

August 12, 2014

Technical Director
International Ethics Standards Board for Accountants
International Federation of Accountants
529 5th Avenue, 6th Floor
New York
New York 10017
United States of America

Via Online Submission

Dear Mr Ken Siong

**COMMENTS ON IESBA EXPOSURE DRAFT,
PROPOSED CHANGES TO CERTAIN PROVISIONS OF THE CODE ADDRESSING
NON-ASSURANCE SERVICES FOR AUDIT CLIENTS**

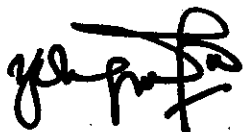
We thank you for the opportunity to comment on IESBA Exposure Draft *Proposed Changes to Certain Provisions of the Code Addressing Non-Assurance Services for Audit Clients*.

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 Ethics Standards Board for Accountants

**Proposed Changes to Certain Provisions of the Code Addressing Non-Assurance
Services for Audit Clients**

Questionnaire

The IESBA welcomes comments on all matters addressed in the exposure draft. Comments are most helpful when they refer to specific paragraphs, include the reasons for the comments, and, where appropriate, make specific suggestions for any proposed changes to wording. When a respondent agrees with proposals in this exposure draft (especially those calling for change in current practice), it will be helpful for the IAASB to be made aware of this view.

Emergency Provisions

Question 1

Are there any situations that warrant retention of the emergency exceptions pertaining to bookkeeping and taxation services?

MICPA Comments:

MICPA concurs with the Board that emergency exceptions are expected to be rare and extraordinary and hence agrees with the proposed amendments to remove the emergency exceptions pertaining to bookkeeping and taxation services.

Management Responsibilities

Questions 2

Does the change from "significant decisions" to "decisions" when referring to management responsibilities (paragraph 290.162) enhance the clarity of a management responsibility?

MICPA Comments:

Yes, MICPA agrees that the change from "significant decisions" to "decisions" will enhance the clarity of a management responsibility.

Questions 3

Are the examples of management responsibilities in paragraph 290.163 appropriate?

MICPA Comments:

Yes, the examples in paragraph 290.163 are appropriate.

Questions 4

Are there any challenges in understanding and applying the prerequisite set out in paragraph 290.165 for non-assurance services that should be considered?

MICPA Comments:

MICPA does not foresee any challenges in understanding and applying the prerequisite as set out in paragraph 290.165 for non-assurance services.

Questions 5

Will the enhanced guidance assist engagement teams to better meet the requirement of not assuming a management responsibility?

MICPA Comments:

Yes, MICPA agrees that the proposed enhance guidance will assist engagement teams to meet the requirement of not assuming a management responsibility.

Questions 6

Does the relocation of the guidance pertaining to administrative services into its own subsection provide greater clarity?

MICPA Comments:

Yes as it facilitates easy reference.

Routine or Mechanical

Question 7

Does the proposed guidance on "routine or mechanical" clarify the term, or is additional guidance needed?

MICPA Comments:

MICPA is of the opinion that the proposed guidance on "routine or mechanical" is sufficient.

Question 8

Is the meaning and identification of source documents sufficiently clear, taking into account documents that may be generated by software?

MICPA Comments:

After taking into consideration the documents that may be generated by software, MICPA is of the view that the meaning and identification of source documents is sufficiently clear.

Section 291

Question 9

Do the changes proposed to Section 291, specifically the additional requirements to proposed paragraph 291.146, enhance the clarity of a management responsibility?

MICPA Comments:

MICPA agrees that the changes proposed to Section 291 enhance the clarity of a management responsibility.

Question 10

Are the examples of management responsibilities in paragraph 291.144 appropriate?

MICPA Comments:

Same response as that to Question 3.

Question 11

Does the relocation of the guidance pertaining to administrative services provide greater clarity?

MICPA Comments:

MICPA agrees that the relocation of the guidance pertaining to administrative services provides greater clarity.

Question 12

The IESBA proposes that the effective date for the changes will not be less than 12 months after issuance of the final changes. Earlier application would be permitted. The IESBA welcomes comment on whether this minimum period would be sufficient to support effective implementation of the changes.

MICPA Comments:

MICPA has no objection to the proposed effective date.