



Updates of the 2018 & 2019 Malaysian Financial Reporting Standards Preparing MFRS-Compliant Financial Statements

There are eight new and amended MFRSs effective for annual financial statements commencing on or after on 1 January 2018, with another four on or after 1 January 2019. Get updates on the salient features of these MFRSs to ensure compliance.

8 & 9 April 2019 (Monday & Tuesday), Pullman Kuala Lumpur Bangsar



MALAYSIAN INSTITUTE
OF ACCOUNTANTS

SUPPORTED BY:



Updates of the 2018 & 2019 Malaysian Financial Reporting Standards

Preparing MFRS-Compliant Financial Statements

There are eight new and amended MFRSs that are effective for annual financial statements commencing on or after on 1 January 2018 and four new and amended MFRSs for annual financial statements commencing on or after 1 January 2019.

MFRS 15 supersedes MFRS 118 *Revenue*, MFRS 111 *Construction Contracts* and all the revenue-related Interpretations. It provides for a systematic five-step approach to revenue accounting that would resolve concerns about revenue recognition in real estate development, contracts with multiple components and licensing arrangements. Provided the specified criteria are met, revenue from real estate development shall be recognised over time using the percentage of completion method.

The MASB has also issued MFRS 9 (2014 version) *Financial Instruments* that replaces MFRS 139 in its entirety. This revised MFRS is a principle-based standard that simplifies the classification of financial assets based on an entity's business model for managing those financial assets and there are only three measurement models. It has removed many of the rule-based treatments in MFRS 139. It also introduces a new hedge accounting model that is aligned to the way an entity manages its financial risks. It applies an expected credit loss model for financial assets subject to impairment and that uses more forward-looking information for measurement of impairment losses.

MFRS 16 *Leases* uses a right-of-use approach for lessee accounting that requires all assets and liabilities under lease arrangements shall be recognised on the balance sheet. This MFRS becomes effective beginning on or after 1 January 2019.

OBJECTIVES

This programme seeks to help you:

- Understand the salient features of the IFRS-compliant Malaysian Financial Reporting Standards that are effective on 1 January 2018 and 2019, to ensure continuing compliance with the MFRSs issued by MASB
- Get updated on the latest developments in the IFRS-compliant Malaysian Financial Reporting Standards

METHODOLOGY

- A series of short lectures and discussions, focusing on the rationale for changes and MFRS compliance issues.
- Highlight of the main changes to the current practice and in complex cases, illustrate with issue-based examples.
- A model IFRS-compliant Financial Statements provided for discussions.

WHO SHOULD ATTEND

- Preparers of Financial Statements
- Auditors of Financial Statements
- Regulators of Financial Statements
- Interested users of Financial Statements (e.g. Analysts and Fund Managers)
- Company Secretaries
- Academicians

FACILITATOR

TAN LIONG TONG

Liong Tong is an experienced Technical Consultant to Mazars Malaysia and the Technical Advisor to the Financial Reporting Standards Implementation Committee (FRSIC) of the MIA. Prior to this, he served as an Associate Professor with the Graduate School of Management, Universiti Putra Malaysia.

Liong Tong has authored five accounting books exclusively for practitioners and accounting students in Malaysia:

- Consolidated Financial Statements, 4th Edition
- Financial Accounting & Reporting in Malaysia, 2nd Edition Volumes 1 & 2
- Share Buybacks and Financial Assistance
- An Application Handbook on MASB 25 Income Taxes
- Deferred Taxation—Incorporating the Requirements of MASB 25, Income Taxes

He is a member of the MIA, MICPA and a fellow member of IBBM. He was previously also a Council Member of MICPA, and a Technical Consultant to the MASB and Securities Commission.

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PROGRAMME OUTLINE

DAY 1: WHAT'S NEW IN 2018 & 2019, BEARER PLANTS AND REVENUE

Module 1: What's New in 2018

- For annual periods beginning on or after 1 January 2018, the following Amended and New MFRSs and new IC shall be adopted:
 - > Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)
 - > Annual Improvements to MFRS Standards 2014–2016 Cycle
 - > Transfers of Investment Property (Amendments to MFRS 140)
 - > Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts (Amendments to MFRS 4)
 - > MFRS 9 Financial Instruments
 - > MFRS 15 Revenue from Contracts with Customers
 - > IC Interpretation 22
- For annual periods beginning on or after 1 January 2019, the following new MFRS shall be adopted:
 - > MFRS 16 Leases
 - > IC Interpretation 23 Uncertainty over Income Tax Treatments
 - > Plan Amendment, Curtailment or Settlement, Amendments to MFRS 119
 - > Annual Improvements to MFRS Standards 2015–2017 Cycle
- Preparing MFRS-Compliant Financial Statements for the year ended 31 December 2018

Module 2: Agriculture: Bearer Plants—Amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture (earlier application permitted):

- Rationale for the change to the Cost Model for Bearer Plants
- Accounting for Bearer Plants as a Class of PPE in MFRS 116
- Accounting for Produce Growing on Trees in MFRS 141
- Recognition and measurement of Agricultural Produce harvested from Bearer Plants
- Illustrative Examples on the Accounting Procedures

Module 3: MFRS 15 Revenue from Contracts with Customers

- Rationale for the new model for revenue accounting
- The core principle and the steps in revenue accounting
- Recognition and Measurement of Revenue
- Enhanced presentation and disclosure requirements
- Application to sales of goods, licensing arrangements and services
- Application to construction contracts and property development activities

DAY 2: FINANCIAL INSTRUMENTS AND LEASES

Module 4: MFRS 9 (2014 version) Financial Instruments

- Rationale for the changes in models for Financial Instruments
- Classification and measurement of Financial Assets and Financial Liabilities
- Illustrative examples on accounting for Financial Assets and Financial Liabilities
- The new impairment methodology: the Expected Credit Loss model
- The new Hedge Accounting Model
- Illustrative examples on Expected Credit Losses and Hedge Accounting

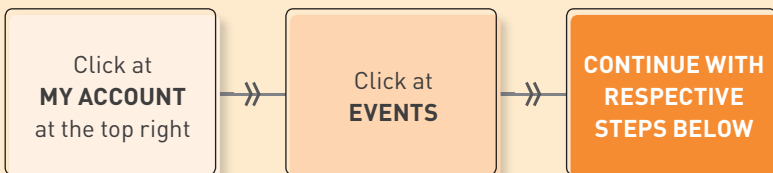
Module 5: MFRS 16 Leases

- Rationale for change in Lease Accounting
- The new approach for Lessee Accounting
- Identifying whether a contract is, or contains, a Lease
- The Lessee Accounting Model
- Application examples of Lessee Accounting
- The Lessor Accounting Model
- Application examples on Lessor Accounting
- Sale and leaseback arrangements
- Sub-lease arrangements
- Implications on current practice

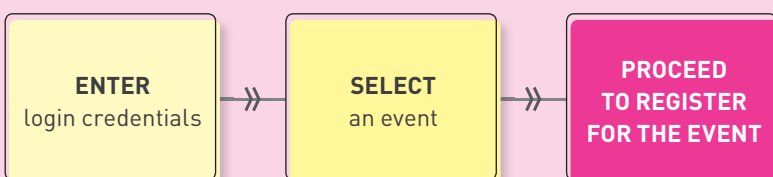
Other Administrative Details



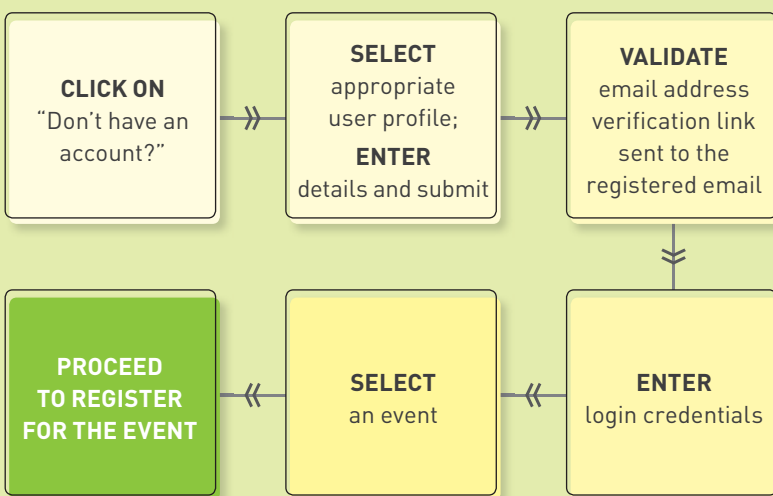
TO EXPERIENCE THE NEW SYSTEM,
VISIT MIA WEBSITE AT
<https://www.mia.org.my>



EXISTING USER



NEW USER



For any assistance, please call (8.45am-5.30pm, Monday-Friday):
MIA Help Desk @ 603-2722 9000

PROGRAMME FEES

Member (MIA/CIMA) / Member Firm | RM 1,100
Non-member | RM 1,450

PROGRAMME DETAILS & REGISTRATION

8 & 9 April 2019 (Monday & Tuesday),
Pullman Kuala Lumpur Bangsar

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Avenue 3, Bangsar South City
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

TERMS & CONDITIONS

PROGRAMME FEE

- Fee is payable to **MALYSIAN INSTITUTE OF ACCOUNTANTS**
- Fee includes course materials, lunch and 2 tea breaks per day.
- For **Corporate**: Full payment shall be made within thirty (30) days from the date of the Proforma Invoice or on the day of the programme, whichever earlier.
- For **Individual**: Full payment upon completion of registration. Otherwise, registration will be deemed unsuccessful.
- Admittance may be denied upon failure to make full payment as per the above requirement.

CANCELLATION

Upon registering, participant(s) are considered successfully enrolled in the programme. Should participant(s) decide to cancel their enrolment, a cancellation policy shall be applied as follows.

- Written cancellation received less than seven (7) days from the date of the programme:
 - A refund (less administrative charge of 20%) will be made
 - Unpaid registrations will also be liable for 20% administrative charges
- Written cancellation/no show on the day of the programme:
 - No refund will be entertained
 - Unpaid registrations will also be liable for full payment of the registration fee
 - Partial cancellation is not allowed

VERIFICATION OF ATTENDANCE

- All participants are required to present photo identification (NRIC, driving license or company's ID card) at the point of registration prior to signing the registration list when attending MIA CPE training programme. Admittance may be denied upon failure to present photo identification.

CERTIFICATE OF ATTENDANCE AND CPE HOURS

- Upon full attendance of the programme, participants will be issued an "E-certificate".
- For MIA members, the CPE hours will be credited into the Membership System within 2 weeks of the programme.
- Participants will only be entitled to the CPE credit hours upon attending the entire duration of the programme. **CPE credit hours will not be accorded for partial attendance.**

DATA PROTECTION

Personal Data is gathered in accordance with the Personal Data Protection Act 2010 (Act 709).

DISCLAIMER

Malaysian Institute of Accountants (MIA) reserves the right to change the speaker(s), date(s) and to cancel the programme should circumstances beyond its control arise. MIA shall not be responsible for any costs, damages or losses incurred by the participant due to the changes and/or cancellation. MIA also reserves the right to make alternative arrangements without prior notice should it be necessary to do so.