THE AOB'S REVISED HANDBOOKS FOR REGISTRATION AND RECOGNITION

On 13 June 2024, the AOB issued the revised AOB *Handbooks for Registration and Recognition* (the Handbooks). The Handbooks set out among others the registration and recognition criteria and conditions to be met by an audit firm and an individual who audits the financial statements of a PIE or schedule fund.

The Handbooks are issued under section 158 of the *Securities Commission Malaysia Act 1993* (SCMA) and have the effect of a guideline issued by the SC. The AOB can take action against auditors for any non-compliance with the Handbooks.

The key amendments to the Handbooks are depicted in Diagram 1.

DIAGRAM 1
Key Amendments to the revised AOB *Handbooks for Registration and Recognition*

Introduced new registration and recognition criteria to ensure that the registration and recognition of an audit firm or an individual auditor is not contrary to public interest.

Incorporated the registration criteria which were announced previously that would require an audit firm to have a minimum of three registered individual auditors and the individual auditor must be attached to only one audit firm.

Empowered the AOB to return any application found to be incomplete or which does not comply with the requirements of the AOB Handbooks.

Imposed new conditions that would require an audit firm to immediately notify the AOB if it is aware that its registered or recognised individual auditor is no longer fulfilling the registration or recognition criteria as stipulated in the Handbooks.

Inserted a new provision to stipulate the time frame to fill the vacancy of individual auditors registered by the AOB if the number of individual auditors fall below the minimum requirement.