



21 November 2018

To: **Members of the Hong Kong Institute of CPAs**
All other interested parties

INVITATION TO COMMENT ON INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD'S (IAASB) EXPOSURE DRAFT

Proposed International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*

Comments to be received by 15 February 2019

The Hong Kong Institute of Certified Public Accountants' (Institute) Auditing and Assurance Standards Committee is seeking comments on the IAASB's Exposure Draft (ED), Proposed ISRS 4400 (Revised), *Agreed-Upon Procedures Engagements* which has been posted on the Institute's website at:

<https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Open-for-comment-documents/Auditing-and-Assurance>

The demand for Agreed-upon procedures (AUP) engagements continues to grow across jurisdictions. Changes in regulation, such as the increase in audit exemption thresholds in many jurisdictions, have also driven increased demand for AUP engagements. In developing proposed ISRS 4400 (Revised), the IAASB has received significant stakeholder input, including feedback from its [November 2016 Discussion Paper, Exploring the Demand for Agreed-Upon Procedures Engagements and Other Services](#), and targeted continuing stakeholder outreach. The Institute provided its [comments](#) to IAASB for the November 2016 Discussion Paper.

To ensure that the IAASB's standard on AUP engagements remains relevant in the current business environment, the IAASB proposes to enhance key concepts in the standard, including:

- The role of professional judgment in an AUP engagement.
- Disclosures relating to the practitioner's independence or lack thereof.
- Guidance on appropriate or inappropriate terminology to describe procedures and findings in AUP reports.
- The use of a practitioner's expert in an AUP engagement.
- Restrictions on the distribution and use of the AUP report.

Questions for respondents have been included in Section 4 "Request for Comments" to solicit specific feedback on the proposed amendments.



In accordance with the Institute's due process, comments are invited from any interested party and the Institute would like to hear from both those who do agree and those who do not agree with the contents of the ED.

Comments should be supported by specific reasoning and should be submitted in written form.

To allow your comments on the ED to be considered, comments are requested by the due date shown above.

Comments may be sent by mail, fax or e-mail to:

Standard Setting Department
Hong Kong Institute of Certified Public Accountants
37/F., Wu Chung House
213 Queen's Road East
Hong Kong

Fax number (+852) 2865 6776
E-mail: commentletters@hkiipa.org.hk

Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.

21 November 2018
Invitation to Comment

Response Due Date
15 February 2019

Exposure Draft

**Proposed ISRS 4400 (Revised),
*Agreed-Upon Procedures Engagements***



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

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IAASB Press release

The Invitation to Comment can also be found on the Institute's website at:

<https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Open-for-comment-documents/Auditing-and-Assurance>.



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