



# Sarawak Accrual Accounting Implementation

## Accrual Accounting Manual

The manual outlines policy, practice and guidance on the application of accrual accounting for the State based on MPSASs framework

### Purpose and objectives of the accrual accounting manual

**1**

Provide guidance and general information

**2**

Assist finance staff in recording routine and complex transactions

**3**

Provide guidance on recognition, measurement and disclosure requirements for financial statements preparation

This manual is applicable for:

- All State Ministries
- All State Departments
- All Responsibility Centres

Other references:

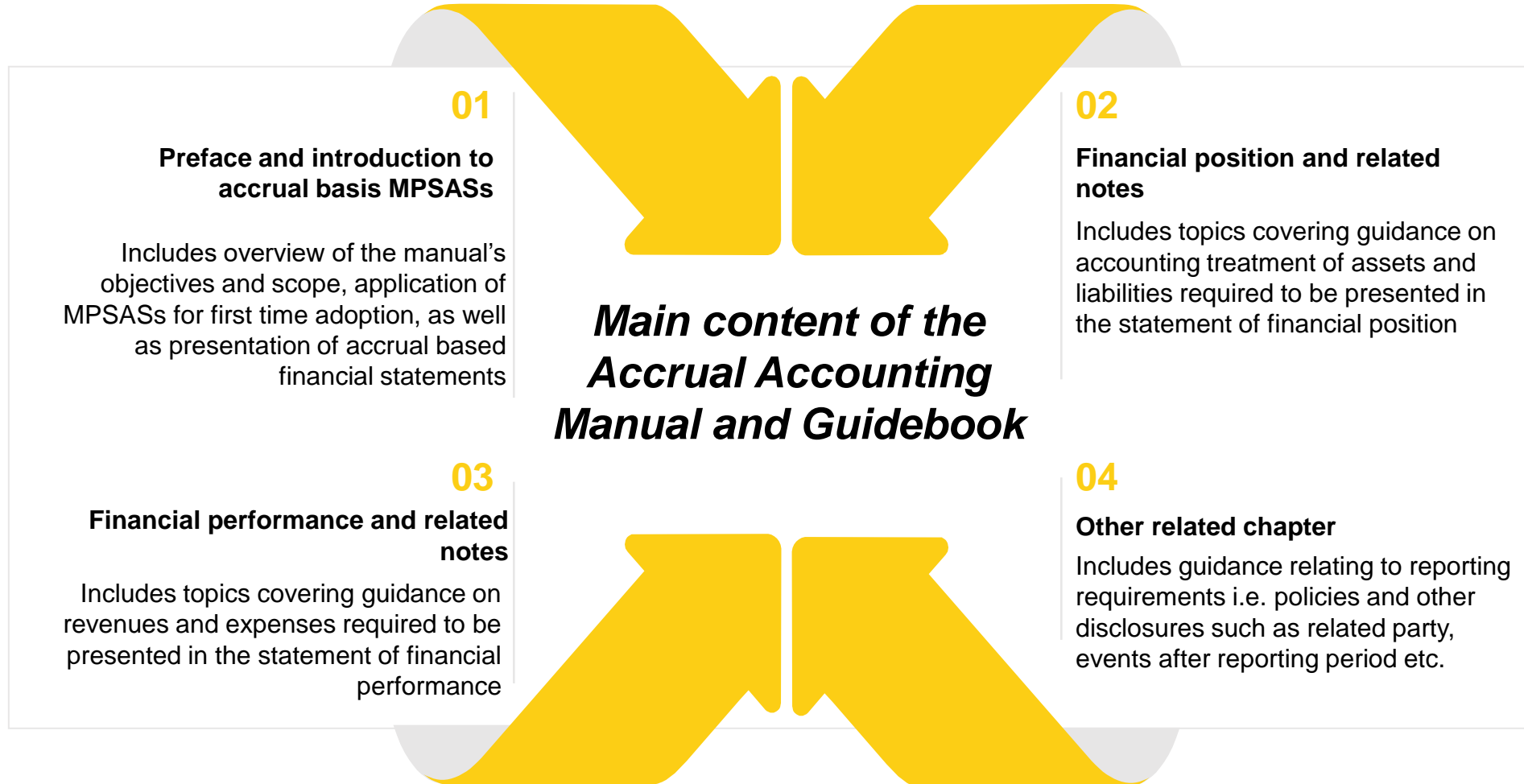
- i. Financial Procedure Act 1957
- ii. Malaysian Public Sector Accounting Standards
- iii. Chart of Accounts (“CoAs”)
- iv. Treasury Instructions, Circulars and Guidelines
- v. Other relevant laws and regulations



# Sarawak Accrual Accounting Implementation

## Accrual Accounting Manual

### Structure and Contents of Manual





# Sarawak Accrual Accounting Implementation

## Accrual Accounting Manual

The following are the topics covered in the Accrual Accounting Manual and Guidebook:

### Preface and introduction to accrual basis MPSASs

- Introduction
- Accounting principles : *MPSAS 1*
- First time adoption of MPSASs : *MPSAS 33*
- Presentation of financial statements : *MPSAS 1, 2 and 24*

### Financial position and related notes

#### **Asset related topics:**

- Property, plant and equipment : *MPSAS 17*
- Public private partnership (“PPP”) : *MPSAS 32*
- Inventories : *MPSAS 12*
- Agriculture : *MPSAS 27*
- Investments : *MPSAS 34, 35, 36, 37, 38*
- Investment properties : *MPSAS 16*
- Lease accounting : *MPSAS 13*
- Intangible assets: *MPSAS 31*
- Other receivables : *MPSAS 29, 30*

#### **Financial instruments related topic:**

- Financial Instruments : *MPSAS 4, 19, 28, 29, 30*

#### **Impairment related topic:**

- Impairment of assets : *MPSAS 21, 26*

#### **Liability related topics:**

- Grants : *MPSAS 19*
- Provisions : *MPSAS 19*
- Contingencies : *MPSAS 19*
- Commitments : *MPSAS 13, 14, 16, 17, 29*



# Sarawak Accrual Accounting Implementation

## Accrual Accounting Manual

The following are the topics covered in the Accrual Accounting Manual and Guidebook:

### Financial performance and related notes

**Revenue related topic:**

- Revenue : *MPSAS 9 and 23*

**Employee benefits related topic:**

- Employee benefits : *MPSAS 25*

**Construction contract related topic:**

- Construction contracts : *MPSAS 11*

**Borrowing cost related topic:**

- Borrowing cost : *MPSAS 5*

### Other related chapters

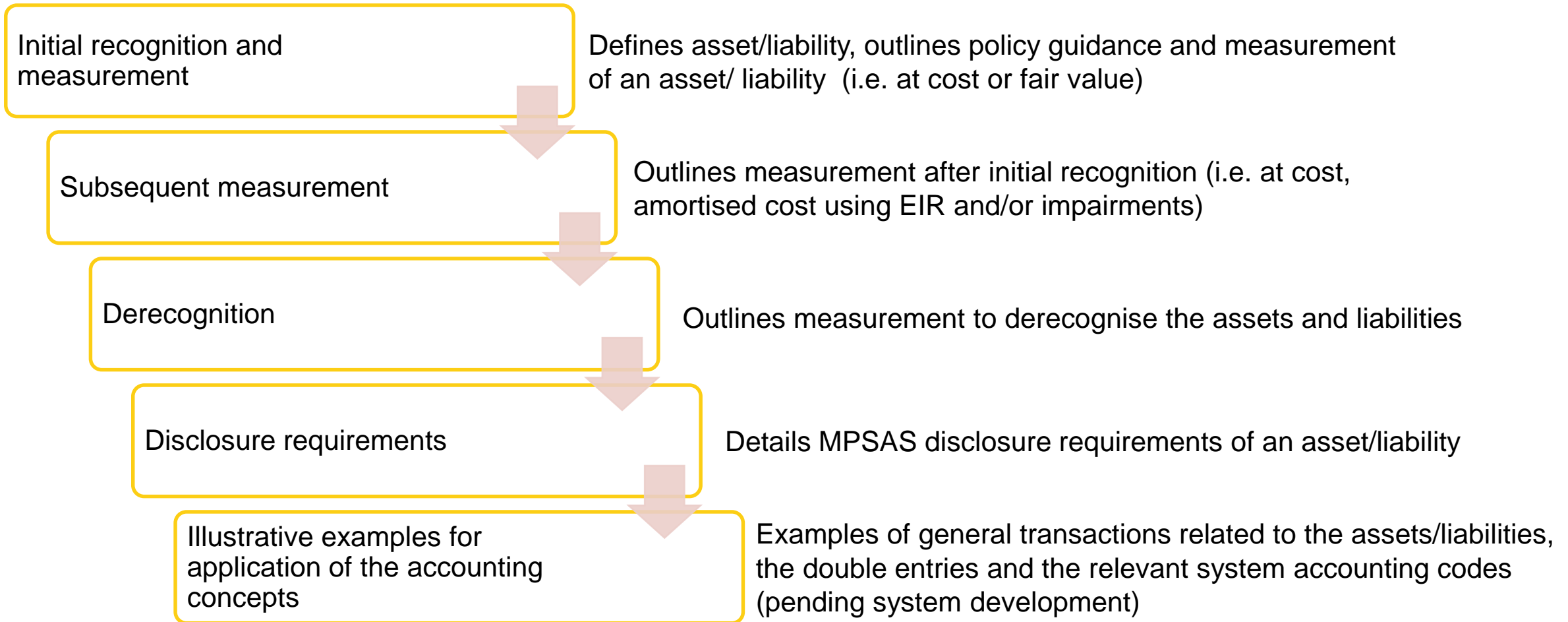
**Reporting related topics:**


- Accounting policies, accounting estimates and errors : *MPSAS 3*
- Events after reporting date : *MPSAS 14*
- Related party disclosures : *MPSAS 20*
- General government sector (GGS) financial statements : *MPSAS 22*
- Trust account : *MPSAS 1*



# Sarawak Accrual Accounting Implementation

## Accrual Accounting Manual



 Specific accounting policy guidelines are added to each respective chapter (if applicable)