



## Minutes of the 357<sup>th</sup> Meeting of the Auditing and Assurance Standards Committee

- Date: Wednesday, 17 February 2016 at 8:30 a.m.
- Location: Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.
- Present: Mr. Eric Tong (Chairman)  
Mr. Paul Phenix  
Ms. Sylvia Cheng  
Ms. Loretta Fong  
Mr. Paul Hebditch  
Mr. Jonathan Lai  
Mr. Paul Lau  
Dr. Phyllis Mo  
Mr. Raymond Ng  
Mr. Steve Ong  
Mr. Chi Kit Shaw  
Mr. Thomas Wong  
Ms. Joyce Woo
- In attendance: Mr. Chris Joy, Executive Director  
Ms. Selene Ho, Associate Director, Standard Setting
- Apologies: Mr. Ringo Chiu  
Mr. Anthony Wong

### Action

**2741. Welcome New Member and Committee Composition for 2016**

The Chairman welcomed Mr. Raymond Ng as new member of the Committee. The Committee recorded a vote of thanks to retiring member, Ms. Chow Siu Mai for her contributions to the Committee during the tenure of her service.

**2742. Guidance Note on General Confidentiality Rules**

The Chairman drew members' attention to the guidance note on the general confidentiality rules in relation to minutes and agenda papers of the Council and Committees appointed by the Council.

**2743. Terms of Reference**

The Committee considered and agreed that the existing terms of reference are still appropriate.

**2744. Meeting Schedule for 2016**

The Committee noted the meeting dates for 2016.

**2745. Minutes of the 356<sup>th</sup> Meeting**

The Committee approved and the Chairman signed the minutes of the 356<sup>th</sup> meeting.

**2746. Proposed Work Plan for 2015 and Update from Working Groups**

The Committee considered the proposed work plan and noted that the key projects for the year including convergence with the revised ISAs issued by the International Auditing and Assurance Standards Board (IAASB); and updating the local pronouncements as a result of the revised HKSAAs and HKSAE 3000 (Revised).

Committee members were requested to send their comments to the Standard Setting Department (SSD) by mid-April 2016 on the recent IAASB's Invitation to Comment, *Enhancing Audit Quality in the Public Interest: A Focus on Professional Skepticism, Quality Control, and Group Audits*.

The Committee requested SSD to organize a forum on the IAASB's Invitation to Comment to engage with members and solicit views. SSD

The Chairman of the Accountants' Report Sub-Committee provided an update on the progress for the HKSIR pronouncements.

[*Post meeting note: A forum on the IAASB's Invitation to Comment was organized on 23 March 2016.*]

**2747. Update on proposed changes to pronouncements arising from HKSAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information**

SSD reported on the progress of the remaining pronouncements arising from HKSAE 3000 (Revised).

The Committee requested SSD to expedite the finalization of the pronouncements and agreed to consider and approval the pronouncements by circulation. SSD

[*Post meeting note: PN 810.1(Revised) and PN 810.2 (Revised) have been issued in [Members' Handbook Update 181](#) on 29 February 2016. PN 820 (Revised) has been issued in [Members' Handbook Update 182](#) on 11 March 2016*]

**2748. Update on the definition of "Listed Entity"**

In previous meetings, the Committee discussed the definition of "listed entity" when applying HKSA 701, *Communicating Key Audit Matters in an Independent Auditor's Report* for listed debts.

SSD reported on the latest development from communication with other standard setters. SSD would keep monitoring the development in other jurisdictions and update the Committee. SSD

2749. **Update from Hong Kong Trustees' Association (HKTA) on Employer Account Balance**

The Committee noted the update from the HKTA regarding requests for MPF balances of individual employees on Employer Account Balance.

The Committee was requested to disseminate relevant information to their audit teams internally that trustees would no longer disclose the Employer Account Balance of individual employees to corresponding employers, unless there is an entitlement of long service payment/severance payment. Trustees would be able to provide the aggregate balance to employers.

The Committee requested SSD to consider communicating to Institute members through appropriate channels. SSD

*[Post meeting note: Information relating to the MPF employer account balance for long service payments has been included in [March 2016 TechWatch](#).]*

There being no further business, the meeting closed at 9:20 a.m.

ERIC TONG  
CHAIRMAN

5 April 2016