

# Malaysia Audit Fees Schedule and Table

1. Malaysia Institute of Accountants (MIA) has recommended Practice Guide (RPG) 7 for Audit Fee Charge (New Audit Fee) by Audit Firm for providing statutory auditing services in Malaysia with effect from 01<sup>st</sup> March 2010 with the reasons:

- a. Increased in compliance burden due to higher auditing standards requirements.
- b. Increased in operation cost and salaries.
- c. To ensure auditors professionalism are not affected due to “price war” among competitors.

2. The RPG 7 was removed by the Council from the website in order to uphold the spirit of the Competition Act (CA) 2010 and not breach any of its provisions, yet it will still become part of our associated auditor guideline in establishing their audit fees for performing their Statutory Audit Services in Malaysia.

3. A reasonable level of remuneration will encourage the practitioners to maintain and upgrade the quality of services rendered.

In developing this practice guide, MIA had conducted the following due process:

- a. Determining the issues at hand.
- b. Research into current practice within and outside Malaysia.
- c. Consultation with various stakeholders.
- d. Consultation with relevant regulatory authorities, where appropriate.

## Audit Fee Schedule & Table

### Fee-coefficient Percentage Table

#### (i) Gross Turnover or Total Assets Basis

<b>Gross Assets or Turnover for every RM of (.00)</b>	<b>Cumulative Ringgit (RM) (.00)</b>	<b>Rate (%)</b>	<b>Fees (RM) subjected to 6% Service Tax (.00)</b>	<b>Cumulative Fees (RM) subjected to 6% Service Tax (.00)</b>
Dormant (Minimum audit fee)	–	–	800	–
The first 100,000	100,000	1.000%	1,000	1,000
The next 150,000	250,000	0.438%	657	1,657
The next 250,000	500,000	0.313%	783	2,440
The next 500,000	1,000,000	0.188%	940	3,380
The next 1,500,000	2,500,000	0.125%	1,875	5,255
The next 2,500,000	5,000,000	0.100%	2,500	7,755
The next 5,000,000	10,000,000	0.094%	4,700	12,455
The next 10,000,000	20,000,000	0.100%	10,000	22,455
Above 20,000,000			Negotiable	>22,455

**(ii) Total Operating Expenditure Basis**

<b>Gross Assets or Turnover for every RM of (.00)</b>	<b>Cumulative Ringgit (RM) (.00)</b>	<b>Rate (%)</b>	<b>Fees (RM) subjected to 6% Service Tax (.00)</b>	<b>Cumulative Fees (RM) subjected to 6% Service Tax (.00)</b>
Dormant (Minimum audit fee)	–	–	800	–
The first 50,000	50,000	2.500%	1,250	1,250
The next 150,000	200,000	1.250%	1,875	3,125
The next 800,000	1,000,000	0.625%	5,000	8,125
The next 1,000,000	2,000,000	0.250%	2,500	10,625
Above 2,000,000			Negotiable	>10,625