

A STUDY ON THE CAPITAL
PROJECT ACCOUNTING SYSTEM IN
TELEKOM MALAYSIA BERHAD



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ABSTRACT

The pace of investment in telecommunication network and supporting infrastructure was stepped up to meet the medium term growth projections and to lay the groundwork for Telekom Malaysia Berhad Vision 2005 which expresses the aspiration to be a world class telecommunication by the year 2005. Total investments in terms of capital expenditures programmes to expand capacity increase geographical coverage and modernise the network

infrastructure total led RM 2.7 billion in 1993 . Thus the importance of the Capital Project Accounting system (CPA) is more dominant as it facilitates in proper project management and control of large amount of funds. However, it has been said that such objective only achieve if it is being properly implemented and if both its technical and behavioural aspects are fully understood by project managers and other users in Telekom Malaysia Berhad.

This paper is divided into four chapters.

Chapter 1 : It will give the historical event of Telekom Malaysia Berhad and the existence of capital Project Accounting system with its issues. Then it will specify the objectives of study and methodology that fits the objectives. Finally it will elaborate the scope and limitations of the study.

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INTRODUCTION

1.1 BACKGROUND BRIEF

Telekom Malaysia Berhad (TNB) was incorporated in 1st January 1987 to take over the operations Jabatan Telekom Malaysia (JTM) as part of the Government's privatization exercise. The remaining entity JTM, then became the regulatory Government body to oversee the Telecommunication industry.

TMB's operations are regulated through a licence issued by the Ministry of Energy, Telecommunications and Posts. The Licence has been issued to TMB for an initial period of 20 years effective from 1 January 1987. Telekom Malaysia Berhad entered the new decade as a public listed company in

7 November 1991 with greater determination to make its **ment** to the investing public and stakeholder. The company itself responded aggressively to growth in customer needs and higher expectations consistent with business philosophy of being customer oriented and market driven,