 JANUARY 2014
Johor Career and Postgraduate EXPO 2014



25 OCTOBER 2013
MIA Johor Regional Annual Dinner 2013

NORTHERN REGION



16 AUGUST 2013
Young Professionals' Social Networking Dinner



18 NOVEMBER 2013
Evening Talk on Interpreting MFRS – “As You Like It?”



8 OCTOBER 2013
Politeknik Seberang Perai Visits MIA Northern Regional Office



23 NOVEMBER 2013
14th Penang Career and Postgraduate Expo at PISA



6 NOVEMBER 2013
Practitioners Updates 2013

SABAH REGION



9 SEPTEMBER 2013
Practitioners Dialogue



26 SEPTEMBER 2013
Career Talk at Politeknik Sabah



4 OCTOBER 2013
Career Talk at Cosmopoint College



11 OCTOBER 2013
Career Talk at Inti College



7 DECEMBER 2013
Charity Walk "Together we Care"



14 MARCH 2014
MIA Sabah Annual Dinner 2014



10 MAY 2014
MIA Social Trip for Members and Family



20 MAY 2014
Business Career Education Fair 2014 (BCEF 2014)

SARAWAK REGION



17 AUGUST 2014

Inter Professional Games (IPG) 2013 organised by Ultimate Professional Centre



25 SEPTEMBER 2013

Courtesy Visit to SSM



15 MARCH 2014

Sarawak Career and Training (SCaT) Fair 2014 in Kuching



19 OCTOBER 2013

MIA Members' Annual Gathering 2013/2014

MEDIA AND COMMUNICATIONS

Throughout the year under review, MIA received significant coverage in leading broadcast and print media such as The Star, News Straits Times, Malaysian Reserve, The Edge, Malaysian SME, The Accountant and Top 10. The media plays a key role for MIA in communicating issues affecting the accountancy profession. Additionally, the media coverage enhances MIA's brand and strategic objectives for building competency, quality and reputation.

MIA appoints Johan Idris new president and Zaiton Mohd Hassan vice president

by CHARLES FERNANDEZ




Johan Idris is a partner in KPMG while Zaiton is MD of Capital Intelligence Advisory.

THE Malaysian Institute of Accountants (MIA) has appointed Johan Idris and Zaiton Mohd Hassan as MIA's new president and vice president, with both appointments taking effect from July 22.

Johan, who was elected the VP of MIA in March this year when he succeeded Mohd Nasir Ahmad who retired on July 15.

Johan is a partner in KPMG and heads the audit practice, as well as dealing in the energy and natural resources line of business.

He is a committee member of the Audit and Accounting Committee at KPMG Malaysia and was also the CSR partner of KPMG Malaysia.

Zaiton who was appointed MIA council member on July 16, is also currently the president of the ACCA Malaysia Advisory Committee and the MD of Capital Intelligence Advisory Sdn Bhd.

She is also the chairman of the Private Pension Administrator Malaysia and a director of Bank Islam Malaysia Bhd, Sime Darby Bhd and Credit Guarantee Corp Malaysia Bhd.

Prior to joining the Malaysian Rating Corp Bhd (MARC) when she was the president/ED, she served 12 years with Malaysian Banking Bhd in various senior positions including that of GM of the group strategic planning division, a post she held until her resignation in 1996.

Meanwhile, MIA has also announced three other new members of the institute who have been appointed into the MIA Council, effective July 16. These new members are appointed by the government from among distinguished scholars, representatives of regulatory and professional bodies as well as senior executives from leading firms.

The three new members are Datuk Abdul Rauf Rashid, country managing partner, Ernst & Young, PwC or Rozman Ab Aziz, dean faculty of accountancy, UTM and Bro Tek Ling, chairman, country branch committee, of CIMA Malaysia.

Good future in integrated reporting envisioned

By WONG WEI-SHEN
wse@enr.com



KUALA LUMPUR: Integrated reporting, which promotes reporting in a more transparent and concise manner, will be the next big thing in the accounting industry, according to Malaysian Institute of Accountants (MIA) president Johan Idris (PIC).

In his first media interview since being appointed to the post, Johan said integrated reporting was the next wave for the accountancy profession.

However, he added that organisations would likely only practice integrated reporting if the regulators and auditors made it mandatory.

So far, South Africa is the first and only country to mandate integrated reporting under the Johannesburg Stock Exchange listing regulations.

"Only when it becomes law, I think, would people start moving towards it," he told StarBiz.

Integrated reporting is a market-led evolution in corporate reporting that seeks to enhance communication between organisations and their respective stakeholders. It recognises a wide range of factors that contribute and determine the value of businesses.

The International Integrated Reporting Council (IIRC) was formed by a global coalition of regulators, investors, companies, standard

writers, the accounting profession and non-government organisations to create an accepted framework for integrated reporting, which will be published by year-end.

Meanwhile, Johan said the implementation of the International Financial Reporting Standards (IFRS) in Malaysia had put the country on par with its developed neighbours.

Many Malaysian companies started implementing IFRS in January 2012, with the exception of plantation operators and property developers, due to issues arising from some of the standards.

"In Asia, there are only a few countries that are IFRS-compliant. They include Australia, New Zealand, Korea and Malaysia," he said.

It is for this reason that he thinks the accounting sector in Malaysia is quite mature.

However, his concern is on the supply of good and competent accountants.

Johan succeeded former MIA president Datuk Mohd Nasir Ahmad effective July 22. He is currently a partner in KPMG and heads the audit practice there. He was previously elected vice-president in March this year.

25 JULY 2013

MIA Appoints Johan Idris New President and Zaiton Mohd Hassan Vice President

Source: The Malaysian Reserve

5 AUGUST 2014

Good Future in Integrated Reporting Envisioned

Source: The Star

Breaching the skill gap

Malaysia's economic growth is proving something of a double-edged sword for the accounting profession as efforts continue to persuade ambitious accountants that their future lies in their native land. **Paul Golden reports**



Age of population	% of population living in urban areas
2.23%	71%
Inflation 2005-2012	2.44%

The most recent report on the health of the Malaysian economy, the IMF observed that the country had continued the strong recovery that began in 2010, and projected growth of around 6% for 2013 on the back of robust, domestic-led expansion.

Private and public investments have been supported by low interest rates and the catalytic effect of projects under the Government's economic transformation programme, particularly in oil, gas and infrastructure. The Government's aim is to turn Malaysia into a high-income nation by 2020.

Among reforms designed to produce stronger, more balanced and inclusive economic expansion are measures to boost the quality of education, which according to the IMF should help reduce Malaysia's skills gap. However, the challenge for the local accountancy profession is not only to produce sufficient numbers of qualified accountants, but also to keep them in the country, explains Ken Puspasathan, president of the Malaysian Institute of Certified Public Accountants (MICPA).

"There are just under 30,000 accountants registered with the Malaysian Institute of Accountants (MIA) but in terms of meeting demand we are still well short," he says. "We have approximately 950 listed companies plus their subsidiaries and associates, as well as the other public interest entities in the marketplace, which include financial institutions and other public corporations that need to prepare their financial statements in compliance with the IFRS framework."

There are also around 980,000 companies that need to be audited annually under the requirements of the Malaysian Companies Act.

"Demand for accountants will remain acute and challenging for at least the next few years," Puspasathan says. "We need to look at our composition and arrive at suitable solutions. For example, does every private enterprise (public or family-owned private exempt entities) need to be audited? There could be thresholds introduced for the mandatory audits of such entities."

Education

Puspasathan says the various educational institutions and professional bodies have an important role to play in ensuring there are enough well trained and proficient professionals to meet demand.

"We need to start and sustain our best students to undertake an accounting degree to be enhanced further with a good relevant professional qualification. We need to persuade more discerning graduates to enter the profession and employers (both accounting firms and commercial entities) should be encouraged to develop their careers accordingly, preferably within the country."

The president of the MICPA highlights remuneration structures, work culture and 'quality of life' as well as socio-political issues as some of the factors behind high migration rates.

"There has always been a big demand for our graduates and trained professionals, not only in the ASEAN region but also in countries such as Australia, China and Hong Kong. We need to be mindful of continuously investing in our younger generation, as well as addressing the various impediments – especially those that impact working conditions and remuneration. All categories of employers should be re-looking at their working conditions, requirements and remuneration structures."

He believes accounting firms also have to look at the professional fee charged to clients. "Auditor fees should

Overwhelming response to accounting quiz

Higher Education, Singapore, 11 September 2013



The final stage of the Integrated MIA-ACCQ13 Accounting Quiz 2013 (ACCQ13) was held at Sunway College on Sept 7. Two teams were selected as finalists.

The finalists were selected from 51 secondary schools in Singapore, the Federal Territory of Kuala Lumpur and Putrajaya and 10 international schools.

A total of 134 teams, each comprising four students, took part in the various qualifying rounds which were held over June and July.

The event, co-organised by the Malaysian Institute of Accountants (MIA) and Sunway TES, is aimed at exposing and grooming the talents of students in terms of their knowledge about the accounting and the accountancy profession.

It is supported by the Education Ministry, MIA, Sunway TES, professional accountancy bodies such as ACCA and ICAEW, and several accounting firms, namely BDO, EY, Grant Thornton, KPMG, PwC, and several education centres, namely ICAEW, Further Education and Training, and Sunway TES.

The participants, who are from five and six students, are drawn from national secondary schools (public and private), secondary schools (fully residential), technical secondary schools, national religious secondary schools, national religious integrated secondary schools, private schools, Chinese independent high schools and MAMBA Junior Science Colleges.

The ACCQ13 was conducted in five stages with the final stage conducted online.

According to Sunway TES executive director Tan Sri Seng, though the inaugural quiz was only open to a few states, it will eventually become a national event.

"The quiz will be giving away scholarships worth over RM200,000 to all first, second and third prize winners in state accountancy at Sunway TES."

"The quiz will stimulate interest in the accountancy industry," he said.

Students participating in the event will be expected to brush up on their knowledge of Accounting and if they meet in their final round, they will be competing for a total prize of RM200,000 in total.

The aspect will be Sunway TES, which was recently designated by PERNANGGI as the "Sunway TES Centre for Accountancy Excellence" is spearheaded the Final Round (FR13), which aims to transform Malaysia into an Asia-Pacific accountancy hub.

MIA president Johan Idris said the enthusiastic participation by students showed there was already a high level of interest among secondary schools who were thinking of a career in accounting.

"With the objective of creating awareness and building accountancy as a profession of choice to students, this concerted effort

AUGUST 2014

Breaching the Skill Gap

Source: The Accountant

11 SEPTEMBER 2013

Overwhelming Response to Accounting Quiz

Source: The Star



21 SEPTEMBER 2013
MIA Committed to Raise Standards of Public Practitioners
 Source: Malaysia SME



30 SEPTEMBER 2013
Honouring Malaysia's Best in Business Events
 Source: rAWr Awards 2013 Pull-out, The Edge



4 OCTOBER 2013
MIA 'rAWr-ing' to the Top
 Source: The Malaysian Reserve



9 OCTOBER 2013
Govt Subsidies Enable People to Own Affordable Homes
 Source: The Malaysian Reserve



26 NOVEMBER 2013
Move to Accrual Accounting System Lauded
 Source: The Malaysian Reserve



27 NOVEMBER 2013
TalentCorp in Pact with 5 Accounting Bodies
 Source: The Malaysian Reserve



20 DECEMBER 2013
Accountants Must Stay on Top of Their Game to sustain Competitive Advantage
 Source: The Malaysian Reserve



24 JANUARY 2014
Fast Track Route to Become CIMA Qualified Accountant
 Source: The Malaysian Reserve



1 MARCH 2014
Speaking To... Inspiring the Next Generation
 Source: Top 10



22 JUNE 2014
Careers to take Into Account
 Source: The New Sunday Times



13 MARCH 2014
Conference on Auditing Issues
 Source: The Malaysian Reserve



8 MAY 2014
CPA Australia Inks MOU with MIA
 Source: The New Straits Times



6 APRIL 2014
Launching Pad to Excel Further
 Source: The New Straits Times



19 JUNE 2014
Govt to set up Accounting Hub
 Source: The New Straits Times