

## **Audit firm governance: an overview from Malaysia**

### **Abstract**

This paper presents a preliminary analysis of survey data in a study to examine the governance of Malaysian audit firms. Data on 30 audit firms including big four and non-big four audit firms is used to describe four dimensions of the audit firm governance, namely, leadership, values and ethical requirement, independent non-executive, and operation. The survey study is still in progress, hence the presentation of the current analysis to highlight the level of awareness and compliance to the global standard of Code of Audit Firm Governance (CAFG) issued by the Financial Reporting Council (FRC) of United Kingdom. However, descriptive statistics thus far are found to provide useful insights into the governance of Malaysian audit firms. The preliminary analysis suggests that Malaysian audit firms are aware on the issuance of the CAFG, and have been in compliance to the CAFG except for matter in relation to transparency report and designation of independent non-executive directors. The establishment of Audit Oversight Board (AOB) in Malaysia does influence the level of compliance to the CAFG amongst Malaysian audit firms.