

## Admission Department

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寄件者: Student Student  
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主旨: Consultation paper on Proposed changes to auditing practices - December 2009  
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Dear Sirs,

With regard to the captioned consultation paper, I would like to submit my comments and recommendations (copy attached) for your perusal.

Looking forward to hearing from you soon!

Ho Tak Wing  
Membership No.:

## **CONSULTATION PAPER ON PROPOSED CHANGES TO AUDITING PRACTICES**

With regard to paragraph 16 of the above consultation paper, I got reservation that practising certificate (PC) holders providing professional services other than auditing would not be able to retain their certificates if audit experience was required as a condition for renewal.

Under the existing regulations, in order to obtain the practising certificate from the Hong Kong Institute of Certified Public Accountants (HKICPA), the qualified persons have to comply with the stringent requirements set out in the Professional Accountants Ordinance Chapter 50. Accordingly, the HKICPA should not take away the PCs from the existing PC holders.

Currently, the PC holders can be classified into three main categories, namely:

- (1) PC holders working in the auditing profession;
- (2) PC holders being the employers in the capacity as Tax Consultants, Insolvency Practitioners and engaging in the business sector; and
- (3) PC holders being part time practitioners or free-lancers and or under unemployment at present. Under this category, the PC holders may wish to retain the PCs and reactivate their auditing business later.

## Recommendations

### Practising Certificates

- (a) With the introduction of the new Registered Audit Practice, would the PC holders working in the auditing profession be designated as PC (Audit), with certificate imprinted as Practising Certificate (Audit)?
- (b) For those PC holders providing professional services, other than auditing, would the holders be designated as PC (Business) with certificate imprinted as Practising Certificate (Business)?
- (c) For all the other PC holders not falling into the categories of (a) or (b) above, would the holders be designated as PC (Others) with certificate imprinted as Practising Certificate (Others)?

### Fee Structure

- (a) Under the newly established Registered Audit Practice, would the fees be levied on a progressive scale? For example, the greater the number of partners in the auditing firm, the higher the fees level will be payable;
- (b) For the PC holders providing professional services, other than auditing, should the fee scale be the same in conformity with (a) above?
- (c) For those other PC holders not falling into (a) or (b) above, since the holders are of low income level, would the fees be levied on a concessionary flat rate?