



9 January 2024

To: Members of the Hong Kong Institute of CPAs  
All other interested parties

**INVITATION TO COMMENT ON INTERNATIONAL AUDITING AND ASSURANCE  
STANDARDS BOARD'S (IAASB) EXPOSURE DRAFT**

**Proposed Narrow Scope Amendments to:**

- International Standards on Quality Management (ISQMs);
- International Standards on Auditing (ISAs); and
- International Standard on Review Engagements (ISRE) 2400 (Revised),  
*Engagements to Review Historical Financial Statement*  
as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the IESBA Code

***Comments to be received by 8 March 2024***

The Hong Kong Institute of Certified Public Accountants' (Institute) Auditing and Assurance Standards Committee is seeking comments on the IAASB's Exposure Draft (ED) on Proposed Narrow Scope Amendments to ISQMs; ISAs; and ISRE 2400 (Revised) as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity (PIE) in the IESBA Code.<sup>1</sup>

These proposed revisions have two key objectives. First, they would align definitions and requirements in IAASB standards with new definitions for publicly traded and PIEs in the IESBA Code. Second, the amendments would extend the applicability of existing differential requirements for listed entities to meet heightened stakeholder expectations regarding audits of PIE.

Key proposed revisions include extending the scope of the entities included under the ISQMs and the ISAs such that they will be subject to:

- Engagement quality reviews;
- Providing transparency in the auditor's report on specific aspects of the audit, including auditor independence, communicating key audit matters, and the engagement partner's name; and
- Communicating with those charged with governance to help them fulfill their responsibility overseeing the financial reporting process, (e.g., communicating about quality management and auditor independence).

The ED should be read along with the Explanatory Memorandum (EM) that accompanies it which have been posted on the Institute's website at:

<https://www.hkicpa.org.hk/en/Standards-setting/Standards/Open-for-comment-documents/Auditing-and-Assurance>

Questions for respondents have been included in Section 2 "Questions for Respondents" of the EM to solicit specific feedback on the proposed amendments.

---

<sup>1</sup> The International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*)



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

In accordance with the Institute's due process, comments are invited from any interested party and the Institute would like to hear from both those who do agree and those who do not agree with the contents of the ED.

Comments should be supported by specific reasoning and should be submitted in written form.

To allow your comments on the ED to be considered, comments are requested by the due date shown above.

Comments may be sent by mail, fax or e-mail to:

Standard Setting Department  
Hong Kong Institute of Certified Public Accountants  
37/F., Wu Chung House  
213 Queen's Road East  
Hong Kong

Fax number (+852) 2865 6603

E-mail: [commentletters@hki CPA.org.hk](mailto:commentletters@hki CPA.org.hk)

Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.