



Auditing and Assurance Standards Committee
Meeting Summary – September 2008

The Auditing and Assurance Standards Committee (Committee) met on 23 September 2008.

Members present at the meeting were: Keith Pogson (via conference call), Wilfred Wong (Acting Chairman), William Crowe (Deputy Chairman), Derek Broadley, Stephen Chan, Colin Chau, Barry Ip, Lucia Li, Thomas Wong, Raymond Wong and Cecilia Yam.

Staff present at the meeting were: Steve Ong, Selene Ho, Florence Wong, Winnie Chan, Katherine Leung, Ben Lo and Phoebe To.

The following agenda items were discussed:

1. Adoption of New IAASB Pronouncements
2. Endorsement of New Revised and Redrafted HKSA's
3. Proposed Engagement on Capital Investment Entrant Scheme
4. Progress report on HKSIR Project

1. Adoption of New IAASB Pronouncements

The Committee considered and endorsed the adoption of the ISA 250 (Redrafted) *Consideration of Laws and Regulations in an Audit of Financial Statements*, ISA 510 (Redrafted) *Initial Audit Engagements – Opening Balances*, ISA 550 (Revised and Redrafted) *Related Parties* and ISA 570 (Redrafted) *Going Concern*, subject to further consideration of the local guidance in the extant HKSA's. Where appropriate, relevant local guidance could be included as an appendix or as footnotes in the proposed HKSA's.

2. Endorsement of New Revised and Redrafted HKSA's

The Committee endorsed the proposed HKSA 230 (Redrafted) *Audit Documentation*, HKSA 260 (Revised and Redrafted) *Communication with Those Charged with Governance*, HKSA 540 (Revised and Redrafted) *Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures* and HKSA 560 (Redrafted) *Subsequent Events*, subject to providing further clarification in the local guidance of HKSA 560 in respect of "date the financial statements are issued".

3. Proposed Engagement on Capital Investment Entrant Scheme

The Committee noted that the Standard Setting Department had met with the representatives from the Immigration Department in July 2008 to discuss the Committee's concerns raised in June 2008 meeting.

The Committee considered and approved the proposed engagement in principle such that it should be an agreed upon procedures type of engagement and requested the Standard Setting Department to consider including the various comments made by Committee Members in the proposed guidance.

4. Progress report on HKSIR Project

The Committee noted that the original drafters of the pronouncements had met four times since June 2008 and the amendments to the pronouncements are in progress.

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