

Disclaimer

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Likewise the MASB's resources do not allow for it to respond to students' individual requests for help in completing their assignments.

Below are some of the questions that the staff frequently receives from preparers, auditors and users with regard to the implementation of the MPERS Framework. The answers to the following questions have been prepared by the MASB staff and are not necessarily the Board's views.

Implementation of MPERS (16 December 2014)

(1) Applicability of MPERS to Private Entities that are applying FRSs

With regards to the applicability of the MFRS Framework for private entities, the MASB announcement dated 2 September 2014 included the following:

... Private Entities that have in the alternative applied Financial Reporting Standards (FRSs) shall comply with Malaysian Financial Reporting Standards (MFRSs) for annual periods beginning on or after 1 January 2017.

...

A Private Entity that has in the alternative applied FRSs as its financial reporting framework shall disclose when it will first present financial statements in accordance with the MFRS Framework or the Malaysian Private Entity Reporting Standard (MPERS). The entity shall not revert to apply FRSs if it has adopted the MFRS Framework or the MPERS even if it meets the criteria to do so.

Can a Private Entity currently applying FRSs apply the MPERS subsequently?

The paragraphs in the MASB announcement in relation to Private Entities are to be read together, i.e. these paragraphs are not mutually exclusive.

Therefore Private Entities that have in the alternative chosen to apply FRSs have the option to apply either MFRSs or the MPERS for annual periods beginning on or after 1 January 2017.

For private entities that plan to apply MPERS, early application is permitted.

The non-reversion from MFRSs to FRSs is effective for financial statements with annual periods beginning on or after the MASB's announcement date of 2 September 2014.

[NB: Private Entities currently applying PERS will adopt the MPERS for annual periods beginning on or after 1 January 2016 and Private Entities currently applying the FRS Framework will adopt either the MFRS Framework or the MPERS for annual periods beginning on or after 1 January 2017. Early adoption of the MPERS is permitted.]

(2) Applicability of MPERS to Private Entities that are applying MFRSs

Are Private Entities allowed to adopt the MPERS if such entities are currently applying the MFRS Framework? If yes, is there any specific time line that these entities are mandated to adopt the MPERS?

Private Entities are allowed to adopt the MPERS, which is effective for annual periods beginning on or after 1 January 2016, if such entities are currently applying the MFRS Framework. Early application is permitted.