

## REGISTRATION & CONTACT INFORMATION

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(En Wan Raman)

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### Federation of Public Listed Companies Bhd (FPLC)

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Dataran Prima, 47301 Petaling  
Jaya, Selangor D. E.

### Bank Details:

MBB 5141 963 17933

### Globalacc (All others):

Tel: 03-7880 3028 (Ms. Rachel)  
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Website: www.globalacc.com

### Globalacc Research & Training Sdn Bhd (755452-D)

J-1-19 Jalan PJU 1/43, Aman Suria  
Damansara, 47301 Petaling Jaya,  
Selangor D. E.

### Bank Details:

Public Bank 313 968 4822

## COURSE FEE

Fee Per Seminar	Regular Rate	Early Bird <small>For registration received 14 days before event date or earlier</small>
Members of FPLC & MEF	<b>RM585</b>	<b>RM535</b>
All Others	<b>RM628</b>	<b>RM578</b>

• Same participant that registers for all 3 seminars is entitled to 5% discount for all the 3 seminars

• Same organization that registers 3 participants or more for any seminar is entitled to 5% discount for the 3rd participant and onwards.

## PAYMENT & OTHER TERMS

Payment Details :	Total Amount : RM	Cheque No. :
<ul style="list-style-type: none"> <li>• Full payment is required to guarantee entry to the seminar room. You can bank in &amp; fax bank in slip to us</li> <li>• Cancellation is not allowed but replacement is welcome with prior notice</li> <li>• Organiser reserves the right to amend or cancel the events</li> <li>• Any application for claims under HRDF-SBL is subject to approval by the relevant body</li> <li>• Certificate of Attendance will be issued to each participant. CPE hour for members of professional bodies is subject to verification and acceptance by of the respective bodies.</li> </ul>		

### Organisation Details

Company/Firm Name \_\_\_\_\_

Member of \_\_\_\_\_

Contact Person \_\_\_\_\_

Tel \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

Address \_\_\_\_\_

Sign & Stamp \_\_\_\_\_

How did you learn about this event?

Members of Event Partners  Flyers mailed  Email marketing  Press adverts  Others: \_\_\_\_\_

### Delegate Details

- Name : \_\_\_\_\_  
Designation : \_\_\_\_\_  
Member No. : \_\_\_\_\_  
Workshop to attend :  Seminar 1  Seminar 2  Seminar 3
- Name : \_\_\_\_\_  
Designation : \_\_\_\_\_  
Member No. : \_\_\_\_\_  
Workshop to attend :  Seminar 1  Seminar 2  Seminar 3
- Name : \_\_\_\_\_  
Designation : \_\_\_\_\_  
Member No. : \_\_\_\_\_  
Workshop to attend:  Seminar 1  Seminar 2  Seminar 3  
Vegetarian Food Requested For : \_\_\_\_\_

## 3 SEMINARS ON : Implementing FRSs on Financial Instruments

### SEMINAR 1

#### Determining The Fair Value of Financial Instruments Under FRS 139

**Date:** 15 March 2010

**Venue:** The Legend Hotel, K.L.

### SEMINAR 2

#### Derivatives and Hedge Accounting Under FRS 139

**Date:** 17 March 2010

**Venue:** Hotel Armada, Petaling Jaya

### SEMINAR 3

#### The Risks Disclosure and Quantification Under FRS 7

**Date:** 22 March 2010

**Venue:** The Legend Hotel, K.L.

### SEMINAR 1 Determining The Fair Value of Financial Instruments Under FRS139

15 March 2010

9.00am to 5.00pm

The Legend Hotel, K.L.

### SEMINAR 2 Derivatives and Hedge Accounting Under FRS139

17 March 2010

9.00am to 5.00pm

Hotel Armada, Petaling Jaya

### SEMINAR 3 The Risks Disclosure and Quantification Under FRS 7

22 March 2010

9.00am to 5.00pm

The Legend Hotel, K.L.

# 3 SEMINARS ON : IMPLEMENTING FRSs ON FINANCIAL INSTRUMENTS

By : Mr David Meow



Organised by:



Event Partners:



**8 CPE  
Hours**  
[Per Seminar]

# 3 SEMINARS ON : IMPLEMENTING FRSs ON FINANCIAL INSTRUMENTS

By : Mr David Meow



## Introduction

Finally, it is time for companies (Mainly the PLCs) in Malaysia to implement FRS 139 and 7 which are effective from 1.1.2010. PLCs with 31 December year end will be announcing their first quarter results for the period from 1.1.2010 to 31.3.2010 by end of May by

incorporating the effects of applying these 2 new standards. The two biggest changes in FRS 139 and 7 on the treatment of financial instruments in the financial statements are the fair value accounting and the inclusion of derivatives in the balance sheet ( previously off balance sheet ).

Other than understanding the accounting requirements of the standards, the most challenging task faced by accountants and auditors alike in implementing the two standards is determining the fair value of the different financial instruments with different terms and features. A good understanding of the common commercial and financial terms and features of the various financial instruments and the valuation techniques will be essential to ensure that the accounting treatments and the value used are correct.

The key objective of these 3 seminars is to equip the accountants and auditors alike with a good understanding of the basic principles and rules in the measurement, recognition and disclosures of

financial instruments as required by FRS 139 and 7.

In Seminar 1, participants will learn about how to determine the fair value of the more common type of financial instruments, both the equity based and debt based instruments, from investor perspective. In a simple term, the seminar covers how to determine the fair value of the investments in shares, bonds and other debt instruments, loans and advances.

In Seminar 2, participants will learn about the treatment of derivatives including the most common one ie the foreign exchange derivatives, and how to apply the hedge accounting as allowed under FRS 139, including how to measure the effectiveness of the hedging (both cash flow and fair value hedges).

Seminar 3 focuses on how to comply with the risks disclosures and quantification as required by FRS 7 including the methodology to measure the value at risks for disclosure purposes.

## Seminar Outline

### SEMINAR 1 DETERMINING THE FAIR VALUE OF FINANCIAL INSTRUMENTS UNDER FRS 139

9.00am - 10.30am

#### SESSION 1: FRS 139 REQUIREMENTS

Requirements of FRS 139 on fair value (ie to review where and when fair value are required and the rules and requirements set out in FRS 139 on how to determine the fair value including the 3 hierarchy)

10.30am - 10.45am

- Morning Break

10.45am - 12.30pm

#### SESSION 2: PRINCIPLES OF FAIR VALUATION

- Going concern assumption
- Cash Flow concept - residual income, free cash flow, fixed income and contingent payments
- Adjustments for controlling interests, liquidity and marketability
- Discounted Cash Flow Models (DCF)
- Types of relative valuation models

12.30pm - 1.30pm

- Lunch Break

1.30pm - 3.30pm

#### SESSION 3: EQUITY TYPE OF INVESTMENTS

- Quoted shares
- Unquoted shares (majority holding, significant holding and small holding of shares)
- Preference shares (with different terms and features)

3.30pm - 3.45pm

- Afternoon Break

3.45pm - 5.00pm

#### SESSION 4: FIXED INCOME TYPE OF INSTRUMENTS

- Fixed Income - basic valuation methodologies
- Inter-company loans
- Option-embedded fixed income securities
- Convertible securities
- Embedded derivatives

### SEMINAR 2 DERIVATIVE AND HEDGE ACCOUNTING UNDER FRS 139

9.00am - 10.30am

#### SESSION 1: DERIVATIVES

- Types of derivatives
- Establishing hedging relationship (Focus on foreign currency risk hedging)

10.30am - 10.45am

- Morning Break

10.45am - 12.30pm

#### SESSION 2: QUALIFYING CONDITIONS FOR HEDGE ACCOUNTING

- Criteria for Hedge Accounting
- Documentation and designation
- Expectation of hedge being 'highly effective'
- Highly probable forecasted transactions
- Reliably measured effectiveness testing
- Ongoing assessment of hedge as 'highly effective'

12.30pm - 1.30pm

- Lunch Break

1.30pm - 3.30pm

#### SESSION 3: ACCOUNTING FOR EFFECTIVE FAIR VALUE HEDGES

- Ongoing fair value hedging
- Adjustments to hedged items
- Discontinuing fair value hedging

3.30pm - 3.45pm

- Afternoon Break

3.45pm - 5.00pm

#### SESSION 4: ACCOUNTING FOR EFFECTIVE CASH FLOW HEDGES

- Ongoing cash flow hedging
- Recycling gains and losses from equity
- Discontinuing cash flow hedging

### SEMINAR 3 RISKS DISCLOSURE AND QUANTIFICATION UNDER FRS 7

9.00am - 10.30am

#### SESSION 1: KEY CHANGES IN THE DISCLOSURE REQUIREMENTS IN FINANCIAL INSTRUMENTS

- Key financial risk identification process
- Disclosure requirements
- Overview of risk quantification methodologies

10.30am - 10.45am

- Morning Break

10.45am - 12.30pm

#### SESSION 2: SENSITIVITY ANALYSIS

- Approaches in compliance with FRS 7

12.30pm - 1.30pm

- Lunch Break

1.30pm - 3.30pm

#### SESSION 3: VALUE AT RISK (VAR) METHODOLOGIES 1

- Key Features for VAR Approach
- Types of VAR models
- VAR modelling

3.30pm - 3.45pm

- Afternoon Break

3.45pm - 5.00pm

#### SESSION 3: VALUE AT RISK (VAR) METHODOLOGIES 1

- Adjusting for volatilities regime change
- Robustness testing
- Stress testing

## Who Should Attend

- Accountants, CFOs and Finance Managers in corporate and commercial sectors
- Auditors of financial statements
- Managers in Corporate Finance, Treasury and Risks Management Departments
- Any one who is interested in the subject of accounting for financial instruments

## Speaker Profile

### David Meow

is currently the Managing Director cum Principal Trainer for Via Commerce Sdn. Bhd. He started his career with the largest commercial bank in Malaysia and has experience in treasury, money market and corporate banking. With nearly 20 years of experience in the finance industry and qualified as a Chartered Accountant, he is now involved in

training and consultancy in areas related to financial accounting, corporate finance and financial risk management.

He has trained and consulted in 7 countries within the region. He was involved in providing advisory and training courses for government-related regulatory bodies including Bank Negara Malaysia (BNM), Permodalan Nasional Berhad (PNB), Securities Commission, Jabatan Perdana Menteri (ILKAP), Khazanah Berhad, Employees Provident Fund (EPF), Central Provident Fund (CPF) of Singapore, and a number of financial institutions and corporations in Malaysia.