



**PART**  
**01**

**FOSTERING HIGH  
QUALITY INDEPENDENT  
AUDITING IN THE  
CAPITAL MARKET**



# PART 01

## FOSTERING HIGH QUALITY INDEPENDENT AUDITING IN THE CAPITAL MARKET

### INTRODUCTION

The AOB, established pursuant to the *Securities Commission Malaysia Act 1993* (SCMA), supports the SC in its regulation on auditors of PIEs and schedule funds for purpose of promoting investors' confidence in the quality and reliability of audited financial statements of PIEs and schedule funds.

The AOB is vigilant over emerging issues and global developments in financial reporting and auditing that would have an impact on its operating environment and stakeholders. The AOB continuously re-evaluates its priorities and focus areas to ensure that it is responsive to these changes.

The COVID-19 crisis and economic uncertainty, together with challenges faced by the auditors of the PLCs and schedule funds have influenced the AOB's agenda moving forward. This included a deeper analysis of PLCs' audited financial statements and the auditors' reports with an increase utilisation of data analytics and thematic reviews on specific areas of concern arising from the impact of COVID-19 and the MCO on the audited financial statements and auditors' reports. The AOB will continue to develop and strengthen its audit oversight framework.

### REGISTRATION OF AUDIT FIRMS AND INDIVIDUAL AUDITORS

The AOB's oversight activities include the registration and recognition of auditors of PIEs and schedule funds. The number of audit firms and individual auditors registered with the AOB as of 31 December 2020 is listed in Table 1. As of 31 December 2020, the number of registered audit firms has reduced from 43 to 38. However, there have been no major changes to the number of registered individual auditors.

The AOB noted that the decrease in the number of firms was due to its condition of registrations introduced in August 2018. The AOB tightened the

conditions of registration to improve and strengthen the audit firm's internal capacity and governance. The registration conditions provided an avenue for the audit firms to restructure their practices to be better equipped to audit PIEs and schedule funds.

As of 31 December 2020, there were 38 registered audit firms, which audited 1,184 PIEs and 1,149 schedule funds.

The number of audit firms and individual auditors registered with the AOB as well as the number of PIEs and schedule funds audited for the last five years is presented in Table 2.

TABLE 1

## Registered and recognised auditors as of 31 December 2020

Profile of audit firms	No. of audit firms	No. of individual auditors	No. of PIE audit clients	% of total market capitalisation	No. of schedule fund audit clients	% of total net asset value
<b>Registered audit firms</b>						
Partnerships with 10 or more audit partners	8	221	896	95.32%	1,113	98.65%
Partnerships with 5 – 9 audit partners	19	84	223	3.62%	8	0.05%
Partnerships with fewer than 5 audit partners	11	34	65	1.02%	28	1.30%
<b>Sub total</b>	<b>38</b>	<b>339</b>	<b>1,184</b>	<b>99.96%</b>	<b>1,149</b>	<b>100%</b>
Recognised foreign audit firms	4	13	5	0.04%	-	-
<b>Total</b>	<b>42</b>	<b>352</b>	<b>1,189</b>	<b>100%</b>	<b>1,149</b>	<b>100%</b>

Source: AOB

TABLE 2

## Registered and recognised auditors from 2016 to 2020

Profile of audit firms	2020	2019	2018	2017	2016
Registered audit firms	38	43	53	49	51
Registered individual auditors	339	337	366	334	325
Recognised foreign audit firms	4	4	3	5	6
Recognised foreign individual auditors	13	12	9	17	19
No of PIEs	1,189	1,179	1,171	1,155	1,149
No of Structured Funds	1,149	1,100	1,042	1,023	1,021

Source: AOB

## RECOGNITION OF FOREIGN AUDIT FIRMS AND INDIVIDUAL AUDITORS

As of 31 December 2020, four foreign audit firms and 13 foreign individual auditors were recognised by the AOB. Collectively, they audited five foreign incorporated companies, which are listed on Bursa Malaysia.

A foreign audit firm applying for recognition with the AOB has to be an internationally affiliated network firm, with effective technical support from its network firm. Simultaneously, the foreign audit firm's monitoring quality control framework must be effective and supervised by a monitoring partner. The foreign audit firm must also undergo periodic peer review conducted by its network firm to safeguard quality control issues.

When considering applications for recognition, the AOB works closely with the independent audit regulators in the foreign auditors' home countries to assess the fit and properness of the foreign audit firms. At a minimum, these audit firms are required to comply with international auditing and quality control standards.

In addition, the AOB takes into consideration whether these audit firms are subjected to regular inspection by the foreign independent audit regulators. The specific findings from these inspections are assessed as part of the fit and proper assessment, and if necessary, additional recognition conditions are imposed to ensure high quality audit.

The recognition framework is continuously reviewed and refined to encourage capacity building of foreign auditors to enhance their quality control framework and deliver consistent quality audits.

## COMPLIANCE WITH THE AOB'S CONDITION OF REGISTRATION

The AOB wishes to remind auditors that pursuant to section 310 of the SCMA, the AOB may, upon registration and thereafter impose such conditions as it deems necessary. The AOB may also, arising from its monitoring, observations and inspection findings, amend and/or impose new or additional conditions on auditors from time to time. The AOB views the registration and recognition conditions as an important measure to set regulatory expectations on audit quality and capacity building. The registration and recognition conditions are also aimed to improve and strengthen the audit firm's internal capacity and governance over audit partners.

The registration and recognition conditions applicable to the AOB registrants are set out in the AOB's *Handbook for Registration and Recognition*.

The AOB is also empowered to impose additional conditions of registration for specific audits in situations where there have been serious audit quality issues noted on an individual auditor and/or audit firm arising from an inspection. The additional conditions of registration is an interim measure pending the conclusion of the enforcement proceedings in respect of such issues. In these situations, the AOB views the imposition of these additional conditions as a necessary measure to safeguard the public interest by mitigating any risk to the capital market.

Continuous compliance with the AOB's conditions of registration and recognition is mandatory for as long as the registration or recognition remains valid. If an auditor contravenes or fails to comply with any conditions of registration and recognition, the AOB is empowered under the SCMA to initiate and administer a broad range of actions against the auditor under section 31Z of the SCMA and/or any action under section 31Q of the SCMA.

## DEVELOPMENT AND IMPLEMENTATION OF STANDARDS AND REGULATIONS

Since its establishment in 2010, the AOB has consistently monitored the development of auditing standards both at the international and local fronts. In line with the AOB's mission to foster high-quality independent auditing to promote confidence in the quality and reliability of the audited financial statements of PIEs and schedule funds in Malaysia, the AOB has been involved in the standard-setting via its involvement in the Malaysia Institute of Accountant's (MIA) Auditing and Assurance Standards Board (AASB) and Ethics Standards Board (ESB) as an observer.

These platforms are important avenues to facilitate mutual understanding between the AOB, the industry and the profession concerning perceptions and challenges with current and emerging issues. The AOB is also able to provide input on areas of concern in line with efforts to strengthen and influence audit quality.

In 2020, the AOB shared its views on draft pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) as listed in Table 3.

## Proposed ISA 600 (Revised), Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)

Respondents to the IAASB Invitation to Comment on 'Enhancing Audit Quality in the Public Interest: A Focus on Professional Scepticism, Quality Control and Group Audits', which was issued in December 2015, generally viewed that IAASB should take measures to address the main issues related to group audits. The IAASB approved a project proposal to revise ISA 600 and quality control standards in December 2016.

Since the revisions to ISA 600 were dependent on the revisions made to other foundation standards such as ISQC 1<sup>1</sup>, ISA 220<sup>2</sup>, and ISA 315<sup>3</sup> (Revised), the IAASB had prioritised the revisions to other foundation standards and resumed the project to revise ISA 600 in January 2019 with the progress of other foundation standards.

The proposed changes to ISA 600 are aligned with the amendments made in the quality management standards, proposed ISA 220 (Revised) and consistent with the requirements and application materials in ISA 315 (Revised 2019) and ISA 330<sup>4</sup>. Key changes in the proposed ISA 600 (Revised) are summarised in Diagram 1.

TABLE 3

### AOB comments on draft pronouncements

Comments submitted to	Draft Pronouncements
IAASB	<ul style="list-style-type: none"> <li>Proposed ISA 600 (Revised) Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)</li> </ul>
IESBA	<ul style="list-style-type: none"> <li>Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers</li> <li>Proposed Revisions to the Non-Assurance Services Provisions of the Code</li> <li>Proposed Revisions to the Fee-Related Provisions of the Code</li> </ul>

<sup>1</sup> ISQC 1, *Quality Control for Firms that Performs Audits and Reviews of Financial Statements and Other Assurance and Related Services*.

<sup>2</sup> ISA 200, *Quality Control for an Audit of Financial Statements*.

<sup>3</sup> ISA 315 (Revised), *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and its Environment*.

<sup>4</sup> ISA 330, *The Auditor's Responses to Assessed Risks*.

DIAGRAM 1

## KEY CHANGES IN THE PROPOSED ISA 600 (REVISED)



Only applicable to **audit of group financial statements**



Highlights the importance of **professional scepticism** and **professional judgement** in a group audit engagement



Introduction of **Risk-Based Approach**

- ◆ Group engagement team shall take responsibility to:
  - **Identify and assess risks of material mis-statement** of group financial statements; and
  - **Nature, timing and extent of further audit procedures** to be performed.
- ◆ **Group engagement partner** is responsible for direction and supervision of **component auditors** and the **review of component auditors' work**.
- ◆ **Removed** the requirements to **identify significant components** and **type of work to be performed**.



**Restrictions on access to people and information**

- ◆ **Differentiate** between restrictions on access:
  - **Outside the control of group management;** and
  - **Imposed by group management.**
- ◆ **Extensive examples** on how group engagement team may be able to overcome restrictions on access.
- ◆ **New requirement** to document significant matters related to **access to people and information**, and how those matters were addressed.

Source: IAASB exposure draft on Proposed ISA 600 (Revised) Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)

The AOB commends the commitment of the IAASB to establish stronger linkages in the proposed ISA 600 (Revised) to other ISAs. To further enhance these efforts, the AOB views that a linkage to the ISA 450 Evaluation of Misstatements Identified During the Audits should be added to Paragraph 44 (c) of the proposed ISA 600 (Revised).

### Addressing the Objectivity of Engagement Quality Reviewers

Respondents of the IAASB's exposure draft on *Proposed International Standard on Quality Management (ISQM) 2, Engagement Quality Reviews* generally agree that threats to the objectivity of an engagement partner when stepping into an Engagement Quality Reviewers (EQR) role are significant and needs to be mitigated.

In January 2020, the IESBA issued an exposure draft on *Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers* (Code). The exposure draft proposes guidance on the application of the conceptual framework in the Code, which includes examples on different types of threats to objectivity that an individual appointed as an EQR needs to consider.

The AOB views that the cooling-off requirement of an EQR should be prescriptive in the Code, which is in line with the partner rotation rules. The IESBA, an independent standard-setting board that develops ethical standards and other pronouncements for professional accountants, should take the lead to address the objectivity of EQR.

A breach of the cooling-off requirements of an EQR is equivalent to a breach of independence requirements under the Code. Independence is fundamental to an audit engagement, and the AOB strongly believes that breaches relating to ethical standards should not be tolerated.

## Non-Assurance Services and Fee-Related Provisions of the Code

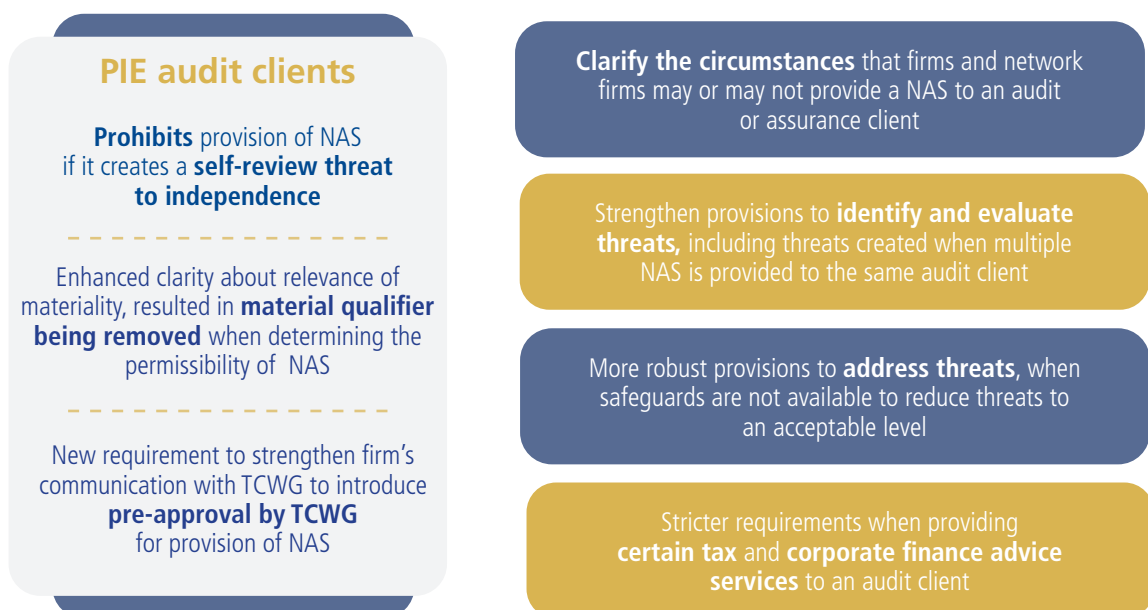
In response to stakeholders' concerns on auditors' independence and multi-disciplinary business model of firms that includes the provision of audit services together with consulting and advisory services, the IESBA issued exposure drafts on Proposed Revisions to the Non-Assurance Services (NAS) Provisions of the Code and Proposed Revisions to the Fee-Related Provisions of the Code in January 2020.

These two exposure drafts addressed the threats to independence, especially on the proportion of fees for services other than audit, to audit fees and improved communications and disclosure of fee-related matters to Those Charged with Governance (TCWG) and the public.

The proposed key changes to NAS provisions summarised in Diagram 2, is targeted to achieve consistent implementation of the NAS provisions in the Code across the firms and jurisdictions.

DIAGRAM 2

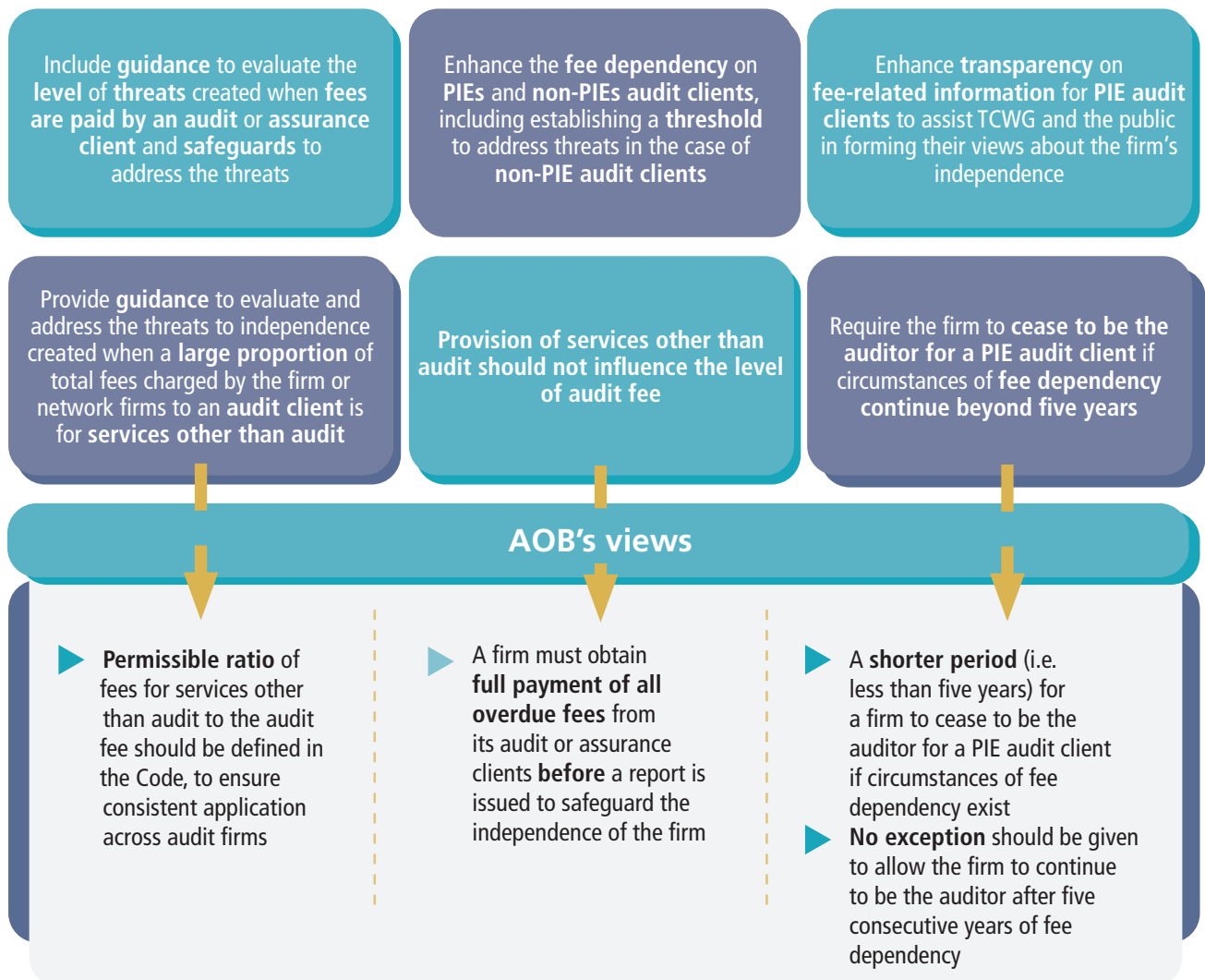
## PROPOSED KEY CHANGES TO THE NAS PROVISIONS OF THE CODE



Source: IESBA exposure draft on Proposed Revisions to the Non-Assurance Services Provisions of the Code

Below is a summary of proposed key amendments to Fee-Related Provisions of the Code and the AOB's comments.

## PROPOSED KEY AMENDMENTS TO THE FEE-RELATED PROVISIONS OF THE CODE AND THE AOB'S COMMENTS



Source: IESBA exposure draft on Proposed Revisions to the Fee-Related Provisions of the Code



## IAASB Auditor Reporting Post-Implementation Review: Stakeholder Survey

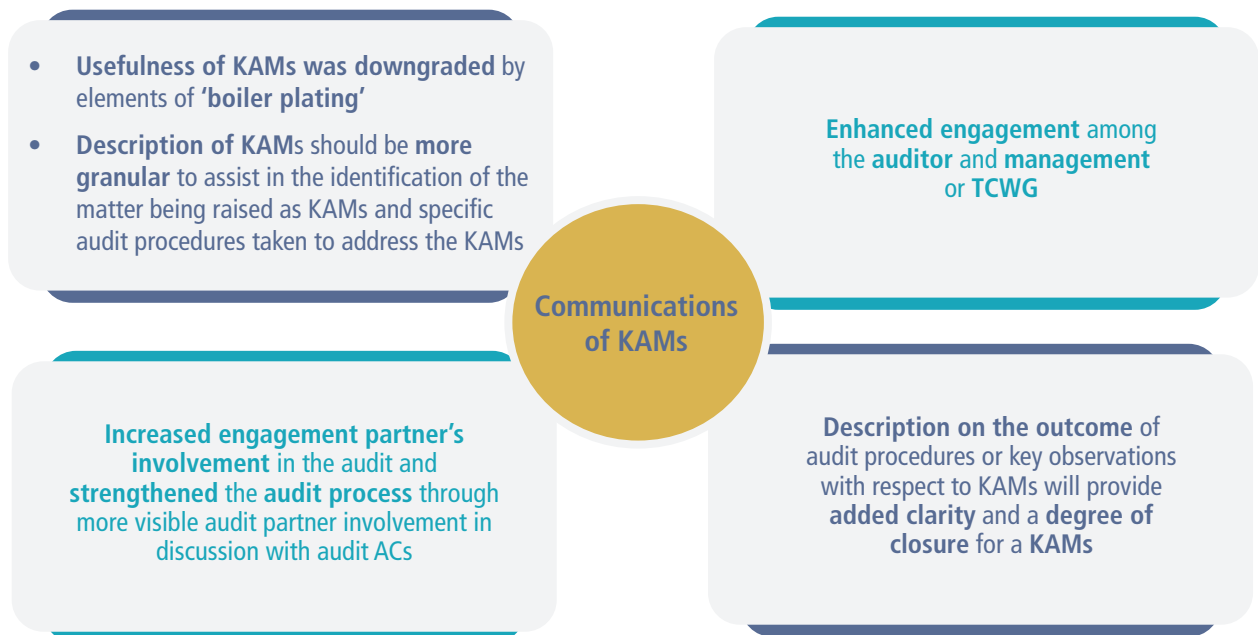
The IAASB invited its stakeholders to share their experience and feedback on the *New and Revised Auditor Reporting Standards* issued in 2015. The *New and Revised Auditor Reporting Standards* were effective for audits of financial statements for the periods ending on or after 15 December 2016.

The new audit reporting model, which the AOB viewed as a game changer, has been an area of focus for its inspection activities. To monitor the implementation of the *New and Revised Auditor Reporting Standards*,

the AOB had conducted thematic reviews on the communications of Key Audit Matters (KAM) in the *Enhanced Auditor's Report* (EAR) in 2017 and 2018. The AOB has also completed a joint study on *Enhanced Auditor's Report - A Review of First Year Implementation in Malaysia (EAR Study)* in 2018 with the Association of Chartered Certified Accountants (ACCA) and MIA.

Main area of the IAASB Auditor Reporting Post-Implementation Review's stakeholder survey is on the communications of KAMs. Highlights of the AOB's responses are summarised below.

## HIGHLIGHTS OF THE AOB'S RESPONSES TO THE IAASB'S AUDITOR REPORTING POST-IMPLEMENTATION REVIEW: STAKEHOLDER SURVEY



## STRENGTHENING THE FOCUS ON RISK-BASED INSPECTIONS

### Maintaining Oversight and Audit Quality in Challenging Times

Building on the developments and outcomes achieved in the past decade, the AOB continues to conduct inspections on auditors of PIEs and schedule funds to promote high-quality audits that result in reliable financial statements being made available to the market.

In planning and carrying out its inspection programme, the AOB adopts a risk-based approach that takes into consideration its risk assessment of the audit firms. This includes the market capitalisation of the audit firms' PLC clients and specific areas of concern.

The fast-changing environment underlined the importance of having an inspection programme that is adaptable and responsive. With the onset of the COVID-19 pandemic and the MCO put in place in 2020, the AOB was faced with challenges of completing the inspection programme within a reduced timeline and working under strict standard

operating procedures with the temporary suspension of physical meetings.

To ensure continuous compliance with auditing standards and regulations even under such unprecedented circumstances, the AOB's inspection approach in 2020 was adapted to complement its existing planned inspection with off-site monitoring and thematic reviews which included the following:



Deeper analysis of PLCs' audited financial statements and the auditors' reports with an increase in utilisation of data analytics; and



Thematic reviews on specific areas of concern arising from the impact of COVID-19 and the MCO on audited financial statements and auditors' reports.

Further details on the inspection programme, including common inspection findings, results of thematic reviews, trend analysis and remediation efforts taken by inspected audit firms will be presented separately in the *2020 AOB Annual Inspection Report*.

## 2020 INSPECTION AND OFF-SITE THEMATIC REVIEW COVERAGE



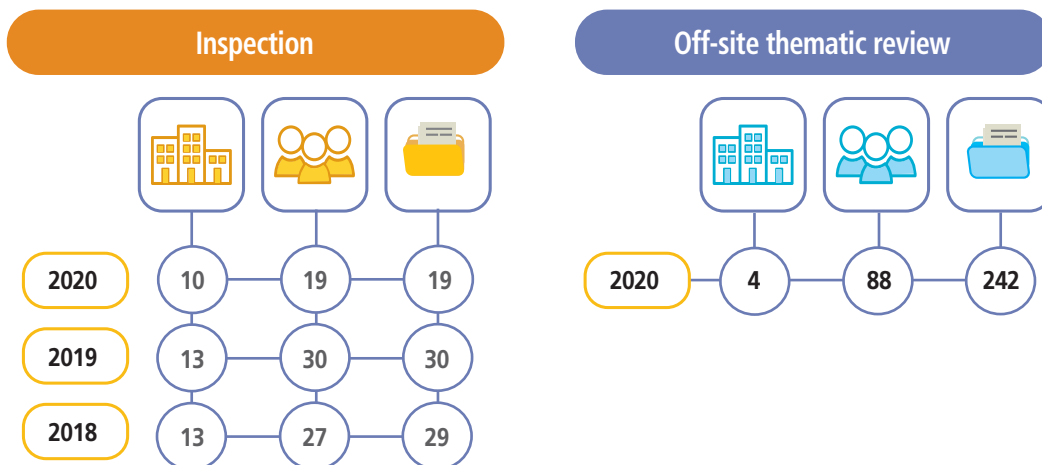
Number of audit firms



Number of individual auditors



Number of audit engagements



Source: AOB

# 2020 INSPECTION HIGHLIGHTS



Conducted regular inspections with a focus on going concern, impairment of assets and changes in accounting standards.



Adapted the inspection approach to include offsite monitoring and thematic reviews. This was done to complement the reduced regular inspection coverage and to determine the impact of the COVID-19 pandemic and the MCO on the financial reporting of PLCs and the related audited financial statements as well as the auditors' reports. The reviews included:

- Analysis of audit opinion;
- Analysis of COVID-19 disclosures; and
- Thematic review of specific key areas.

## SPECIFIC KEY AREAS COVERED UNDER THE OFFSITE MONITORING AND THEMATIC REVIEW



AUDIT  
OPINION



GOING  
CONCERN



KEY AUDIT  
MATTERS



POST BALANCE SHEET/  
SIGNIFICANT EVENTS  
DISCLOSURE



IMPAIRMENT



DISCLOSURES

Source: AOB



Issued an AOB Alert in April 2020 on the importance of ensuring high quality audit on financial reports of PIEs in light of the challenges posed by the pandemic. The AOB Alert was also issued to communicate the focus areas that auditors and ACs of PIEs may wish to pay particular attention to when discharging their responsibilities.



Actions taken in 2020 included the following:

- Specific remedial measures imposed on certain inspected audit firms and individual auditors; and
- Referrals of certain inspected audit firms and individual auditors, including Engagement Quality Control Reviewer (EQCR), to the Enforcement Department due to the severity of inspection findings.



Issued the 2019 AOB Annual Inspection Report to provide insights into the observations arising from the AOB's inspections at both firm and engagement levels in 2019. The AOB distributed the report to all PLCs to facilitate and enhance the communication and engagement between the Board of Directors and/or the ACs and their auditors.

## Updates on Annual Transparency Reporting for Audit Firms

In 2019, the AOB introduced the framework for *Annual Transparency Reporting* for audit firms to promote greater transparency and stronger accountability for audit quality among audit firms. Under this framework, audit firms who have more than 50 PIE audit clients and total market capitalisation of the audit firms' PIE clients of above RM10 billion for two consecutive years are required to produce the annual transparency report commencing from the year 2020.

While the *Annual Transparency Reporting* can contribute meaningfully towards the strengthening of the financial ecosystem in Malaysia, the AOB had to defer the implementation to year 2021 in light of the COVID-19 pandemic. This is to allow the firms to focus their immediate attention on maintaining high standards of audit quality while managing the unprecedented challenges posed by the pandemic. Furthermore, the AOB hopes that with this deferment, the audit firms would be able to commit the required resources to produce good quality transparency reports.

In 2021, the audit firms that meet the aforementioned criteria will be required to produce and share their *Annual Transparency Report* with the ACs of their PIE audit clients. In 2022, the *Annual Transparency Report* is to be made public on the respective firms' website within four months after the audit firm's fiscal year-end.

## FOCUSED AND IMPACTFUL ENFORCEMENT OUTCOME

The AOB's enforcement actions seek to achieve its primary goals in holding the auditors accountable for their work and impose sanctions against those who breach laws and regulations. The enforcement

actions also seek to deter others from engaging in similar non-compliant behaviour and mitigate any risk of future audit failures.

The AOB's enforcement actions are not restricted to individual auditors involved in the audit work but are also intended to hold the respective audit firm and its leadership accountable for the behaviour of their individual partners and engagement performance.

In addition to initiating enforcement proceedings against engagement partners and EQCR for the findings noted in the audits performed, the AOB would not hesitate to initiate enforcement proceedings in relation to the audit firm's system of internal quality control particularly if there is evidence to suggest that the internal controls, structures, and processes of the firms had been compromised.

The desired outcome is to send a strong signal to the leadership of audit firms that it is their responsibility to establish and maintain a system of quality control that provides reasonable assurance that the firm and its personnel consistently comply and adhere to the relevant auditing and ethical standards as well as regulatory requirements.

In 2020, a total of six enforcement sanctions were imposed by the AOB. Sanctions imposed on the auditors in breach comprised monetary penalty and prohibition from accepting and auditing PIE for a period of time. Details of the enforcement actions taken in 2020 is presented in Table 4.

The AOB is mindful that for its enforcement actions to be an effective deterrence and to mitigate the risk to the capital market, actions need to be completed in a timely manner. In the past, due to the robustness of the enforcement proceedings, the cases were prioritised based on the risk to the capital market. The information on the number of outstanding cases as at 31 December 2020 is presented in Table 5.

TABLE 4

**Enforcement actions taken in 2020 by types of sanction and parties in breach**

	Type of Sanctions		
	Prohibition	Prohibition with monetary penalty	Monetary penalty
Audit firm	-	1	1
Engagement partner	-	1	2
EQCR	1	-	-
<b>TOTAL</b>	<b>1</b>	<b>2</b>	<b>3</b>

Source: AOB

The following actions were taken against audit firms and individual auditors for non-compliance with auditing standards and breach of the AOB's relevant requirements:

- A total of RM407,000 in penalties were imposed on two audit firms, one of which was a recognised audit firm and three individual auditors in their capacity as engagement partners in the audits of PIEs.
- The AOB continues to take action against EQCR for failures noted in the engagement quality control review process.
- An audit firm, engagement partner and EQCR were prohibited from accepting and auditing PIE and scheduled funds for 12 months. The AOB noted non-compliance with auditing standards on fundamental and basic audit procedures while auditing a PLC. The audit firm and the individual auditors filed an application for judicial review against the actions taken by the AOB. On 29 December 2020, the High Court granted an interim stay order to the audit firm and individual auditors. The matter is now pending court proceedings.

Further details on the AOB's enforcement actions are available on the SC's website via this link:

<https://www.sc.com.my/aob/aobs-sanctions>

TABLE 5

**Number of outstanding cases as at 31 December 2020**

Year	No. of referral for enforcement proceedings	No. of cases completed prior to 2020	No. of cases completed in 2020	No. of outstanding cases as at 31 December 2020
2017	1	-	1*	-
2018	8	8	-	-
2019	4	2	2	-
2020	5	-	1**	4
<b>TOTAL</b>	<b>18</b>	<b>10</b>	<b>4</b>	<b>4</b>

Source: AOB

\* The case referred in 2017 was completed in 2020 due to the discovery of additional facts, which warranted the expansion of scope of the enforcement proceedings.

\*\* The case was completed as at 31 December 2020 but is pending the conclusion of the appeal to the SC Board.

## ENFORCEMENT PROCESSES OF THE AOB

### The AOB Enforcement Framework

The AOB maintains a robust and comprehensive enforcement framework to ensure that its enforcement function is rooted in the principles of proportionality, efficiency and natural justice.

In carrying out its enforcement proceedings, the AOB is objective, impartial and thorough in its evaluation. There are also various levels of challenge process that the AOB undertakes internally to ensure that the enforcement actions are appropriate and consistent with its enforcement framework. The auditors are given numerous opportunities to explain, challenge and provide information to rebut the AOB's findings.

In determining the type of enforcement actions to be taken and to ensure that enforcement actions commensurate with the nature and seriousness of the breaches, the AOB takes into account among others, the conduct of the auditors, the impact to the capital market and any other mitigating factors. The AOB is guided by a robust and comprehensive enforcement framework to ensure that the enforcement actions taken is appropriate.

### Appeal to the SC

Pursuant to section 31ZB of the SCMA, those aggrieved by the decisions of the AOB can appeal to the SC within 30 days from the date of the decision. The appeal process is independent of the AOB and is heard by an independent group of individuals, i.e. the SC Board members. Furthermore, the auditors are given another opportunity to be heard in the form of written submission including the provision of any additional supporting documents or discovery of new facts to justify the appeals. The appeal process goes through similar rigour of internal challenges like the AOB's enforcement proceedings. The SC has the power to affirm, set aside, or substitute the decisions of the AOB.

### Legal Remedies

As part of a statutory body exercising its regulatory functions under the securities laws, the AOB's decision can be subject to judicial review by the aggrieved parties. In this regard, aggrieved parties have initiated legal challenges against the SC on the decisions imposed by the AOB in 2020.

These applications involved challenges to the AOB's powers in enforcing its rules and regulations and how the AOB conducts its enforcement proceedings. While the AOB recognises that legal challenges are inevitable, the AOB views that the outcome of these proceedings would further reinforce the fact that its enforcement process is robust and comprehensive with adequate safeguards in place.

# KEY STAKEHOLDERS ENGAGEMENT AT A GLANCE 2020

The AOB's continuous involvement with the International Forum of Independent Audit Regulators (IFIAR) and the ASEAN Audit Regulators Group (AARG) facilitated mutual sharing of audit oversight at both global and regional level. In 2020, the AOB continued to reach out to various stakeholders.

APRIL

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## MICPA Outreach on 'Information Gathering for the Proposed Amendments to Audit Evidence'

The AOB participated in an outreach on the 'Information Gathering for the Proposed Amendments to Audit Evidence'. The outreach was organised by the Malaysian Institute of Certified Public Accountants (MICPA) in support of the IAASB's Initiative.

MAY

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## Roundtable on NAS and Fee-Related Independence

The AOB participated in a roundtable organised by the MIA's ESB. The roundtable was aimed to strengthen the NAS and the fee-related independence provisions of the *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

MAY

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## IFIAR Virtual Meeting: Global Public Policy Committee call with IFIAR Membership on COVID-19

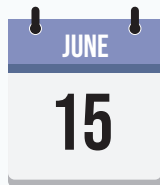
The AOB participated in an online briefing hosted by Global Public Policy Committee (GPPC) on the challenges and initiatives of the GPPC in relation to the COVID-19 situation. The session focused on experiences and issues for financial reporting from the impact of COVID-19.

JUNE

11

## International Organisations of Securities Commissions Asia Pacific Hub Webcast Series: Implications of COVID-19

The International Organization of Securities Commissions (IOSCO) Asia Pacific Hub conducted a series of webcasts relating to policy, regulatory and other issues arising from COVID-19. The webcast was intended to provide insights and perspectives, and facilitate an exchange of views in this area. During these webcast series, the AOB moderated a session on the Implications of COVID-19 on Financial Reporting and Disclosures.



### **Webinar on the Impact of COVID-19 on Audit and Assurance – Practical Guidance and Considerations.**

The AOB together with other industry players provided guidance on practical issues faced by auditors in a webinar organised by the ACCA. The webinar was aimed to address the impact of COVID-19 on Audit.



### **MIA Webinar Series: Interview for Approved Liquidators**

The AOB facilitated a session during the MIA Webinar Series on the Interview for Approved Liquidators. This seminar was specifically designed to prepare candidates for the interview process. Participants were briefed on the overall interview process, and scope, as well as the expectations of the interviewers from various regulators.



### **IFIAR: Virtual Meetings with the Largest Audit Firms**

IFIAR conducted a series of virtual meetings with the global Chief Executive Officers and Head of Audit of the six largest audit firm networks. The AOB participated in discussions on the approach taken by the network's global team to monitor and enhance audit quality, particularly in the time of the COVID-19 pandemic.



### **IFIAR Virtual Regulatory Session: Member Regulatory Updates Session**

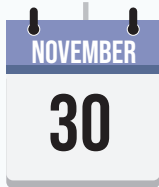
The AOB participated in a virtual session organised by IFIAR for its member to hear about regulatory developments from the UK Financial Reporting Council and the Dutch Financial Markets Authority.





### IFIAR Webinar Session: Going Concern

The IFIAR's Webinar Session on Going Concern was hosted by the Financial Markets Authority and the New Zealand External Reporting Board. The AOB participated in the session, which covered the requirements of going concerns and case studies on the going concern challenges faced by certain industries.



### Business Sentiment Focus Group

The Business Sentiment Focus Group hosted by the CPA Australia was aimed to promote an informative dialogue between business leaders in the corporate environment. The AOB was invited to participate in the focus group on the Malaysian Business Sentiment Survey led by Monash University Malaysia in collaboration with CPA Australia. The focus group highlighted pressing challenges in the minds of business leaders in managing their companies in the Malaysian economic and business environment, how it affects business leaders and the strategies they employ to overcome these challenges.



### The Role of ACs in Ensuring Organisational Integrity, Risk and Governance

As one of the presenters in the AC programme organised by the Institute of Corporate Directors Malaysia, the AOB shared its insights on best practices, current trends and issues that are relevant to the ACs. In addition, the AOB shared its oversight activities, which included auditors' selection considerations and the AOB's findings arising from its monitoring and thematic review on the impact of COVID-19.