

February 15, 2017

The Chairman
International Auditing and Assurance Standards Board
International Federation of Accountants
529 5th Avenue, 6th Floor
New York
New York 10017
United States of America

Via Online Submission

Dear Mr Arnold Schilder

**COMMENTS ON IAASB REQUEST FOR INPUT
EXPLORING THE GROWING USE OF TECHNOLOGY IN THE AUDIT
WITH A FOCUS ON DATA ANALYTICS**

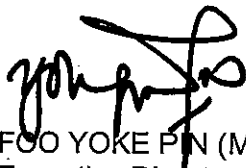
We thank you for the opportunity to comment on IAASB Request for Input, *Exploring the Growing Use of Technology in the Audit, with a Focus on Data Analytics*.

In this regard, we are pleased to attach the Institute's comments as set out in Appendix I for your consideration.

Please do not hesitate to contact the undersigned or the Institute's Senior Technical Manager, Ms Hoh Kim Hyan, at +603-2698 9622 should you require any clarification.

Thank you.

Yours faithfully



FOO YOKE PIN (Mr)
Executive Director

THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
(INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA)

International Auditing and Assurance Standards Board

Request for Input

***Exploring the Growing Use of Technology in the Audit,
with a Focus on Data Analytics***

Questionnaire

The IAASB Request for Input provides insights into the opportunities and challenges with the use of data analytics in the audit and outlines the insights gained from the Data Analytics Working Group (DAWG) activities to date. The purpose of IAASB Request for Input is to:

- (a) inform stakeholders about the IAASB's ongoing work to explore effective and appropriate use of technology, with a focus on data analytics, in the audit of financial statements; and
 - (b) obtain stakeholder input and perspectives on whether all of the considerations relevant to the use of data analytics in a financial statement audit have been identified.
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Question 1

Have we considered all circumstances and factors that exist in the current business environment that impact the use of data analytics in a financial statement audit?

MICPA's Comments:

The Institute does not have any more to add to the circumstances and factors identified and considered by the IAASB.

Question 2

Is our list of standard-setting challenges accurate and complete?

MICPA's Comments:

MICPA agrees with the list of standard-setting challenges but believes there are more e.g. testing of live data and the challenge of proving the test at a later date.

Question 3

To assist the DAWG in its ongoing work, what are your views on possible solutions to the standard-setting challenges?

MICPA's Comments:

The DAWG might wish to engage with software developers.

Question 4

Is the DAWG's planned involvement in the IAASB projects currently underway appropriate?

MICPA's Comments:

The Institute has no comments.

Question 5

Beyond those initiatives noted in the *Additional Resources* section of this IAASB Request for Input, are there other initiatives of which we are not currently aware of that could further inform the DAWG's work?

MICPA's Comments:

The Institute is not aware of any other initiatives.

Question 6

In your view, what should the IAASB's and DAWG's next steps be? For example, actions the IAASB and DAWG are currently considering include:

- (a) Focusing attention on revisions, where appropriate, to ISAs affected by the IAASB's current projects.
- (b) Exploring revisions to ISA 520.
- (c) Hosting one or more conferences with interested stakeholders to collectively explore issues and possible solutions to the identified challenges.
- (d) Continuing with outreach and exploration of issues associated with the use of data analytics in a financial statement audit, with a view towards a formal Discussion Paper consultation in advance of any formal standard-setting activities.

MICPA's Comments:

MICPA is agreeable with the proposed actions listed above and would like to emphasise the importance of engaging with software developers.