



# INTRODUCTION

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The Audit Oversight Board (AOB) was established under Part IIIA of the *Securities Commission Malaysia Act 1993* (SCMA) to regulate auditors of PIEs and schedule funds for and on behalf of the SC. The AOB also exercises oversight over any person who prepares a report relating to financial information of PIEs and schedule funds in relation to capital market activities.

The AOB remains focused on its mandate to foster high-quality independent auditing in the capital market. While the AOB continues with its core functions, namely registration and recognition, inspection, and enforcement, it is mindful of the challenges faced by the audit industry. Drivers such as global economic uncertainties and technological disruptions are regularly monitored to ensure that the AOB's focus is current and relevant.

### THE AOB'S CORE FUNCTIONS



#### Registration

The AOB is responsible for the registration of auditors of PIEs and schedule funds. It also recognises foreign auditors who audit the financial statements of foreign corporation listed on Bursa Malaysia.



#### Inspection

The AOB conducts inspection and monitoring programmes on auditors to assess the auditors' degree of compliance with auditing and ethical standards applicable in Malaysia.



#### Enforcement

The AOB initiates enforcement proceedings and imposes appropriate sanctions for non-compliance with auditing/ethical standards, regulation and securities laws.

## PROFILE OF THE AOB'S REGISTERED AND RECOGNISED AUDIT FIRMS AND INDIVIDUAL AUDITORS AS AT 31 DECEMBER 2021



**345** Registered individual auditors

**12** Recognised individual auditors



**41** Registered and recognised audit firms

Audited **1,203** PIEs  
**RM1,718** billion  
public-listed companies (PLCs)  
market capitalisation

Audited **1,255** schedule funds  
**RM717** billion  
net asset value (NAV)

The 2021 key highlights from the AOB's core function are addressed in the following sections.