

May 22, 2017

Mr Ken Siong
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 REVISIONS PERTAINING TO SAFEGUARDS IN THE CODE
- PHASE 2 AND RELATED CONFORMING AMENDMENTS**

We thank you for the opportunity to comment on IESBA Exposure Draft, *Proposed Revisions Pertaining to Safeguards in the Code – Phase 2 and Related Conforming Amendments*.

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 sincerely



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 Revisions Pertaining to Safeguards in the Code – Phase 2
and Related Conforming Amendments***

Questionnaire

The IESBA welcomes comments on all matters addressed in the ED, but especially those identified in the Request for Specific Comments below. 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 ED, it will be helpful for the IESBA to be made aware of this view.

Section 600, Provision of Non-Assurance Services to an Audit Client

Question 1

Do respondents support the proposals in Section 600? If not, why not?

In particular, do respondents agree with the proposal to extend the scope of the prohibition on recruiting services as described in paragraph 26(h) above to all audit client entities? If not, please explain why.

MICPA's Comments:

Yes, MICPA agrees with the proposal to extend the scope of the prohibition on recruiting services as described in paragraph 26(h) above to all audit client entities.

Section 950, Provision of Non-Assurance Services to an Assurance Client

Question 2

Do respondents support the proposals in Section 950? If not, why not?

MICPA's Comments:

Yes, MICPA supports the proposals in Section 950.

Examples of Safeguards

Question 3

Do respondents have suggestions for other actions that might be safeguards in the non-assurance services (NAS) and other sections of the Code that would meet the revised description of a safeguard?

MICPA's Comments:

None.

Conforming Amendments Arising from the Safeguards Project**Question 4**

Do respondents agree with proposed conforming amendments set out in:

- (a) Chapter 2 of this document.
- (b) The gray text in Chapters 2-5 of Structure ED-2?

MICPA's Comments:

Yes, MICPA agrees.

Question 5

Respondents are asked for any comments on any other matters that are relevant to Phase 2 of the Safeguards project.

MICPA's Comments:

- (a) The Institute refers to Para 609.3 A1 and disagrees that the following services do not usually create threats:
 - Reviewing the professional qualifications of a number of candidates and providing advice on their suitability for the post
 - Interviewing candidates and advising on a candidate's competence for financial accounting, administrative or control positions
- (b) Given the extensive scope and variety of safeguards in the Code, MICPA proposes that the IESBA considers providing a matrix/flowchart to facilitate compliance by accountants.