



🌹 Specially for Accountants & Auditors

📅 2nd Virtual Meet of Ng Kean Kok's Auditing & Financial Reporting Support Group

Date & Time: (Thurs) 03 Dec 2020 3:30 - 5:30pm

🌹 This Virtual Meet is FREE for existing members of Ng Kean Kok's Auditing & Financial Reporting Support Group

If you wish to ask Mr Ng anything, please post your question here

👉 http://bit.ly/20201020_NgKeanKok_1stMeet

For those who wish to sign up as member, click here

👉 <https://learnabee.com/p/onilne-support-ngkeankok>

No Jam. No Parking. No Virus.

Learn Online. Bee Happy. 🌹 🐝

LearnaBee

Key issue: How to disclose related party transactions in the notes to account.

Background: In MPERS, parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the other party in making financial and operating decisions.

My question to Mr Mg:

1) A director has an interest of 30% in another company & performed buy/sell transactions. Are these transactions need to disclose if no control exist (problem is how to justify & document down the judgement of no control exist).

2) what is the proper wording to use, say, "purchase from entities controlled by a director" or "purchase from entities which director has interest?"

3) How do we disclose for loan with related party transactions? A net figure? or separately loan & repayment amount?

Good day, my question is,

In audited report, other than investment in subsidiary and investment in associates, invest less than 5% in another sdn Bhd, should disclose as investment in what?

(1) Key issue Audit Exemption

(2) Company qualified for audit exemption in previous year but not qualified in current year, therefore, has to be audited

(3) Do we have to disclose in auditors' opinion that it is unaudited in last year due to it being qualified for audit exemption?

Where to disclose? Under Other Matters? As an auditor for current year, to what extent do we need to verify/check the accuracy of opening balances?

(1) Related party transactions

(2) My company has 2 corporate shareholders. All 3 companies do not have common directors and shareholders. Shareholder A (55%) is the holding company.

(3) (i) Is shareholder B (45%) a related party to my company for RPT disclosure if it does not have significant influence?

(ii) Which part of S.33 of MPERS do I fulfil if shareholder B is a RP?

1.Key Issue: Unaudited Financial Statement

2. Background of My Situation: the format of unaudited financial statement

3. My Question to Mr Ng is:

I am doing submission for unaudited report. I wish to ask :

a) should the realised gain on foreign exchange difference -trade group under revenue or other income?

b) When the account of the current liability > current asset. The reason was because the amount due to director. Should we issue Emphasis of matter (going concern) in our auditor's opinion pages

c) if a company qualifies for audit exemption, do you suggest it? I concern about the future plan of my client's business. What if the company become active or taking loan afterward.

d) Can you provide me the subsequent event note regarding to covid 19.

e) Does the Management corporation also need to adoption MPERS to prepare the financial statement?

1. Deferred Tax Computation

Do we need to consider the temporary differences that may be arising from the following balance sheet items;

- (A) Unrealized trade gain/loss on the forex exchange, being part of trade debtors or trade suppliers
- (B) specific allowance on trade debt that not qualified for a tax deduction in the current basis period.
- (C) Advance income reported as balance sheet item but taxable in the current basis period.
- (E) Lease liability and ROU for PPE.
- (F) Lease liability and ROU for rented properties.

2. Financial instruments S11

Should foreign assets/liabilities be categorised as an amortized cost or FVTPL, for example, foreign trade debtors or foreign currency bank accounts?

3. Impairment of Consol Goodwill

If the fair value of a subsidiary is derived by a discounted cash flow.

Say the CA > RA of this subsidiary. How can we quantify the quantum of this impairment?

1) if the previous year audit report is disclaimer opinion, when come to the year is dormant company, can we issue unqualified opinion? 🤔

Year 2017-2019 is disclaimer opinion, 2020 can issue unqualified opinion?