

Comparison between Hong Kong and International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements as at 15 July 2012

	Title	IAASB equivalent	Differences in Effective Dates	Other Textual Differences* / Remarks
PREFACE	Amended Preface to the Hong Kong Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements	IAASB Amended Preface	No	Amended Preface to the Hong Kong Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements which is based on IAASB Amended Preface has been locally developed for Hong Kong situation.
GLOSSARY	Glossary of Terms Relating to Hong Kong Standards on Quality Control, Auditing, Review, Other Assurance and Related Services	IAASB Glossary	No	No
HKSQC 1	Quality Controls for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements	ISQC 1	No	No
FRAMEWORK	Hong Kong Framework for Assurance Engagements	IAASB Framework	HK Framework is effective upon issue in October 2004 whereas IAASB Framework is effective for assurance reports issued on or after 1 January 2005.	Hong Kong Framework for Assurance Engagements also covers an additional set of local standards for investment circular reporting engagements, HKSIRs which have no IAASB equivalents.

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HKSA No.	Title	ISA No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSA 200	Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Hong Kong Standards on Auditing	ISA 200	No	No
HKSA 210	Agreeing the Terms of Audit Engagements	ISA 210	No	Additional local guidance and explanations are provided in footnotes 2a, 2b and 2c of HKSA 210. An example audit engagement letter tailor-made for Hong Kong incorporated company is provided in Appendix 1 of HKSA 210.
HKSA 220	Quality Control for an Audit of Financial Statements	ISA 220	No	No
HKSA 230	Audit Documentation	ISA 230	No	No
HKSA 240	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	ISA 240	No	Additional local explanation is provided in footnote 11a and local guidance is provided in Appendix 4 of HKSA 240.
HKSA 250	Consideration of Laws and Regulations in an Audit of Financial Statements	ISA 250	No	Additional local explanation is provided in footnote 12 of HKSA 250.
HKSA 260	Communication with Those Charged with Governance	ISA 260	No	No



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HKSA No.	Title	ISA No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSA 265	Communicating Deficiencies in Internal Control to Those Charged with Governance and Management	ISA 265	No	Additional local guidance is provided in paragraph A9-1 of HKSA 265.
HKSA 300	Planning an Audit of Financial Statements	ISA 300	No	No
HKSA 315	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment	ISA 315	No	No
HKSA 315 (Revised)	Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment	ISA 315 (Revised)	No	No
HKSA 320	Materiality in Planning and Performing an Audit	ISA 320	No	No
HKSA 330	The Auditor's Responses to Assessed Risks	ISA 330	No	No
HKSA 402	Audit Considerations Relating to an Entity Using a Service Organization	ISA 402	No	No
HKSA 450	Evaluation of Misstatements Identified during the Audit	ISA 450	No	No
HKSA 500	Audit Evidence	ISA 500	No	No
HKSA 501	Audit Evidence - Specific Considerations for Selected Items	ISA 501	No	Additional local guidance is provided in footnote 10a and paragraphs A23-1, A23-2 and A23-3 of HKSA 501.

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HKSA No.	Title	ISA No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSA 505	External Confirmations	ISA 505	No	Additional local requirement and guidance are provided in footnote 11a and Appendix 1 of HKSA 505. A standard bank confirmation request form is included in Appendix 2 of HKSA 505.
HKSA 510	Initial Audit Engagements - Opening Balances	ISA 510	No	Additional local explanation and guidance are provided in footnote 5a and Appendix of HKSA 510.
HKSA 520	Analytical Procedures	ISA 520	No	No
HKSA 530	Audit Sampling	ISA 530	No	No
HKSA 540	Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures	ISA 540	No	No
HKSA 550	Related Parties	ISA 550	No	Additional local explanation is provided in footnote 5a of HKSA 550.
HKSA 560	Subsequent Events	ISA 560	No	No
HKSA 570	Going Concern	ISA 570	No	No

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HKSA 580	Written Representations	ISA 580	No	Additional local explanation is provided in footnote 1a and additional local guidance is provided in footnote 2a of Appendix 2 of HKSA 580.
HKSA 600	Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)	ISA 600	No	Additional local explanation is provided in footnote 23a, and Appendices 1 and 6 of HKSA 600.
HKSA 610	Using the Work of Internal Auditors	ISA 610	No	No
HKSA 610 (Revised)	Using the Work of Internal Auditors	ISA 610 (Revised)	No	No
HKSA 620	Using the Work of an Auditor's Expert	ISA 620	No	No
HKSA 700	Forming an Opinion and Reporting on Financial Statements	ISA 700	No	Additional local explanations are provided in footnotes 10a, 10b, 10c, 14a, 19a, 20a and 21a of HKSA 700. Additional local guidance is provided in the Appendix of HKSA 700.
HKSA 705	Modifications to the Opinion in the Independent Auditor's Report	ISA 705	No	Additional local guidance is provided in footnote 3a and Appendix of HKSA 705. Hong Kong Companies Ordinance requires auditor's report to state the auditor's responsibility and to give details of the basis of an audit.



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HKSA No.	Title	ISA No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSA 706	<u>Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report</u>	ISA 706	No	Additional local guidance is provided in Appendix 3 of HKSA 706.
HKSA 710	<u>Comparative Information – Corresponding Figures and Comparative Financial Statements</u>	ISA 710	No	Additional local guidance is provided in footnote 1a and Appendices 1 and 2 of HKSA 710.
HKSA 720	<u>The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements</u>	ISA 720	No	Additional local guidance is provided in footnote 1a and Appendix of HKSA 720.
HKSA 800	<u>Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks</u>	ISA 800	No	Additional local explanations and guidance are provided in footnote 1a and the Appendix of HKSA 800.
HKSA 805	<u>Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement</u>	ISA 805	No	Additional local guidance is provided in Appendix 2 of HKSA 805.
HKSA 810	<u>Engagements to Report on Summary Financial Statements</u>	ISA 810	No	Additional local explanations and guidance are provided in footnotes 2a, 2b, 2c, 2d, 2e, 4a, 6a, 6b, 6c and Appendices 1, 2 and 3 of HKSA 810.

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HKSRE No.	Title	ISRE No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSRE 2400	Engagements to Review Financial Statements	ISRE 2400	ISRE 2400 is effective for reviews of financial statements for periods beginning on or after 15 December 2006. HKSRE 2400 was issued in June 2005 and is effective upon issue.	Additional local guidance is provided in footnote 3a of Appendix 1 of HKSRE 2400.
HKSRE 2410	Review of Interim Financial Information Performed by the Independent Auditor of the Entity	ISRE 2410	No	Additional local guidance is provided in footnotes 1a, 1b, 2a, 3a, 3b, 4a, 5a, 5b, 6a, 7a, 7b, 8a, 9a, 9b, 10a and Appendices 1, 4, 5, 6, 7 and 8 of HKSRE 2410.



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HKSAE No.	Title	ISAE No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSAE 3000	Assurance Engagements Other than Audits or Reviews of Historical Financial Information	ISAE 3000	No	In this HKSAE, a reference is made to an additional set of local standards for investment circular reporting engagements, HKSIRs which have no IAASB equivalents.

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HKSAE No.	Title	ISAE No.	Differences in Effective Dates	Other Textual Differences* / Remarks
No equivalent HKSAE, but there is local guidance, Auditing Guideline 3.341. See also Remarks.	The Examination of Prospective Financial Information	ISAE 3400	N/A	<p>There are differences between ISAE 3400 and Auditing Guideline 3.341 "Accountants' Report on Profit Forecasts".</p> <p>The key differences are:</p> <p>1. <u>Opinion on prospective financial information</u></p> <p>Under ISAE 3400, reporting accountants will give:</p> <ul style="list-style-type: none"> • negative assurance on whether the assumptions provide a reasonable basis for the prospective financial information; and • positive assurance on whether the prospective financial information is properly prepared on the basis of the assumptions and is presented in accordance with the relevant financial reporting framework. <p>Auditing Guideline 3.341, on the other hand, requires the reporting accountants to opine on whether the profit forecast</p>

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		10		<p>has been properly compiled in accordance with the assumptions made by the directors and is presented on a basis consistent with the accounting policies normally adopted by the company.</p> <p>Reporting accountants are not required to report explicitly on the assumptions in their report. However, in the course of their work on the accounting policies and calculations, they will need to consider the assumptions on which the profit forecast has been based. If any of the assumptions which are to be published appear to them to be unrealistic, or if any assumption is to be omitted which appears to them to be important, they should include an appropriate comment in their report. However, the reporting accountants would not comment on any assumption beyond their area of expertise.</p> <p>Auditing Guideline 3.341 was written based on the requirement under Rule 10 of the Codes on Takeovers and Mergers and Share Repurchases which stipulates that when a profit forecast appears in an offering document, the accounting policies and calculations for the forecasts must be examined and reported on by the reporting accountants.</p>



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HKSAE No.	Title	ISAE No.	Differences in Effective Dates	Other Textual Differences* / Remarks
				<p>2. <u>Reporting period</u></p> <p>ISAE 3400 requires the auditors to consider the period of time covered by the prospective financial information and the period would not extend beyond the time for which management has a reasonable basis for the assumptions. It does not put a restriction on the length of period to be covered by the prospective financial information.</p> <p>Auditing Guideline 3.341, on the other hand, requires that reporting accountants should normally restrict their reporting on profit forecasts to those for one year or less from the date to which the last audited financial statements were made up.</p>
HKSAE 3402	Assurance Reports on Controls at a Service Organization	ISAE 3402	No	Additional local explanations are provided in footnotes 18a and 19a of HKSAE 3402.
	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus	ISAE 3420 (effective for reports dated on or after 31 March 2013)		To be considered by AASC in 2012.

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HKSIR No.	Title	IAASB equivalent	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSIR 300	Accountants' Reports on Pro Forma Financial Information in Investment Circulars	No IAASB equivalent.	N/A	N/A
HKSIR 400	Comfort Letters and Due Diligence Meetings on Financial and Non-financial Information	No IAASB equivalent.	N/A	N/A



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HKSRS No.	Title	ISRS No.	Differences in Effective Dates	Other Textual Differences* / Remarks
HKSRS 4400	Engagements to Perform Agreed-Upon Procedures Regarding Financial Information	ISRS 4400	ISRS 4400 was issued in April 2004 as a replacement of ISA 920 of the same title. HKSRS 4400 was issued in November 2004 as a replacement of SAS 710 of the same title.	Additional local guidance is provided in footnote 2 of Appendix 1 of HKSRS 4400.
HKSRS 4410	Engagements to Compile Financial Statements	ISRS 4410	ISRS 4410 was issued in April 2004 as a replacement of ISA 930 of the same title. HKSRS 4410 was issued in November 2004 as a replacement of SAS 720 of the same title.	Additional local guidance is provided in footnote 2a of Appendix 1 of HKSRS 4410.
HKSRS 4410 (Revised)	Compilation Engagements	ISRS 4410 (Revised)	No	Additional local guidance is provided in footnote 6a of Appendix 1 and footnotes 6b, 6c, 7a, 7b and 8a of Appendix 2 of HKSRS 4410 (Revised).

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PN No.	Title	IAPN/IAPS No.	Differences in Effective Dates	Other Textual Differences* / Remarks
PN 600.1	Reports by the auditor under the Hong Kong Companies Ordinance	No equivalent IAPN.	N/A	N/A
PN 620.2	Communications between auditors and the Insurance Authority	No equivalent IAPN.	N/A	N/A
PN 720	Acting as Scrutineer at a General Meeting of a Listed Issuer	No equivalent IAPN.	N/A	N/A
PN 730	Guidance for Auditors Regarding Preliminary Announcements of Annual Results	No equivalent IAPN.	N/A	N/A
PN 740	Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules	No equivalent IAPN.	N/A	N/A
PN 810.1	Insurance brokers – compliance with the minimum requirements specified by the Insurance Authority under sections 69(2) and 70(2) of the Insurance Companies Ordinance	No equivalent IAPN.	N/A	N/A
PN 810.2	The duties of auditors under the Insurance Companies Ordinance	No equivalent IAPN.	N/A	N/A
PN 820	The Audit of Licensed Corporations and Associated Entities of Intermediaries	No equivalent IAPN.	N/A	N/A
PN 830	Reports by the Auditor Under the Banking Ordinance	No equivalent IAPN.	N/A	N/A
PN 840	The audit of solicitors' accounts under the Solicitors' Accounts Rules and the Accountant's Report Rules	No equivalent IAPN.	N/A	N/A



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PN 850	Review of flag day accounts	No equivalent IAPN.	N/A	N/A
PN 851	Review of the annual financial reports of non-governmental organisations	No equivalent IAPN.	N/A	N/A
PN 852	Review of lottery accounts	No equivalent IAPN.	N/A	N/A
PN 860.1	The audit of retirement schemes	No equivalent IAPN.	N/A	N/A
PN 870	The assessments of Certification Authorities under the Electronic Transactions Ordinance	No equivalent IAPN.	N/A	N/A
PN 871	Engagement to report on compliance with the Billing and Metering Integrity Scheme of OFTA	No equivalent IAPN.	N/A	N/A
PN 900 (clarified)	Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard	No equivalent IAPN.	N/A	N/A



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AG No.	Title	IAASB equivalent	Differences in Effective Dates	Other Textual Differences* / Remarks
AG 3.283	Guidance for internal auditors	No IAASB equivalent.	N/A	N/A
AG 3.340	Prospectuses and the reporting accountant	No IAASB equivalent.	N/A	N/A
AG 3.341	Accountants' report on profit forecasts	No IAASB equivalent, see also Remarks in ISAE 3400 above.	N/A	N/A



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HKAPG No.	Title	IAASB equivalent	Differences in Effective Dates	Other Textual Differences* / Remarks
HKAPG 1000	Special Considerations in Auditing Financial Instruments	IAPN 1000	IAPN 1000 was effective upon issued in December 2011. HKAPG 1000 was effective upon issued in July 2012.	No

Notes

- * "Other Textual Differences" do not include differences on references to Hong Kong standards/ code versus International standards/ code in the above standards or guidance e.g. HKSA 200 versus ISA 200, HKICPA Code of Ethics for Professional Accountants versus IESBA Code of Ethics for Professional Accountants, etc.

