

May 9, 2016

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,
LIMITED RE-EXPOSURE OF PROPOSED CHANGES TO THE CODE ADDRESSING THE
LONG ASSOCIATION OF PERSONNEL WITH AN AUDIT CLIENT**

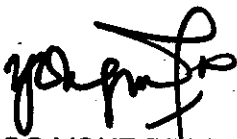
We thank you for the opportunity to comment on IESBA Exposure Draft, *Limited Re-exposure of Proposed Changes to the Code Addressing the Long Association of Personnel with an Audit Client*.

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

Limited Re-exposure of Proposed Changes to the Code Addressing the Long Association of Personnel with an Audit Client

Questionnaire

The IESBA welcomes comments on the proposals subject to re-exposure, but especially the matters identified in the Request for Specific Comments below. As the IESBA has carefully considered the responses to the August 2014 ED, it is not seeking repetition of comments previously made regarding the matters addressed by these new proposals. Comments are most helpful when they refer to specific paragraph, include the reasons for the comments, and, where appropriate, make specific suggestions for any proposed changes to wording. When a respondent agrees with the proposals subject to re-exposure, it will be helpful for the IESBA to be made aware of this view.

Cooling-Off Period for the EQCR on the Audit of a PIE

Question 1

Do respondents agree that the IESBA's proposal in paragraphs 290.150A and 290.150B regarding the cooling-off period for the EQCR (engagement quality control reviewer) for audits of PIEs (i.e., five years with respect to listed entities and three years with respect to PIEs other than listed entities) reflects an appropriate balance in the public interest between:

- (a) Addressing the need for a robust safeguard to ensure a "fresh look" given the important role of the EQCR on the audit engagement and the EQCR's familiarity with the audit issues; and
- (b) Having regard to the practical consequences of implementation given the large numbers of small entities defined as PIEs around the world and the generally more limited availability of individuals able to serve in an EQCR role?

If not, what alternative proposal might better address the need for this balance?

MICPA's Comments:

Yes, the Institute agrees with the IESBA's proposal in paragraphs 290.150A and 290.150B regarding the cooling-off period for the EQCR for audits of PIEs.

Jurisdictional Safeguards

Question 2

Do respondents support the proposal to allow for a reduction in the cooling-off period for EPs (engagement partners) and EQCRs on audits of PIEs to three years under the conditions specified in paragraph 290.150D?

MICPA's Comments:

Yes, MICPA supports the proposal.

Question 3

If so, do respondents agree with the conditions specified in subparagraphs 290.150D(a) and (b)? If not, why not, and what other conditions, if any, should be specified?

MICPA's Comments:

The Institute agrees with the conditions specified in subparagraphs 290.150D(a) and (b).

Service in a Combination of Roles during the Seven-year Time-on Period

Question 4

Do respondents agree with the proposed principle “for either (a) four or more years or (b) at least two out of the last three years” to be used in determining whether the longer cooling-off period applies when a partner has served in a combination of roles, including that of EP or EQCR, during the seven-year time-on period (paragraph 290.150A and 290.150B)?

MICPA's Comments:

Yes, MICPA agrees.