

# **INTERNATIONAL STANDARD ON AUDITING**

## **Objective and General Principles Governing an Audit of Financial Statements**

### **Explanatory Foreword**

The Council of the Malaysian Institute of Accountants has approved this standard in October 1997 for publication. This standard should be read in conjunction with Preface to Approved Standards on Auditing; Preface to International Standards on Auditing and Related Services; Glossary of Terms and AI 120 - Framework of International Standards on Auditing.

The status of International Standards on Auditing is set out in the Council's statement Preface to Approved Standards on Auditing.

### **Applicability**

International Standards on Auditing (ISA) are to be applied in the audit of financial statements under all reporting frameworks. Reporting frameworks are determined by legislation, regulations and promulgations of the Malaysian Institute of Accountants and where appropriate mutually agreed upon terms of reporting. International Standards on Auditing, are also to be applied, adapted as necessary, to the audit of other information and to related services.

The Public Sector Perspective set out at the end of the standard, serves as guidance to members in the audit of public sector financial statements in the application of this standard.

### **Notes and Exceptions**

Ethics and conduct of members are governed by the Malaysian Institute of Accountants' By-Laws (On Professional Conduct and Ethics) and the Code of Ethics for Professional Accountants referred to in paragraph 4 of this standard, is therefore substituted.

### **Effective Date in Malaysia**

This standard is mandatory for all members to observe in respect of audits commencing on or after 1 July 1998.