

# A GUIDE FOR AUDIT COMMITTEES AND INDEPENDENT DIRECTORS - CORPORATE GOVERNANCE, UPDATES ON BURSA LISTING REQUIREMENTS AND CURRENT ISSUES IN FINANCIAL REPORTING



05 OCTOBER 2016, WED ■ 09.00AM-05.00PM ■ PENANG 8 CPD HOURS

## INTRODUCTION

Bursa Malaysia has updated the Malaysian Code of Corporate Governance requirements as well as many of the Listing Requirements. Bursa Malaysia also focuses on accurate MFRS compliant Quarterly Reports and Financial Statements as well as their timely submissions. Audit Committees are the guardians of Corporate Governance and financial reporting for PLCs' and other public interest entities.

IFRS is the global accounting standard of choice but local implementation has presented unique challenges that impinge on the integrity of your corporate governance. As part of Malaysia's forward thinking approach to access the world's capital markets, and to enhance Malaysia's competitive economic position, MASB, the standards setter in Malaysia has aligned financial reporting in Malaysia with the International Financial Reporting Standards (IFRS). The Standards are known as MFRS in Malaysia and are identical in all respects with IFRS and which are continually updated regularly.

Are your Audit Committee members and Independent Directors, up to speed with the updated Code of Corporate Governance, Listing Requirements and the latest MFRS/IFRS developments? This programme is designed to update them on all the requirements and current developments in this wide area of responsibility, in a concise manner.

## LEARNING OUTCOMES

At the end of the course, participants will be able to :-

- Identify the requirements of the revised Malaysian Code on Corporate Governance 2012 (MCCG 2012) which amongst others, stresses on creating shareholder value by well-informed strategic direction and engaged oversight;
- Learn the amendments to the Listing Requirements for Main Market and Ace Market companies;
- Understand the impact of MFRS on accurate quarterly reporting and avoid the common pitfalls that result in deviations of Quarterly Report results from audited Annual Financial Statements;
- Understand the principal requirements of the various MFRS;
- Examine the impact of MFRS on the reported results of public listed companies and their subsidiaries and associated companies;
- Learn to identify taxation issues inherent MFRS where recognition and measurement differ from the Income Tax Act, 1067 and Public Rulings, and learn how to deal with tax risks arising from such differences.

## COURSE OUTLINES

Malaysian Code of Corporate Governance 2102 and 2nd Edition of Corporate Governance Guide 2013

- **Highlights of the Malaysian Code of Corporate Governance 2012 (issued 2013);**
  - Roles & Responsibilities of the Board
  - Composition of the Board
  - Independence of Independent Directors
  - Separation of Chairman & CEO
  - Commitment of Directors
  - Remuneration of Directors
  - Risk Management Framework and Internal Control System
  - Integrity of Financial Reporting
  - Relationship between Company & Shareholders

### Quarterly Reporting

- Errors and common pitfalls in quarterly reporting;
- Directing the internal audit function and identifying the role of internal audit to add value to Corporate Governance, risk management and corporate reporting;
- Reporting of breaches to Bursa

### Updates on Key Bursa Listing Requirements - Main Market and Ace Market

- Amendments to Bursa Malaysia's Main Market and Ace market Listing Requirements Regarding Independent Advisor's Role in Relation to a Major Disposal and Voluntary Withdrawal of Listing;
- Best Practice in Relation to Independent Advice Letters;
- Clarification of the Disclosure Requirements in Annual Reports;
- Other relevant earlier updates.

### Malaysian Financial Reporting Standards (MFRS) Requirements and Issues

- **General principles of MFRS** - recognition, measurement of assets, liabilities, revenue expenses and equity;
- **Accounting policy selection** - including review of available alternatives and complex notes to financial statements - and how they enhance the clarity of financial statements
- **Application of Management judgements** - the additional dimension in financial reporting
- **Fair value** - the practical application fair value and its impact on financial statement's recognition, measurement and disclosure requirements;
- **Prudence vs Fair Values in financial reporting** - setting aside conservatism and moving forward towards relevance in financial reporting - a selection of MFRS and examples to illustrate this;

## COURSE OUTLINES (CONT'D)

- **Impairment testing** - emphasis on valuation of all financial assets, intangible assets and goodwill;
- **Financial Instruments** - Compound Financial Instruments, Derivatives, Hedging and other financial assets and liabilities - existing measurement and valuation methods and how they are reflected in the financial statements, and impact of the new “business model” approach in MFRS 9
- **Effective Interest Rates** - use of “effective interest rates” vs “contractual rates” - how do they affect reported earnings
- **Business Combinations & Consolidation**- current rules of MFRS on the meaning of “control” as contrasted with the Companies Act provisions;
- **Joint Arrangements** - practical application of the revised accounting methods for MFRS Joint Ventures and Joint Operations;
- **Non-controlling interests (NCI)** - practical application of the new concept of allocation of Goodwill at fair value to NCI;
- **Share-based payments**- transactions and amendments to ‘vesting conditions’, “performance condition” and “service condition”
- **Future decommissioning liabilities** -to be included in the cost of property, plant and equipment & component depreciation requirements MFRS, capitalisation of borrowing costs on PPE;
- **Acceptable methods of Depreciation and Amortisation** - a review of the clarification made in May 2014 with amendments to MFRS 116 (PPE), MFRS 138 (Intangible Assets);
- **Assets Held for Sale and Discontinuing Operations**- impact on financial statements
- **Agriculture** - understanding the new treatment of bearer plants as a consequence of amendments made to MFRS 116 (PPE) and MFRS 141 (Agriculture);
- **Leases** - practical difficulties in determining whether an arrangement contains a lease (IC Int.4). A review of the impending changing landscape of accounting for operating leases - from “off-balance sheet to on-balance sheet”, introducing the concept of “Right of Use” (ROU) as financial asset;
- **Interim Financial Reporting** - requirements of the Standards
- **Revenue reporting** - an analysis of the new Revenue Standard MFRS 15 and practical examples of its application to various situations; and withdrawal of MFRS 111 (Construction Contracts), MFRS 18 (Revenue), IFRIC 13 (Customer Loyalty Programme), IFRIC 15 (Agreement for Construction of Real Estate), IFRIC 18 (Transfer of Assets from Customers), and SIC 31 (Revenue - Barter Transactions involving Advertising Services).
- **Tax Implications of MFRS** - understanding the tax implications of MFRS where different recognition and measurement bases are used as compared to the Income Tax Act, 1967 and the Public Rulings; inherent tax issues and identification of tax risk issues
- **Shareholders & Stakeholders Value** - an overall discussion on shareholders and stakeholders value on the changes in financial reporting for private and public entities, recognising the globalisation of the world capital markets and enhancing Malaysia’s competitive economic position.

## FACILITATOR

**J SELVARAJAH - ACA; CA(NZ); CA(M);  
ACTIM; FIPA(AUST); B.COM(ACC)NZ.**

J Selvarajah, is a senior partner of a well-established professional practice in Kuala Lumpur which is a member of an international network of accounting and consulting firms with more than 300 partners and professional staff.

He has 44 years of work experience in public practice particularly in the areas of financial reporting for public and private entities, internal audits, corporate governance and risk assessments, external audits, company secretarial practice and fraud prevention. He has assisted several Malaysian and international companies and other organisations operating in Malaysia and Singapore in setting up the Internal Audit and Risk Management processes and Corporate Governance training. He is also the internal auditor for several public listed companies on Bursa Malaysia and SMEs’. He has also performed several investigative audits on accounting malpractices, embezzlement and money laundering.

J Selvarajah also delivers regular public and in-house seminars and training on Corporate Governance and Risk Management, Malaysian and International Financial Reporting Standards (MFRS/IFRS), Financial Instruments, Costing and Cost Management systems, Malaysian Corporate Tax Impact of MFRS, Corporate Tax Planning and Corporate Taxation including the soon to be introduced GST, and as well as on Corporate Fraud Detection, Prevention and Fraud Risk Management.

J Selvarajah, is a member of the Institute of Chartered Accountants in England & Wales, the New Zealand Institute of Chartered Accountants, the Malaysian Institute of Accountants, and an a member of the Chartered Tax Institute of Malaysia. He is also a PSMB (HRDF) Certified Trainer.

	Normal fee (RM)	**Early Bird Fee(RM) (register & pay BEFORE 21/9/2016)	Group Fee (RM) (for 3 or more registration from the same organisation)
MAICSA Member/graduates/students/Affiliates	380	350	350
Non Member	530	500	500
MAICSA member's staff*	430		

(inclusive of course material, lunch and 2 tea breaks)

\* The staff of the sponsoring MAICSA member and he/she must report directly to the MAICSA member in the same organisation. The staff is NOT entitled to group and early bird fee. The Sponsoring MAICSA member is required to indicate his/her name, designation and membership number in the registration form. **Note: Affiliate cannot sponsor his/her staff.**

**\*\* Normal rate will be applicable if we do not receive payment before 21/9/2016.**

All registrations MUST be accompanied with full payment. Admittance will not be permitted unless payment is received.

#### CANCELLATION POLICY:

Upon registering, participant(s) are considered successfully registered for the event. The registration fee(s) is/are non-refundable nor allocated to another programme if the participant(s) decides to cancel/ withdraw the registration less than five (5) working days prior to the event date or no show on the day of the programme. Cancelled unpaid registrations will also be liable for full payment of the registration fee. (Note: Any cancellation or withdrawal must be in writing).

If you intend to send a replacement, please notify us in writing at least five (5) days before the event. The CPD hours will be allocated to the designated attendees. If the replacement is not a Member, the appropriate fees will apply.

**REMINDER: Please produce your national registration identity card/passport upon registration for identity verification. E-Certificate of Attendance will only be released to registered participants upon full attendance with full payment.**

Please email/fax/post this form and submit payment to:-

**MAICSA Northern Region Resource Centre**  
41-5-2, Wisma Prudential Jalan Cantonment  
10250 Georgetown, Pulau Pinang  
**Attention: Ms Lee Bee Chooi**

Tel: +604-227 2731 Fax: +604-227 2732

Email: northern@maicsa.org.my

**GST No: 000752525312**

For details of other training events, please visit the MAICSA website at <http://www.maicsa.org.my>

MAICSA reserves the rights to make amendments to the programme without prior notice to the participants and to cancel or postpone the session if the minimum number of participants is not met. If your organisation requires an official invoice, please contact the MAICSA Training Division. Upon signing the registration form, you are deemed to have read and accepted the terms and conditions.

#### PAYMENT DETAILS - CG051016PG

##### Payment by cheque- made payable to MAICSA

Bank & Cheque No.: \_\_\_\_\_ Amount RM: \_\_\_\_\_

##### Payment by Credit Card/Debit card

Visa  Master Bank: \_\_\_\_\_

Cardholder's Name: \_\_\_\_\_

Card No.: \_\_\_\_\_ Expiry Date: \_\_\_\_\_

I authorise payment of RM: \_\_\_\_\_

Cardholder's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

##### Direct Transfer :

Bank: RHB Bank Berhad Account name: MAICSA Account number: 2-64094-0000-4232 Swift code: RHBBMYKL

Please forward the bank-in slip/ payment advice to training@maicsa.org.my or fax to 03-2283 4492 for our verification and record.

**Online Payment:** www.rhb.com.my, www.maybank2u.com.my

Please forward the online transaction slip to training@maicsa.org.my or fax to 03-2283 4492 for our verification and record.

**Note: The TAX INVOICE will be issued under individual (participant) name if the payment is made from personal account i.e via credit card/online transaction/ direct bank-in / cash deposit/cash, unless otherwise advised.**

# REGISTRATION FORM - A GUIDE FOR AUDIT COMMITTEES AND INDEPENDENT DIRECTORS - CORPORATE GOVERNANCE, UPDATES ON BURSA LISTING REQUIREMENTS AND CURRENT ISSUES IN FINANCIAL REPORTING (CG051016PG)

Full Name as per IC (Dato'/Datin/Dr/Mr/Mrs/Ms)\*: \_\_\_\_\_

Vegetarian

Designation\*: \_\_\_\_\_ MAICSA No.: \_\_\_\_\_ Email\*: \_\_\_\_\_

I hereby consent to the processing of my personal data for the purposes described in the Personal Data Notice below. \_\_\_\_\_ (Participant Signature)

## ORGANISATION INFORMATION

Company\*: \_\_\_\_\_

Address\*: \_\_\_\_\_

Tel\*: \_\_\_\_\_ Fax\*: \_\_\_\_\_

Contact Person\*: \_\_\_\_\_ Email\*: \_\_\_\_\_

I hereby consent to the processing of my personal data for the purposes described in the Personal Data Notice below. \_\_\_\_\_ (Contact Person Signature)

Invoice to be issued under\*:  Company GST Registration No\*: \_\_\_\_\_  Individual (Please tick )

Note: The TAX INVOICE will be issued under individual (participant) name if the payment is made from personal account i.e via credit card/online transaction/ direct bank-in / cash deposit/cash, unless otherwise advised.

## Sponsoring member (If applicable)

Name\*: \_\_\_\_\_ Designation\*: \_\_\_\_\_ MAICSA membership: \_\_\_\_\_

\*compulsory field to complete

## PERSONAL DATA NOTICE – COMPULSORY TO COMPLETE

The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA", "we" or "us" or "our") is required to comply with the Personal Data Protection Act 2010 (the "Act"), which regulates the processing of personal data in commercial transactions. For the purpose of this Personal Data Notice, the terms "personal data" and "processing" shall have the meaning as prescribed in the Act.

This Personal Data Notice applies to any person whose personal data is processed by MAICSA or on behalf of MAICSA.

1. This Personal Data Notice serves to inform you how your personal data is being processed by MAICSA.

2. The personal data processed by us may include your name, designation, company's name, contact details, email address and any other personal data required for the purposes set out in paragraph 3 below.

3. MAICSA may use your personal data for the following purposes (collectively referred to as the "Purposes"):

- to process your registration form for training events (including conferences) organized by MAICSA and collaborative partner(s) and for administrative purposes such as attendance list, issuance of invoice, official receipt and certificate of attendance;
- to communicate with you on the confirmation of the training events and matters in connection to the MAICSA training events/conference;
- to notify you of any changes to our training events which may affect you;
- to mail the official receipt and certificate of attendance;
- to respond to your enquiries or complaints; and
- such other administrative purposes which relate to the above.

4. Your personal data is collected from various sources, including information you have provided us, information from third parties and information in the public domain.

5. You may access and request for correction of your personal data. Please contact us as follows if you have any enquiries or complaints in respect of your personal data:

Contact Person : Manager, Training Division  
Mailing address: MAICSA  
Bangunan MAICSA,  
No. 57, The Boulevard Mid Valley City,  
Lingkar Syed Putra, 59200 Kuala Lumpur  
Tel. No: 03-22829276 Fax No.:03-22834492  
Email: [training@maicsa.org.my](mailto:training@maicsa.org.my)

In accordance with the Act:

- We may charge a fee up to RM10 (for personal data) and RM30 (for sensitive personal data) for processing your request for access to your personal data; and
- We may refuse to comply with your request for access to or correction of your personal data.

6. Your personal data may be disclosed:

- to our vendor (in terms of email address) for the purpose of email blasts on behalf of MAICSA - applicable to MAICSA members, students and affiliates only;
- where such disclosure is required or authorised by law or by the order of a Court.

7. MAICSA shall retain your personal data from the date of collection for as long as it is necessary for the fulfillment of the Purposes or for compliance with the law or legal obligations by MAICSA. MAICSA shall stop processing your personal data when you write to MAICSA using the contact details in paragraph 5 above to withdraw your consent.

8. Unless otherwise specified by us at the time the personal data is collected, it is obligatory that you supply us the personal data requested for by us. Failure to supply us with your personal data may render us unable to carry out the Purposes.

9. You undertake and warrant to MAICSA that your personal data is accurate, complete, not misleading and up-to-date. The onus is on you to update MAICSA if your personal data has changed.

10. MAICSA reserves the right to update and amend this Personal Data Notice from time to time. MAICSA will notify you of any changes via announcement on MAICSA's website or through other reasonable means of providing notice as MAICSA may deem appropriate. Any changes to this Personal Data Notice will be effective immediately upon notice to you.

We would like to send you information on future training events organised by MAICSA via email or fax. If you do not agree to being contacted in this way, please tick "X" in the box  - not applicable to MAICSA members, students and affiliates

Issued by: MAICSA Training Division

## NOTIS DATA PERIBADI – WAJIB DIISI

The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA" atau "kami") dikehendaki untuk mematuhi Akta Perlindungan Data Peribadi 2010 (dirujuk sebagai "Akta") yang mengawal selia pemrosesan data peribadi dalam transaksi komersial. Untuk tujuan Notis Data Peribadi ini, terma-terma "data peribadi" dan "pemprosesan" akan mempunyai maksud sepertimana ditakrifkan dalam Akta.

Notis Data Peribadi ini adalah digunakan terhadap mana-mana pihak yang data peribadinya diproses oleh MAICSA atau bagi pihak MAICSA.

1. Notis Data Peribadi ini bertujuan untuk memaklumkan anda bagaimana data peribadi anda diproses oleh MAICSA.

2. Data Peribadi anda yang diproses oleh kami mungkin termasuk nama, jawatan, nama syarikat, maklumat perhubungan, alamat emel dan apa-apa data Peribadi lain yang diperlukan untuk tujuan yang dinyatakan dalam perenggan 3 di bawah.

3. MAICSA bakal menggunakan data peribadi anda untuk tujuan berikut (secara keseluruhan merujuk kepada "Tujuan"):

- untuk memproses borang pendaftaran anda untuk program latihan (termasuk persidangan) yang dianjurkan oleh MAICSA dan anjuran kerjasama entiti-entiti yang lain dan untuk tujuan pentadbiran seperti senarai kehadiran, pengeluaran inoiv, resit dan siji kehadiran;
- untuk berkomunikasi dengan anda tentang pengesahan program latihan dan sebarang perkara yang berkaitan dengan program latihan/persidangan MAICSA;
- untuk memaklumkan anda apa-apa perubahan pada program latihan yang melibatkan anda;
- untuk menghantar resit dan siji kehadiran melalui pos;
- untuk lain-lain tujuan pentadbiran yang berkaitan dengan Tujuan yang dinyatakan di atas

4. Data peribadi anda dikumpul dari pelbagai sumber maklumat, termasuk maklumat yang telah anda berikan kepada kami, maklumat daripada pihak-pihak ketiga dan maklumat dalam domain awam.

5. Anda mungkin boleh mengakses dan meminta untuk pembetulan data peribadi anda. Sila hubungi kami melalui maklumat perhubungan yang dinyatakan di bawah sekiranya anda mempunyai apa-apa pertanyaan atau aduan berkenaan dengan data peribadi anda:

Orang yang bolih dihubungi : Pengurus, Bahagian Latihan  
Alamat: MAICSA  
Bangunan MAICSA,  
No. 57, The Boulevard Mid Valley City,  
Lingkar Syed Putra, 59200 Kuala Lumpur  
Tel. No: 03-22829276 Faks No.:03-22834492  
Emel: [training@maicsa.org.my](mailto:training@maicsa.org.my)

Selaras dengan Akta:

- MAICSA mungkin mengenakan bayaran sehingga RM10 (untuk data peribadi) dan RM30 (untuk data peribadi yang sulit) untuk memproses permintaan anda untuk mengakses data peribadi anda; dan
- MAICSA boleh menolak permintaan anda untuk mengakses atau membuat pembetulan kepada data peribadi anda.

6. Data Peribadi anda mungkin didedahkan:

- kepada pembekal luar (dari segi alamat emel) bagi tujuan penghantaran emel (eblast) kepada anda bagi pihak MAICSA- **digunapakai untuk ahli MAICSA, pelajar dan affiliate sahaja**;
- dimana pendedahan maklumat itu perlu atau diberi kuasa oleh undang-undang atau atas perintah Mahkamah.

7. MAICSA akan menyimpan data peribadi anda dari tarikh data dikumpul selama ia perlu bagi mematuhi Tujuan diatas atau mengikut keperluan undang-undang atau obligasi undang-undang MAICSA. MAICSA akan menghentikan pemrosesan Data Peribadi anda, apabila anda mengemukakan permintaan secara bertulis kepada MAICSA melalui maklumat perhubungan di perenggan 5 di atas untuk menarik balik kebenaran anda.

8. Sekiranya tidak dinyatakan sebaliknya oleh kami pada masa pengumpulan data peribadi, adalah wajib bahawa anda membekalkan data peribadi anda yang diminta oleh pihak kami. Kegagalan untuk membekalkan kami dengan data peribadi anda, boleh menyebabkan Tujuan di atas tidak dapat dilaksanakan.

9. Anda akur dan memberi aakuan kepada MAICSA bahawasanya data peribadi anda adalah tepat, lengkap, tidak mengelirukan dan terkini. Adalah menjadi tanggungjawab anda untuk mengemaskini MAICSA dengan maklumat peribadi terkini jika ada apa-apa perubahan.

10. MAICSA mempunyai hak untuk mengemaskini dan mengubah Notis Data Peribadi dari masa ke semasa. MAICSA akan memberitahu sebarang perubahan melalui laman sesawang MAICSA atau melalui sebarang langkah yang munasabah yang ditentukan MAICSA. Sebarang perubahan pada Notis Data Peribadi akan berkuatkuasa selepas notis dikeluarkan kepada anda.

Kami ingin menghantar maklumat tentang program latihan anjuran MAICSA pada masa anda datang melalui emel atau faks. Sekiranya anda tidak bersetuju untuk dihubungi dengan cara ini, sila tandakan "X" pada kotak ini  - tidak digunapakai untuk ahli MAICSA, pelajar dan affiliate

Dikeluarkan oleh: Divisyen Latihan MAICSA