

## Financial Reporting Standards For Malaysia 3rd Edition

The main objective of this book is to facilitate the students to understand the underlying regulatory process of financial accounting reporting, companies' manager behaviour when preparing their financial reports, corporate governance and theories applicable to accounting practice explaining the circumstances given in the current phenomenon. The content of this book provides a useful insight to its readers about the development of accounting system in Malaysia, the conceptual framework that underpinned accounting practice particularly the regulatory and professional bodies, the general theories underlying the current practice of accounting reporting, standards and practice, and contemporary issues in financial accounting reporting such as measurements, sustainability reporting and digitisation reporting.

Some Evidence from Malaysia

First-time Adoption of Financial Reporting Standards

Consolidated Financial Statements

Consolidated and Separate Financial Statements

Property, Plant and Equipment

Financial Reporting Standards for Malaysia

Accounting Theory and Practice in the Malaysian Context (UUM Press)

This thesis focuses on compliance with IFRS disclosure requirements in Malaysia. There are four objectives that this study attempts to achieve, namely: (1) to ascertain whether present regulatory enforcement is effective in curbing non-compliance with IFRS in Malaysia; (2) to determine whether corporate ownership structure, culture and corporate governance attributes have a significant influence on the extent of compliance with IFRS disclosure requirements; (3) to identify the factors of (non-) compliance with IFRS from the perceptions of preparers and auditors; and (4) to explore the reasons why an unqualified audit report was issued despite non-compliance with IFRS disclosure requirements. This study employs a mixed methods approach to achieve the stated objectives, where annual reports of 225 Malaysian listed companies are examined and interviews with regulators, preparers and auditors are conducted. The following findings are documented in this study. Although compliance with accounting standards is mandated by law, this study demonstrates that no Malaysian company has fully complied with IFRS disclosure requirements. Similarly, the companies examined still receive unqualified audit reports despite significant non-compliance with IFRS disclosure requirements. This study argues that merely mandating compliance with accounting standards by law does not result in full compliance with accounting standards if sufficient or stringent enforcement is not in place. The Malaysian economy is dominated by family-owned companies and government-owned companies; however, this study finds that there was not enough evidence to support the influence of these ownership types on the extent of compliance with mandatory disclosure requirements. Despite the importance of corporate governance mechanisms in enhancing financial reporting quality, this study finds that only board meeting, audit committee size and audit committee expertise are significantly associated with the extent of compliance with IFRS disclosure requirements. However, the association direction for audit committee expertise is puzzling, because the negative coefficient suggests that mandatory disclosure decreases with the presence of audit committee experts. This study also provides evidence that culture (ethnicity) has a significant influence on the extent of compliance with IFRS disclosure requirements. This study also contributes to the extant literature by documenting

the factors of (non-) compliance with IFRS from the perceptions of preparers and auditors. These factors are the attitude of top management, problems with accounting standards, lack of enforcement, passive investors, materiality, accountants' attitude, undeveloped capital markets and political excuse. These (non-) compliance factors in fact cannot be revealed by statistical analysis. This study finds that materiality and true and fair view are the two reasons suggested by interviewees that can explain why unqualified audit opinion was expressed despite non-compliance with IFRS. Nevertheless, this study argues that materiality and true and fair view override might also be used (or misused) as an excuse by auditors for not qualifying audit reports in the case of significant non-compliance with IFRS disclosure requirements, given the subjective and vague concept of both materiality and true and fair view.

Financial Reporting Standard 132

Exposure Draft 66

Earnings Per Share

A Comprehensive Workshop on Every Aspect of the Malaysian FRS, 14-15 March 2005,  
Grand Plaza Park Royal Hotel, Kuala Lumpur

Fair Value Measurement

Financial Reporting Standard 124

The Case of Malaysia