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

Dear members,

Members' handbook updates

Please note that the Institute has issued the following members' handbook updates recently:

Update 142 contains:
Revised HKSAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and revised PN 850 *Reporting on Flag Days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department*

HKSAE 3000 (Revised) conforms with ISA 3000 (Revised) issued by the IAASB in December 2013. HKSAE 3000 (Revised) covers a wide variety of engagements, ranging from assurance on statements about the effectiveness of internal control, for example, to assurance on sustainability reports and possible future engagements addressing integrated reporting. The standard covers both reasonable and limited assurance engagements, and introduces guidance designed to help readers better understand these two levels of assurance.

HKSAE 3000 (Revised) and related conforming amendments are effective for assurance reports dated on or after 15 December 2015.

Guidance in the *Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)* has been elevated into the revised PN 850. The revised PN 850 provides guidance for reporting on both flag days and general charitable fund raising activities. HKSAE 3000 is the reporting framework used for these engagements.

The revised PN 850 is effective upon issue.

Update 143 contains:
Updated Professional Accountants Ordinance (Cap. 50) and Professional Accountants By-laws (Cap. 50A)

Update 144 contains:
Updated Statement 1.103 *Corporate Practices (Professional Indemnity) Rules*

The new Companies Ordinance (Cap. 622) has commenced operation since 3 March 2014. As a result, consequential amendment has been made to the *Corporate Practices (Professional Indemnity) Rules*.

Update 145 contains:
Amendment to SME-FRF & SME-FRS (Revised) clarifying non-exempt disclosure requirements of the new Companies Ordinance for qualifying entities

This amendment to SME-FRF & SME-FRS (Revised) does not impose additional financial reporting requirements to companies. This amendment clarifies Part D of Appendix 1 of the standard on the non-exempt disclosure requirements of the new Companies Ordinance for qualifying entities.

Update 146 contains:
HKSIR 500 *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness*

The purpose of new HKSIR 500 is to establish standards and provide guidance for reporting accountants when providing letters on the following information included in an investment circular:

- profit forecast
- statement of sufficiency of working capital
- statement of indebtedness

This is to update extant guidance with the current assurance and related services pronouncements as well as the new sponsors' regime. The HKSIR 500 is effective for engagements where the investment circular is dated on or after 1 July 2014 with early adoption permissible.

AG 3.340 *Prospectuses and the reporting accountant* is updated to reflect that the respective guidance on reports on working capital requirements (paragraphs 67 to 71) and reports on borrowings (paragraphs 72 to 75) in extant AG 3.340 will be superseded by HKSIR 500 for engagements where the investment circular is dated on or after 1 July 2014.

AG 3.341 *Accountants' report on profit forecasts* is updated to reflect that it will be superseded by HKSIR 500 for engagements where the investment circular is dated on or after 1 July 2014.

Update 147 contains:
Consequential amendments to HKFRS

The Institute has taken the opportunity to incorporate the amendments applicable on 1 January 2013 which were previously set out in the appendix to the standards in the relevant affected HKFRS.

Sincere regards,

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