



**By e-mail < [Edcomments@ifac.org](mailto:Edcomments@ifac.org) >**

14 February 2008

Our Ref.: C/AASC

Executive Director, Professional Standards  
International Auditing and Assurance Standards Board,  
International Federation of Accountants,  
545 Fifth Avenue, 14<sup>th</sup> Floor,  
New York 10017, USA.

Dear Sir,

**[IAASB Exposure Draft of proposed ISA 620 \(Revised and Redrafted\) Using the Work of an Auditor's Expert](#)**

The Hong Kong Institute of Certified Public Accountants is the only statutory licensing body of accountants in Hong Kong responsible for the professional training, development and regulation of the accountancy profession. The HKICPA sets auditing and assurance standards, ethical standards and financial reporting standards in Hong Kong. We welcome the opportunity to provide you with our comments on the captioned IAASB Exposure Draft.

Before we comment on the subject IAASB Exposure Draft, we would like to take this opportunity to reiterate a point made by us in our submission dated 28 March 2006 on the IAASB Exposure Draft on Improving the Clarity of IAASB Standards. We are of the view that the IAASB should approach the development of the objectives of each ISA together rather than on a piecemeal ISA-by-ISA basis as it works through the clarity project. Accordingly, we strongly recommend that the IAASB commences to look at the objectives in all ISAs and link them to the objective in the proposed ISA 200.

Notwithstanding our above comment, we support the proposed revised and redrafted ISA and consider that generally the objective to be achieved by the auditor, as stated in the proposed revised and redrafted ISA, is appropriate. Furthermore, the criteria identified by the IAASB for determining a requirement has been applied appropriately and consistently such that the resulting requirements will promote consistency and the use of professional judgement by auditors. Our comments on the significant proposal in the proposed revised and redrafted ISA are set out in the attachment.

We trust that our comments are of assistance to you. If you require any clarifications on our comments, please do not hesitate to contact me or Steve Ong, Deputy Director, Standard Setting ([ong@hkiipa.org.hk](mailto:ong@hkiipa.org.hk)).

Yours faithfully,

Patricia McBride  
Executive Director

PM/SO/ac  
Encl.



**ATTACHMENT**

**HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' COMMENTS ON THE  
IAASB EXPOSURE DRAFT OF ISA 620 (REVISED AND REDRAFTED)  
USING THE WORK OF AN AUDITOR'S EXPERT**

**Requests for Specific Comments**

- 1. The proposal that proposed ISA 620 (Revised and Redrafted) deal exclusively with considerations relevant to using the work of an auditor's expert, and accordingly material dealing with the work of management's expert be expanded and moved to [proposed] ISA 500 (Redrafted).**

We support the proposal that proposed ISA 620 deals exclusively with considerations relevant to using the work of an auditor's expert and that material dealing with the work of management's expert be expanded and moved to [proposed] ISA 500 (Redrafted) *Considering the Relevance and Reliability of Audit Evidence*.

- 2. The proposal that the definition of "expert" in proposed ISA 620 (Revised and Redrafted) excludes persons or organizations possessing expertise in accounting or auditing.**

We agree with the proposed definition of "expert" which excludes persons or organizations possessing expertise in accounting or auditing. It is expected that an auditor accepting an engagement would possess the required accounting and auditing expertise.

In addition, we support the distinction made between the auditor's internal experts who are members of the engagement team and external experts. This is in line with the definition of "engagement team" in proposed ISA 220 (Redrafted) *Quality Control for an Audit of Financial Statements* and proposed ISQC 1 (Redrafted) *Quality Control for Firms that Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*.

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