



MALAYSIAN INSTITUTE
OF ACCOUNTANTS



Introduction of eConfirm.my

Frequently Asked Questions



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Frequently Asked Questions (FAQs) |



1. How to register the audit firm as the user of the Platform?

You are required to read and understand the audit firm participation agreement before submitting the duly completed Audit Firm Registration Form to support@econform.my. The documents can be downloaded from the eConfirm.my website at www.econform.my or MIA website at www.mia.org.my.

2. What is the next step after submitting the registration form?

After submitting the Registration Form to Extol support team at support@econform.my, you will receive a verification email to confirm your information and to register for a training. The training will be conducted at least once every week. After attending the training, you will be receiving an activation link to activate your firm, and subsequently to create users in your firm.

3. Is there any revision in the Bank Confirmation Request Letter subsequent to the implementation of the Platform?

Yes, the Letter needs to be revised to obtain consent from the audit client on the usage of the Platform. The sample of the Bank Confirmation Request Letter can be downloaded from the MIA website at www.mia.org.my. (Refer to next slide)



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Template for Bank Confirmation Request

For the purpose of requesting bank confirmation via this Platform, auditors are advised to use this revised bank confirmation request template issued by MIA:

Appendix 1

Date: [insert date]

[Insert name of Contact Person]
Bank name
Address

Dear Sir,

STANDARD REQUEST FOR INFORMATION FOR AUDIT PURPOSES

Name of customer: [insert name] in accordance to Bank's records

Company number: [insert company's registration number]

For the year/period ended: [insert year/period end in full, e.g. 31 December 2018]

In accordance with your above-named customer's instructions given hereon please send us, as auditors of your customer for the purpose of our audit, the following information relating to their affairs at your bank as at the close of business on _____ and, in the case of closure of accounts, during the period up to the date of your reply.

It is understood that any replies given by you will be treated by us with strict confidence. Neither the request from us, as auditors of your customer, nor the bank response will create any contractual relationship with us.

Yours faithfully,
for [name of audit firm]

Template for Bank Confirmation Request

Date: [insert date]

[Insert name of Contact Person]
Bank name
Address

Dear Sir,

AGREEMENT TO OBTAIN BANK CONFIRMATION THROUGH THE ONLINE BANK CONFIRMATION PLATFORM

- I/We hereby authorise [name of audit firm] to obtain the bank confirmation through the online bank confirmation platform.
- I/We am/are fully aware and give my/our consent that:
 - there will be a fee of RM15 per confirmation for using the online bank confirmation platform and the fee is to be paid to Extol Corporation Sdn. Bhd, the service provider engaged by the Malaysian Institute of Accountants;
 - this RM15 per confirmation fee is in addition to the fee I/we currently pay to the bank concerned for providing the bank confirmation service; and
 - my/our financial information will be available in the Platform for a period of 6 months from the confirmation date in the online bank confirmation platform.

I/We give my/our consent for you to disclose to [the name of audit firm] the information requested.

.....
(Name of customer)

Signed in accordance with the mandate
for the conduct of the
customer's bank account

.....
[Authorised signature]

Date: [insert date]

Additional Client Consent form

Visit MIA's website at <https://www.mia.org.my/v2/smp/electronic.aspx>



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4. How many users are allowed for each audit firm?

There is no limitation on the number of users.

5. Can I request for prior year bank confirmations and cancel a wrong request?

Yes, you may request for prior year bank confirmations and there is an option to cancel wrong request, but this will not be possible once the requester has sent the request to the bank.

6. Is a report on the entire confirmation status of an audit client available to be generated and downloaded from the Platform?

Yes, you may generate a report on the confirmation status based on several variables such as client, request date, requester, etc.

7. Normally how long does it take to receive the reply bank confirmation letter from the respondent bank?

Different banks have different turnaround times (TAT), ranging from the shortest of 3 working days to the longest of 14 working days. The average TAT since its soft launch in May 2020 is within 5 working days.



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8. Do we need to pay annual fee for the Platform subscription?

No, there is no annual fee for Platform subscription. The usage charges is upon successful confirmation reply receives from the bank.

9. What is the fee for using the Platform?

The usage fee is **RM15** per online submission of confirmation request and will only be charged upon the successful receipt of the confirmation. The auditors can then bill it as out-of-pocket expenses.

Auditors will be billed twice a month on the **1st** and **16th** of the preceding period, and enjoy a credit period of up to 30 days to process and settle the payment.

10. Does the bank continue to charge client the bank charges after using the Platform?

The Platform usage fee of RM15 per confirmation is on top of the bank charges on bank confirmation, which the charges varies from bank to bank.



11. Apart from platform fee RM15 per confirmation, is there any service tax will be imposed?

Yes, the service fee is 6% upon the usage fee of RM15.

12. If the client has multiple accounts with a bank (e.g. current, term loan, borrowings and FD accounts), how many confirmation request need to be submitted through the Platform and what is the charges?

The participating banks in the Platform has a centralised center to process the confirmation. Hence, only one confirmation is required for all accounts in that particular bank. The charges will be RM15 for that one confirmation request.

However, request submission to RHB Bank maybe differ as the bank's current process is centralised by products. This may be revised from time to time.

13. Do I need submit a confirmation request every year for the same client?

You will need to submit your confirmation request every year, as there may be changes in the client's authorised signatories or company stamp or change of the auditors.



14. What are the reasons for unsuccessful requests?

There are several rejection reasons from the banks, which cannot be totally eliminated, regardless of whether you submit your request electronically or manually. However, through this Platform the rejection reasons will be clearly stated by the bank and you will receive it in an average turnaround time of 3 days.

Here is how you can **avoid rejections of confirmation request from Banks:**

- Make sure the client has **sufficient funds** in the accounts for bank charges.
- Make sure the client has arranged the **correct authorised directors' signatories** on the confirmation request letter.
- Make sure client has used the **correct authorised company stamp** on the confirmation request letter.
- Make sure the letter is dated properly and the **financial year end date** is indicated.
- Make sure the **company name** and **company number** are correct and consistent with SSM records, i.e. ABC Sendirian Berhad or ABC Sdn. Bhd..
- The **submission date** is not earlier than 30 days from the year end date, i.e. the submission for 30 June 2020 FYE only start on 1 June.

Additional consideration that relates to eConfirm.my:

- **Do not** submit **duplicate confirmation request**, i.e. manual and electronic.
- Make sure the **client information** in the Platform is correct and consistent with the request letter.
- Make sure the **consent from client** to use the Platform is included in the confirmation request letter (Please refer to MIA's template).



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15. What is MIA's role in the electronic bank confirmation platform?

As an industry-wide initiative, MIA will be the **governing body** to oversee the effectiveness of the overall performance of Extol, the design and operating effectiveness of controls of the Platform and its compliance with relevant laws, regulations and BNM guidelines.

An independent external service auditor was appointed by MIA to conduct a service organisation risk and controls assessment over the Platform, through the issuance of a Service Organisation Control (SOC) 3 Report. In addition, MIA will **promote** the Platform to all auditors and their clients, and work with associations of financial institutions in promoting the participation of financial institutions operating in Malaysia to use the Platform.