

July 13, 2020

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

Via Online Submission

Dear Mr Tom Seidenstein

**COMMENTS ON IAASB CONSULTATION PAPER ‘PROPOSED NON-AUTHORITATIVE GUIDANCE: SPECIAL CONSIDERATIONS IN PERFORMING ASSURANCE ENGAGEMENTS ON EXTENDED EXTERNAL REPORTING (“EER”)’**

The Malaysian Institute of Certified Public Accountants (“MICPA”) appreciates the opportunity to comment on IAASB Consultation Paper, *‘Proposed Non-Authoritative Guidance: Special Considerations in Performing Assurance Engagements on Extended External Reporting (“EER”)’*. We also applaud the effort of the IAASB to enhance the clarity of the Standard by providing guidance.

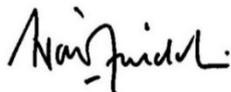
In this regard, we are pleased to attach MICPA’s comments as set out in Appendix I for your consideration.

We trust our comments and accompanying recommendations to be of value and useful to the IAASB, in your onward deliberation. MICPA looks forward to further strengthening such dialogues with your organisation.

Please do not hesitate to contact the undersigned or the Technical Director, Ms Chiam Pei Pei, at +603-2698 9622 should you require any clarification.

Thank you.

Yours faithfully



NOVIE TAJUDDIN  
Chief Executive Officer

Our responses to the specific questions are as follows:

**Question 1: Does the draft Guidance adequately address the challenges for practitioners that have been identified as within the scope of the draft Guidance? If not, where and how should it be improved to better serve the public interest in EER assurance engagements?**

**Comment:**

Considering Materiality of Misstatement

Unlike an audit engagement, the nature of underlying subject matters of an EER assurance engagement can be diverse. In this circumstance, setting a materiality level may be challenging to cater a diverse range of subject matters. In view of this, we recommend that guidance should be provided on this area. In addition, we would also like to request from the IAASB to clearly define what is a misstatement, especially for qualitative materiality and how it should be treated relative to the specific framework.

**Question 2: Is the draft Guidance structured in a way that is easy for practitioners to understand and use in performing EER assurance engagements? If not, where and how should it be improved to better serve the public interest in EER assurance engagements?**

**Comment:**

The structure is clear for practitioners to understand and use in performing EER assurance engagement.

**Applying Appropriate Competence and Capabilities**

We would like to request from the IAASB to expand examples of competencies required (including conflict of interest) for the complex EER assurance engagement (paragraph 28 of the Exposure Draft).

**Exercising Professional Skepticism and Professional Judgement**

We would also like to recommend to include an example or a case study (paragraph 35 of the Exposure Draft) on how skepticism may influence the judgement of assurance engagements.