



Quick statistics

Survey 54523 'Member survey - Listed company auditor regulation reform proposals'

Results

Survey 54523

Number of records in this query:	4559
Total records in survey:	4559
Percentage of total:	100.00%



Quick statistics

Survey 54523 'Member survey - Listed company auditor regulation reform proposals'



Field summary for 10

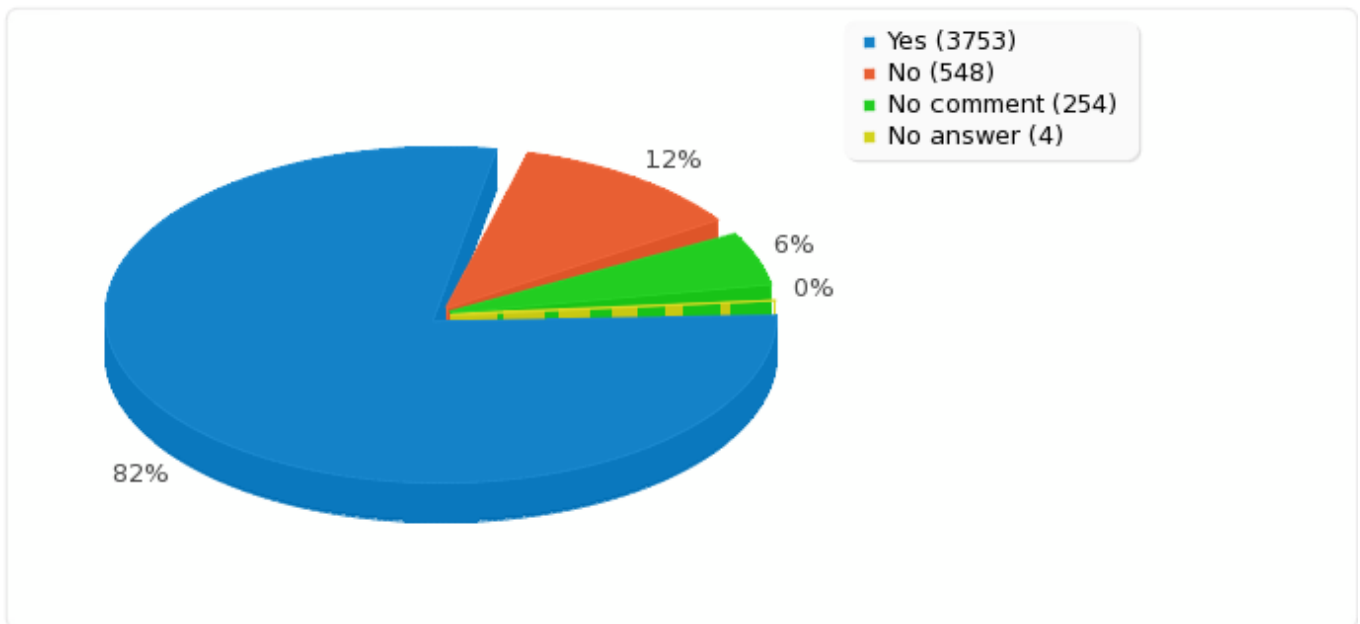
1. Do you agree that we should introduce more independence to listed company auditor regulation system to maintain Hong Kong capital markets' and auditing profession's international reputation?

Answer	Count	Percentage
Yes (A1)	3753	82.32%
No (A2)	548	12.02%
No comment (A3)	254	5.57%
Comments	270	5.92%
No answer	4	0.09%
Not completed or Not displayed	0	0.00%



Field summary for 10

1. Do you agree that we should introduce more independence to listed company auditor regulation system to maintain Hong Kong capital markets' and auditing profession's international reputation?
-





Field summary for 20

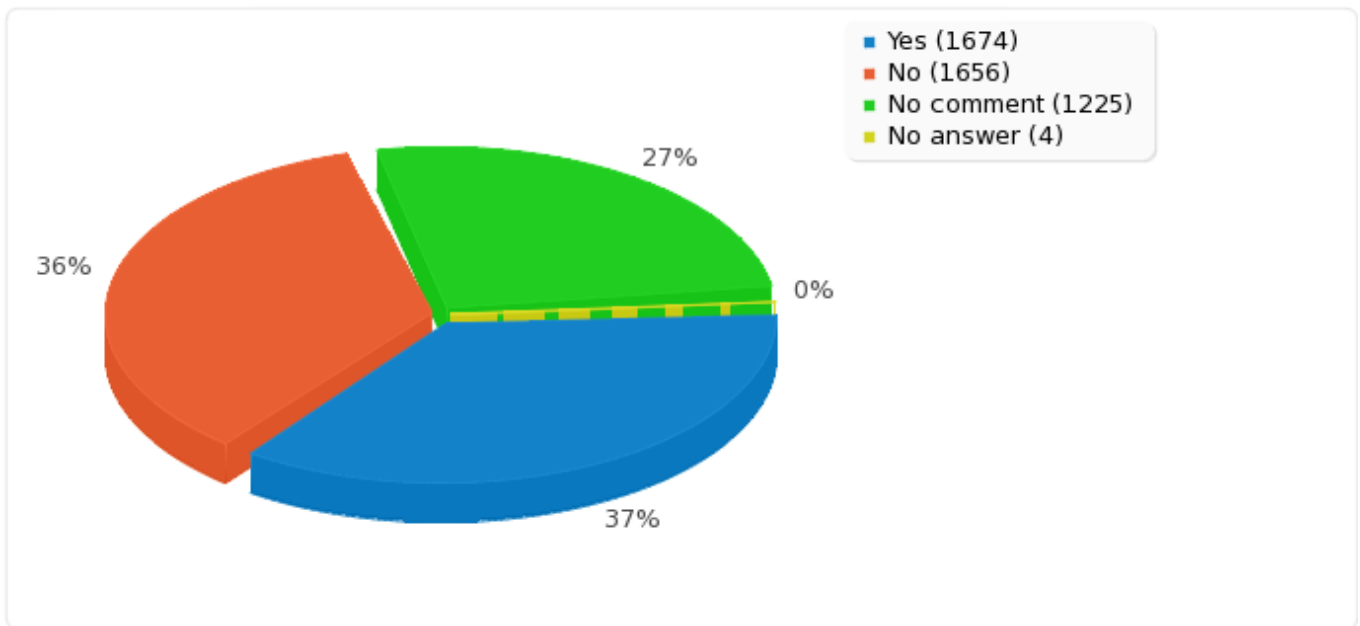
2. EC equivalence requirements are wider than IFIAR membership criteria and extend the IOB's responsibilities to cover Registration, CPD and Standard Setting. Should obtaining EC equivalence be an objective of the reform exercise?

Answer	Count	Percentage
Yes (B1)	1674	36.72%
No (B2)	1656	36.32%
No comment (B3)	1225	26.87%
Comments	234	5.13%
No answer	4	0.09%
Not completed or Not displayed	0	0.00%



Field summary for 20

2. EC equivalence requirements are wider than IFIAR membership criteria and extend the IOB's responsibilities to cover Registration, CPD and Standard Setting. Should obtaining EC equivalence be an objective of the reform exercise?





Field summary for 30

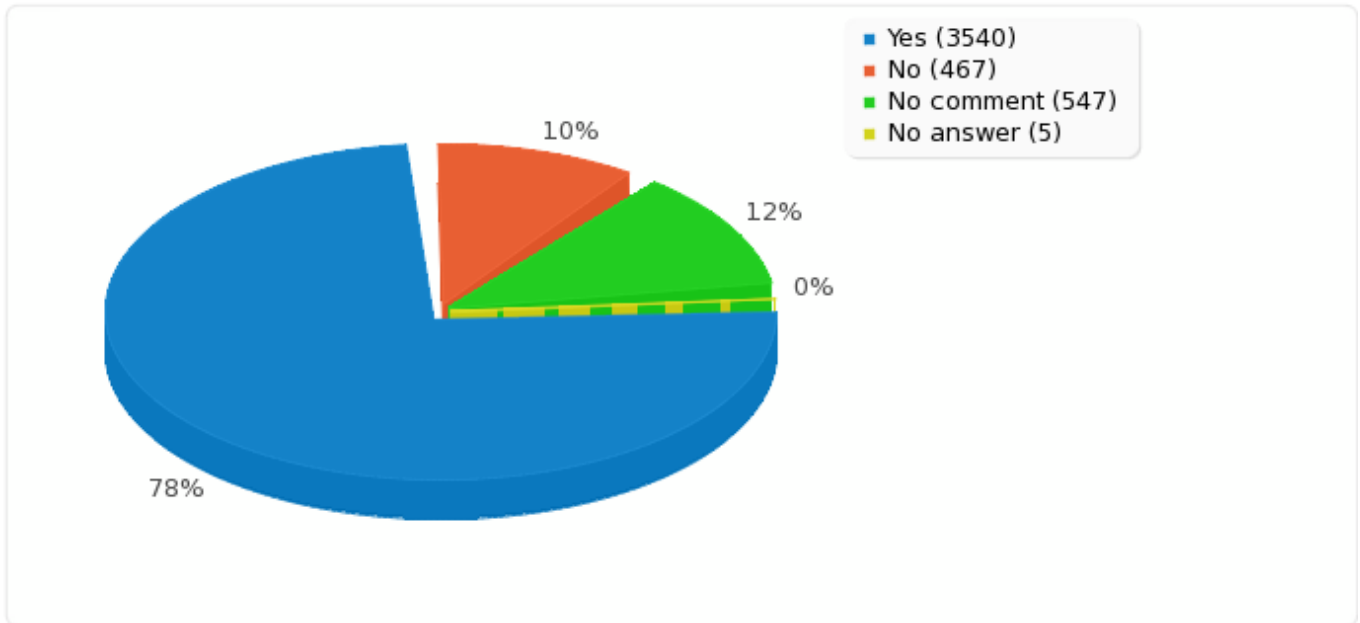
3. If HKICPA continues to be responsible for Registration, CPD and Standard Setting, HKICPA believes that the responsibilities should be derived from direct assignment in law and NOT delegated from the IOB. Do you agree?

Answer	Count	Percentage
Yes (B1)	3540	77.65%
No (B2)	467	10.24%
No comment (B3)	547	12.00%
Comments	179	3.93%
No answer	5	0.11%
Not completed or Not displayed	0	0.00%



Field summary for 30

3. If HKICPA continues to be responsible for Registration, CPD and Standard Setting, HKICPA believes that the responsibilities should be derived from direct assignment in law and NOT delegated from the IOB. Do you agree?





Field summary for 40

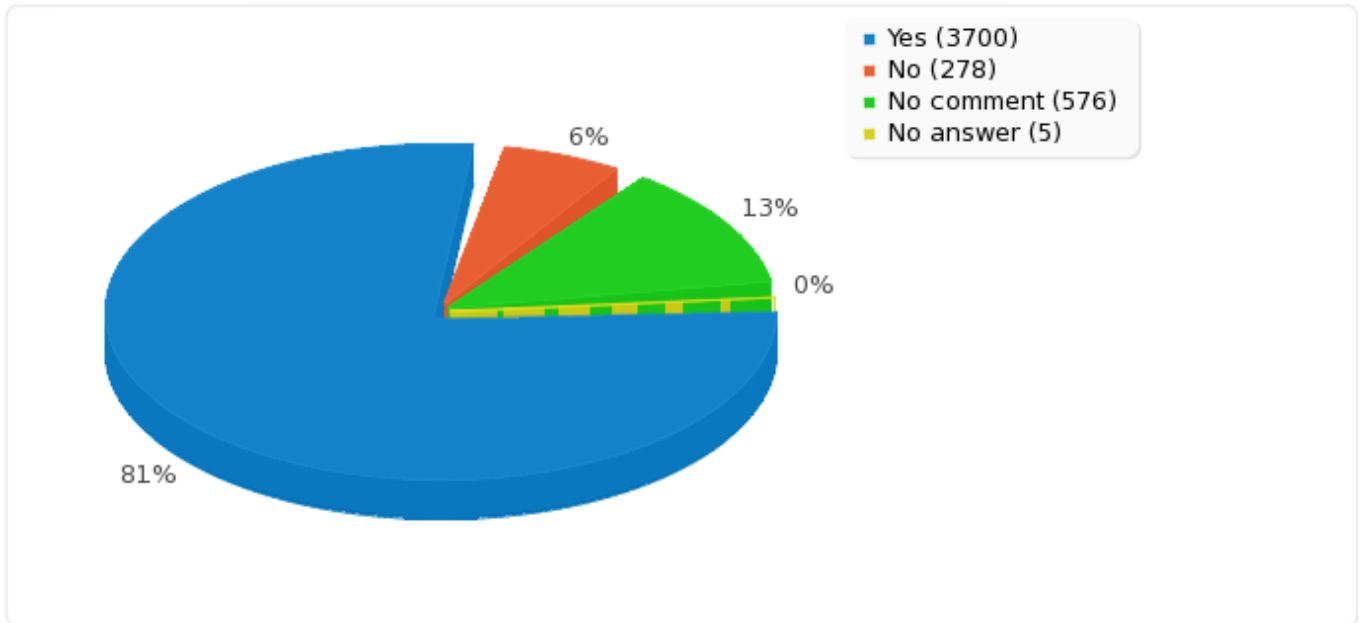
4. There are different ways to exercise oversight. HKICPA believes that the proposed oversight should NOT be constructed to go beyond the minimum required for EC equivalence and give the IOB ownership of Registration, CPD and Standard Setting. Do you agree?

Answer	Count	Percentage
Yes (B1)	3700	81.16%
No (B2)	278	6.10%
No comment (B3)	576	12.63%
Comments	133	2.92%
No answer	5	0.11%
Not completed or Not displayed	0	0.00%



Field summary for 40

4. There are different ways to exercise oversight. HKICPA believes that the proposed oversight should NOT be constructed to go beyond the minimum required for EC equivalence and give the IOB ownership of Registration, CPD and Standard Setting. Do you agree?





Field summary for 50

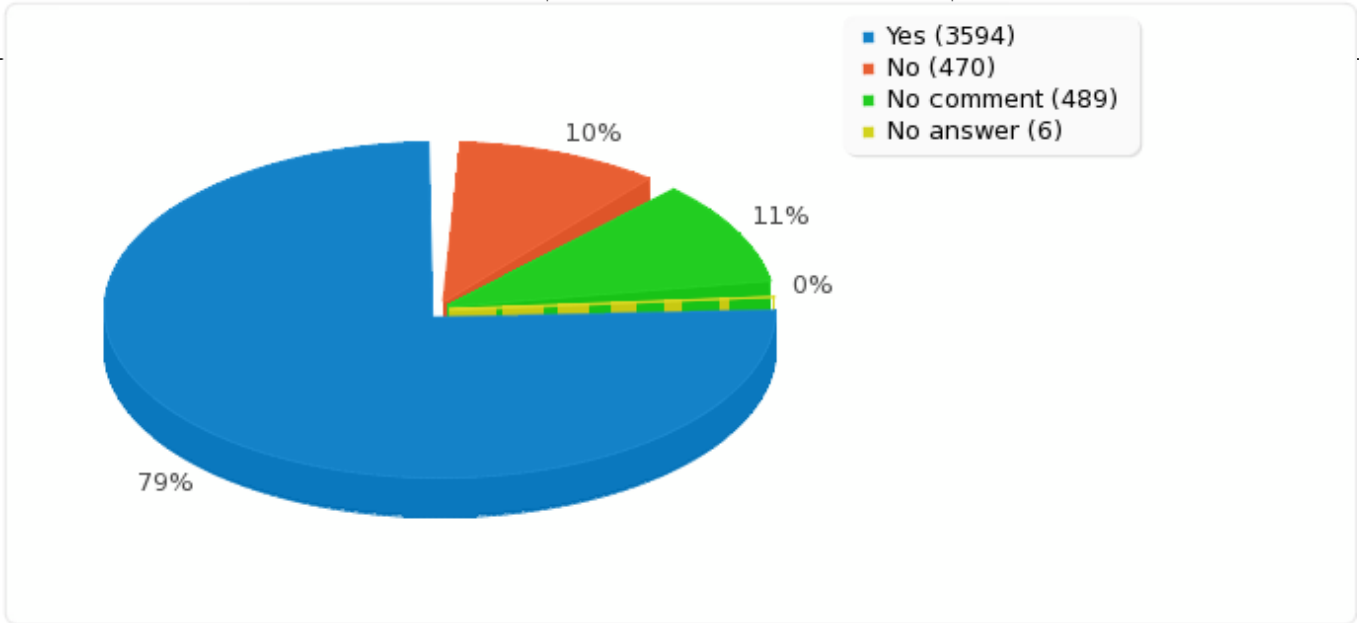
5. The framework proposes that in addition to firms, three categories of individual should also be registered - PIE engagement partners, engagement quality control reviewers (EQCR) and the person(s) with overall responsibility for quality control in the firm. HKICPA has no objection in principle to the first two categories. HKICPA does not consider that one individual should be held responsible for firm-wide problems that are the collective responsibility of the firm. Do you agree?

Answer	Count	Percentage
Yes (B1)	3594	78.83%
No (B2)	470	10.31%
No comment (B3)	489	10.73%
Comments	201	4.41%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 50

5. The framework proposes that in addition to firms, three categories of individual should also be registered - PIE engagement partners, engagement quality control reviewers (EQCR) and the person(s) with overall responsibility for quality control in the firm. HKICPA has no objection in principle to the first two categories. HKICPA does not consider that one individual should be held responsible for firm-wide problems that are the





Field summary for 60

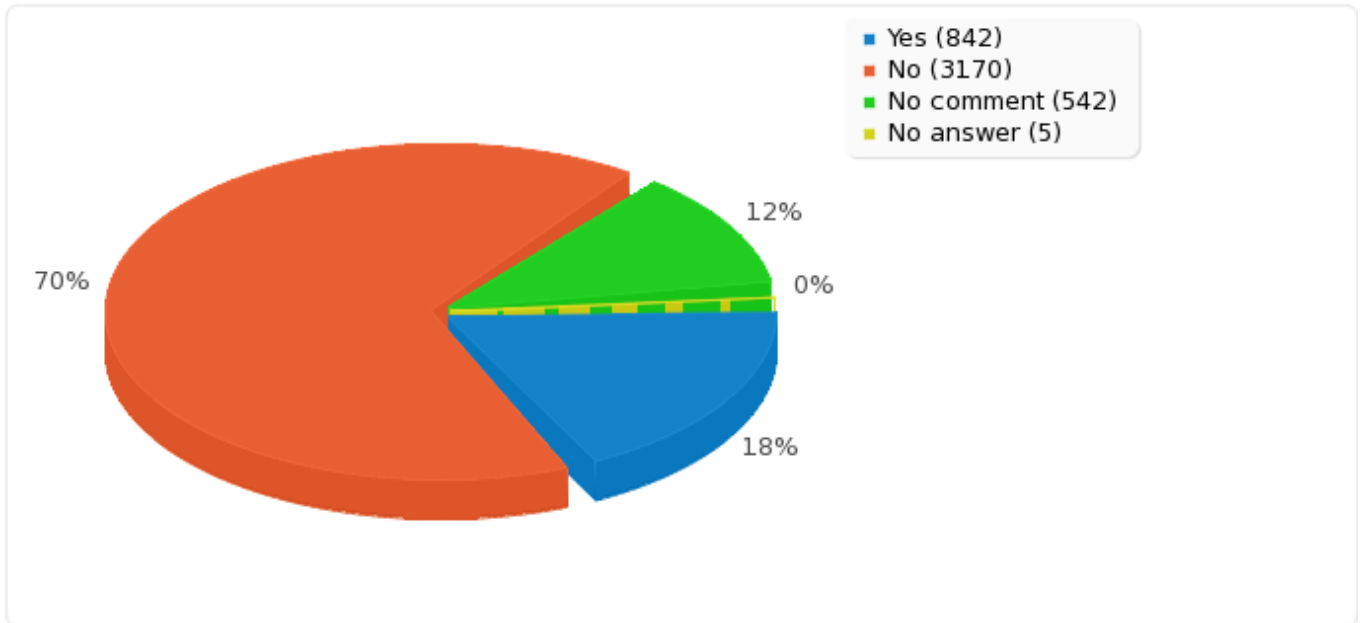
6. Do you feel comfortable with the IOB having power to approve/refuse registration or renewal, instead of passing the information to HKICPA.

Answer	Count	Percentage
Yes (B1)	842	18.47%
No (B2)	3170	69.53%
No comment (B3)	542	11.89%
Comments	230	5.04%
No answer	5	0.11%
Not completed or Not displayed	0	0.00%



Field summary for 60

6. Do you feel comfortable with the IOB having power to approve/refuse registration or renewal, instead of passing the information to HKICPA.





Field summary for 70

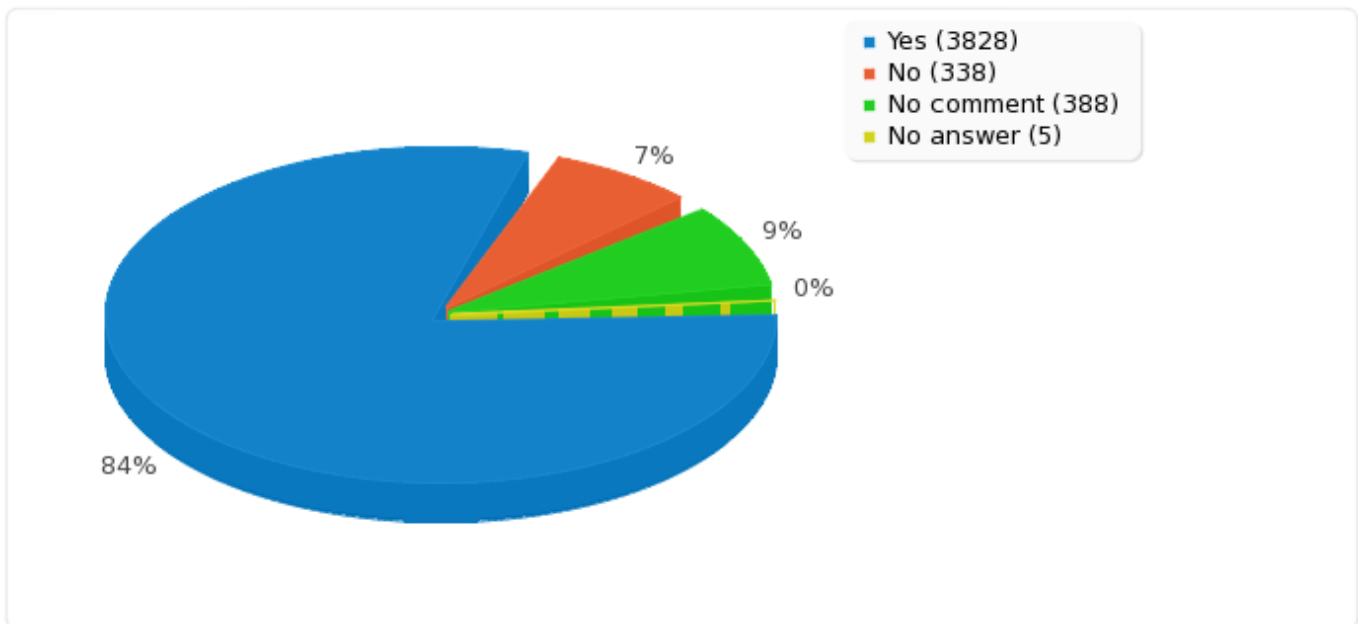
7. HKICPA believes that the "fit and proper" criteria that have to be met for registration of firms and individuals should be the same as the current criteria used for HKICPA membership; and that "fit and proper" tests should NOT be used to introduce additional registration criteria. Do you agree?

Answer	Count	Percentage
Yes (B1)	3828	83.97%
No (B2)	338	7.41%
No comment (B3)	388	8.51%
Comments	148	3.25%
No answer	5	0.11%
Not completed or Not displayed	0	0.00%



Field summary for 70

7. HKICPA believes that the "fit and proper" criteria that have to be met for registration of firms and individuals should be the same as the current criteria used for HKICPA membership; and that "fit and proper" tests should NOT be used to introduce additional registration criteria. Do you agree?





Field summary for 80

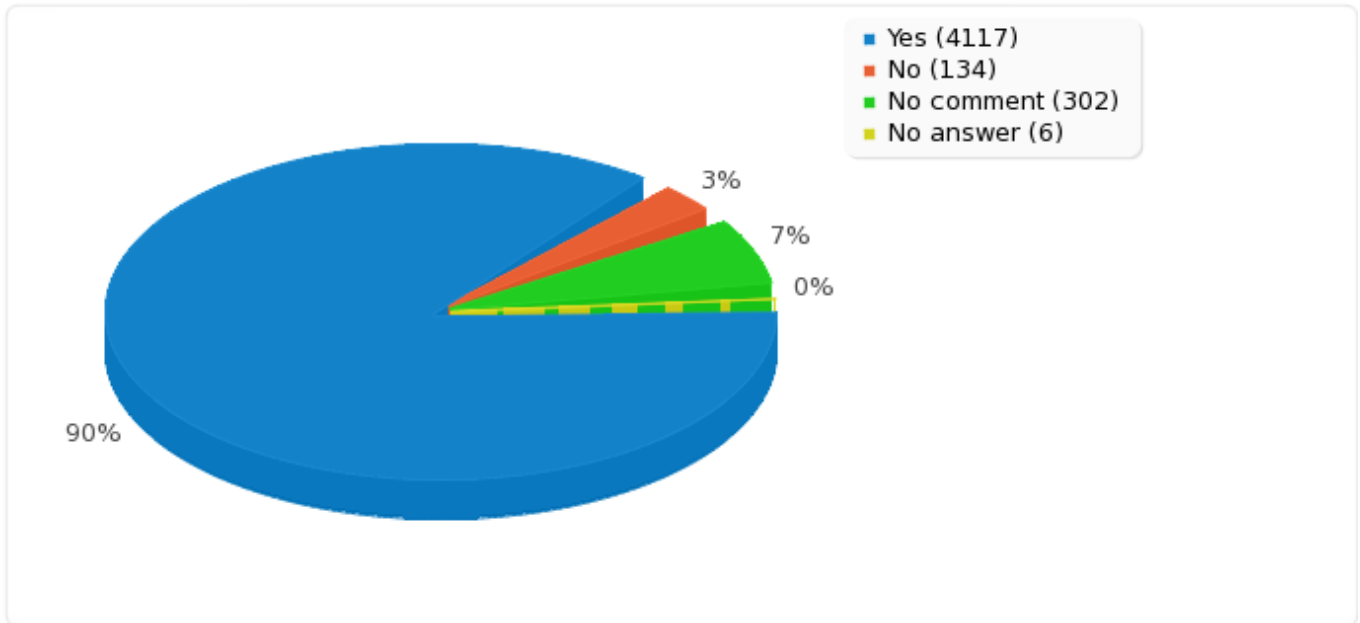
8. HKICPA believes that cross-border regulation could NOT be effective without certainty about the quality of regulation in other jurisdictions. Do you agree?

Answer	Count	Percentage
Yes (B1)	4117	90.30%
No (B2)	134	2.94%
No comment (B3)	302	6.62%
Comments	122	2.68%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 80

8. HKICPA believes that cross-border regulation could NOT be effective without certainty about the quality of regulation in other jurisdictions. Do you agree?





Field summary for 90

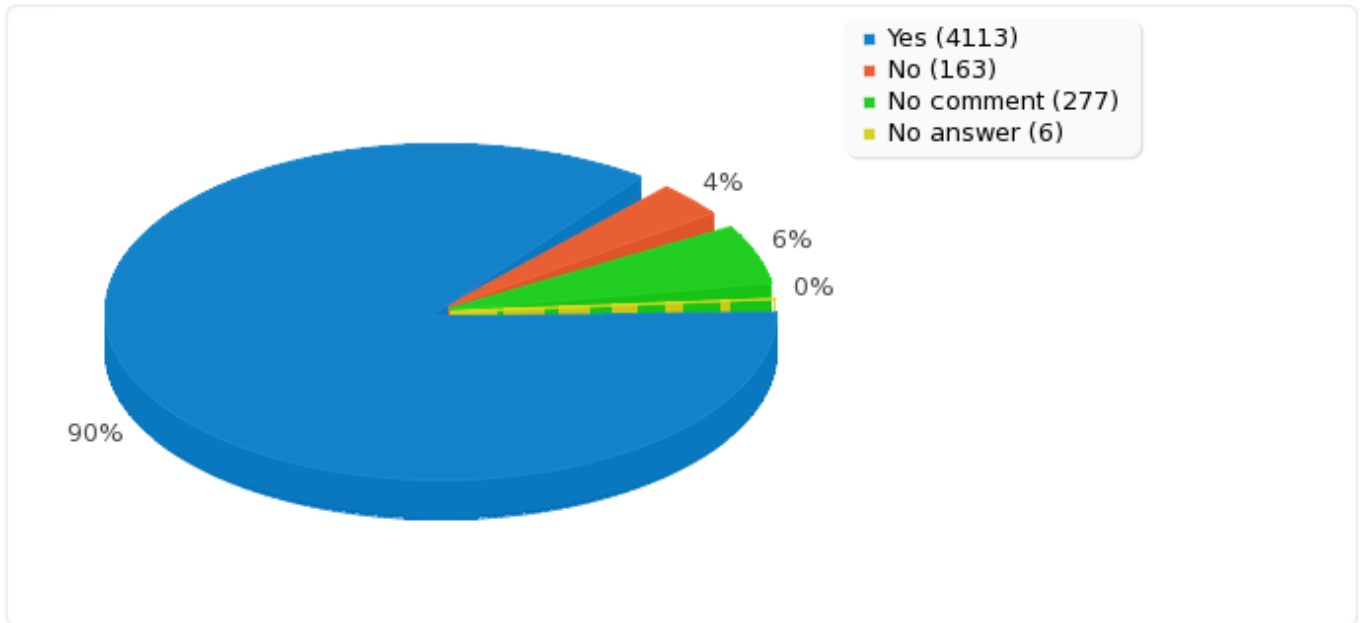
9. HKICPA believes that there should be a clear separation of responsibility between "inspection and investigation" and "subsequent disciplinary action."
Do you agree?

Answer	Count	Percentage
Yes (B1)	4113	90.22%
No (B2)	163	3.58%
No comment (B3)	277	6.08%
Comments	157	3.44%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 90

9. HKICPA believes that there should be a clear separation of responsibility between "inspection and investigation" and "subsequent disciplinary action."
Do you agree?





Field summary for 100

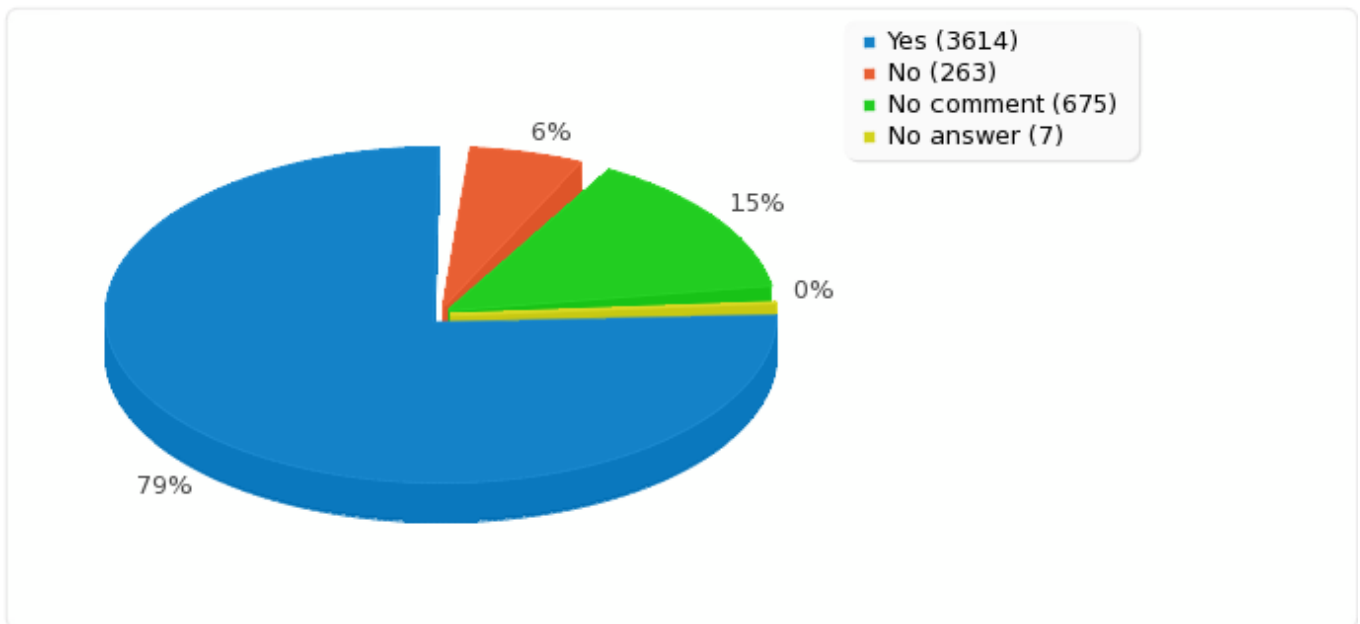
10. Among the three proposed options for the structure of Enforcement/Disciplinary proceedings, HKICPA prefers option (b) "Cases arising from inspection and investigation be sent to a fully independent disciplinary committee for decision and sanctioning" as it's the only option that can ensure independence of the functions. Do you agree?

Answer	Count	Percentage
Yes (B1)	3614	79.27%
No (B2)	263	5.77%
No comment (B3)	675	14.81%
Comments	122	2.68%
No answer	7	0.15%
Not completed or Not displayed	0	0.00%



Field summary for 100

10. Among the three proposed options for the structure of Enforcement/Disciplinary proceedings, HKICPA prefers option (b) "Cases arising from inspection and investigation be sent to a fully independent disciplinary committee for decision and sanctioning" as it's the only option that can ensure independence of the functions. Do you agree?





Field summary for 110

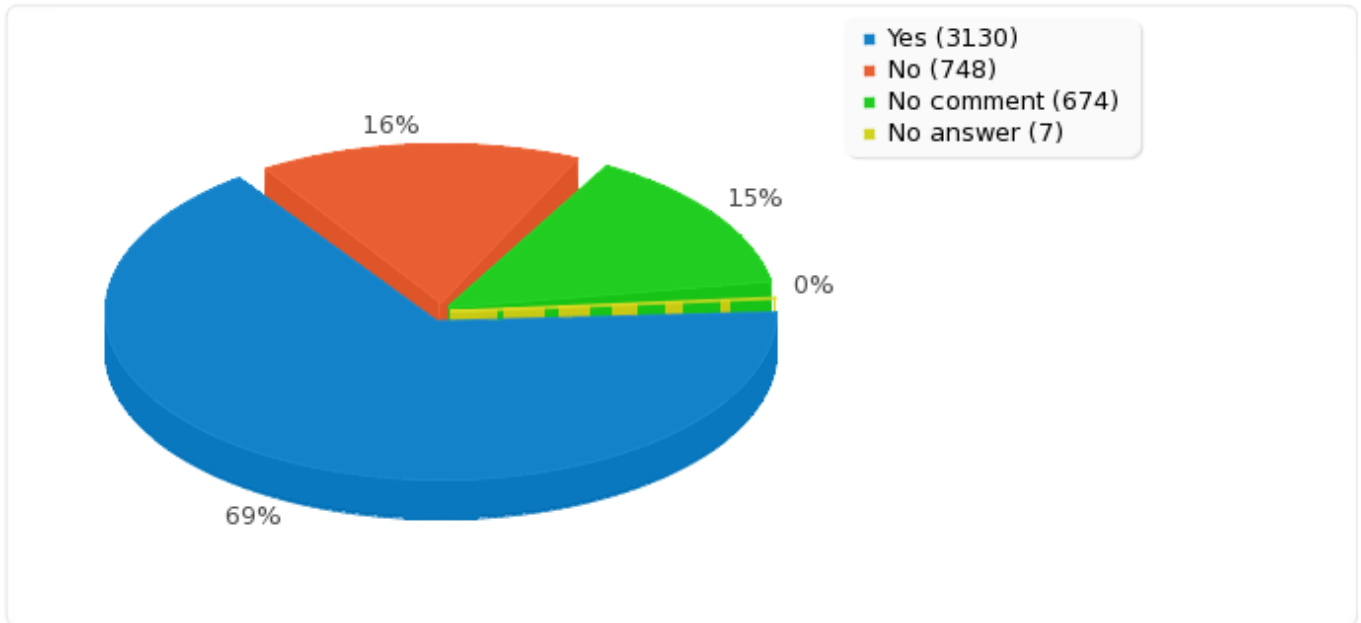
11. HKICPA proposes the "fourth option" which allows for disciplinary action to be concluded, with the consent of both parties, without proceeding to a formal disciplinary hearing. Do you agree?

Answer	Count	Percentage
Yes (B1)	3130	68.66%
No (B2)	748	16.41%
No comment (B3)	674	14.78%
Comments	158	3.47%
No answer	7	0.15%
Not completed or Not displayed	0	0.00%



Field summary for 110

11. HKICPA proposes the "fourth option" which allows for disciplinary action to be concluded, with the consent of both parties, without proceeding to a formal disciplinary hearing. Do you agree?





Field summary for 120

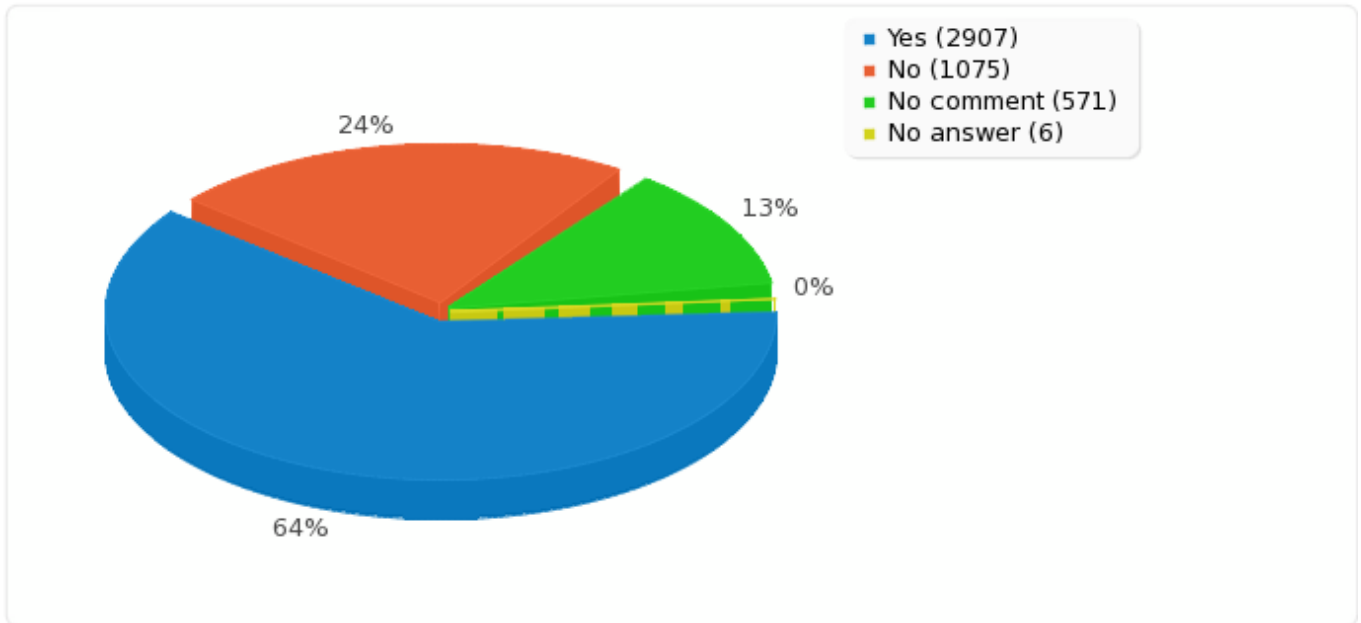
12. HKICPA believes that monetary fines are NOT necessary if the IOB has the power to suspend or withdraw registration - which have potentially more serious consequences of reputational damage and civil action. Do you agree?

Answer	Count	Percentage
Yes (B1)	2907	63.76%
No (B2)	1075	23.58%
No comment (B3)	571	12.52%
Comments	204	4.47%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 120

12. HKICPA believes that monetary fines are NOT necessary if the IOB has the power to suspend or withdraw registration - which have potentially more serious consequences of reputational damage and civil action. Do you agree?





Field summary for 130

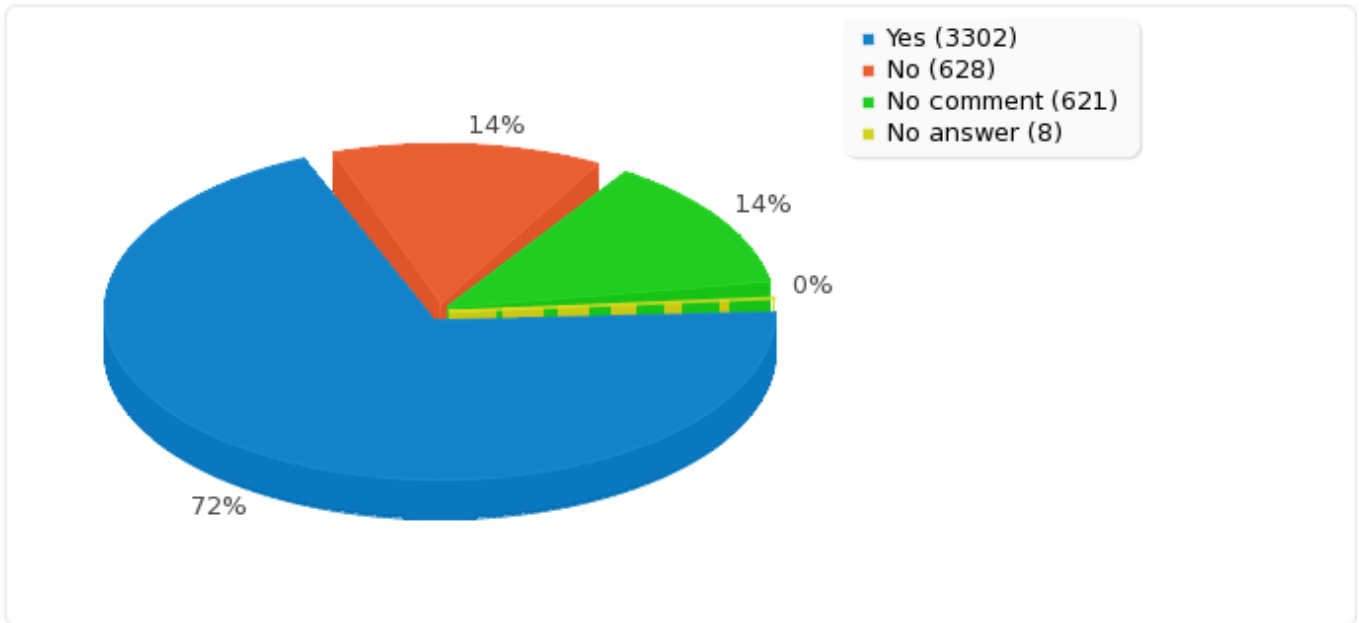
13. If monetary penalties are included in sanctions available to the IOB, HKICPA believes that determining the level of penalty by a multiple of profit is NOT appropriate; instead, penalties should be proportionate and determined by a range of factors including a firm's financial resources. Do you agree?

Answer	Count	Percentage
Yes (B1)	3302	72.43%
No (B2)	628	13.77%
No comment (B3)	621	13.62%
Comments	210	4.61%
No answer	8	0.18%
Not completed or Not displayed	0	0.00%



Field summary for 130

13. If monetary penalties are included in sanctions available to the IOB, HKICPA believes that determining the level of penalty by a multiple of profit is NOT appropriate; instead, penalties should be proportionate and determined by a range of factors including a firm's financial resources. Do you agree?





Field summary for 140

14. The framework proposes the monetary penalties will be capped at the greater of \$10 million or three times the profit made or loss avoided in carrying out the audit. Do you agree?

If not, what is a reasonable amount as the maximum penalty?

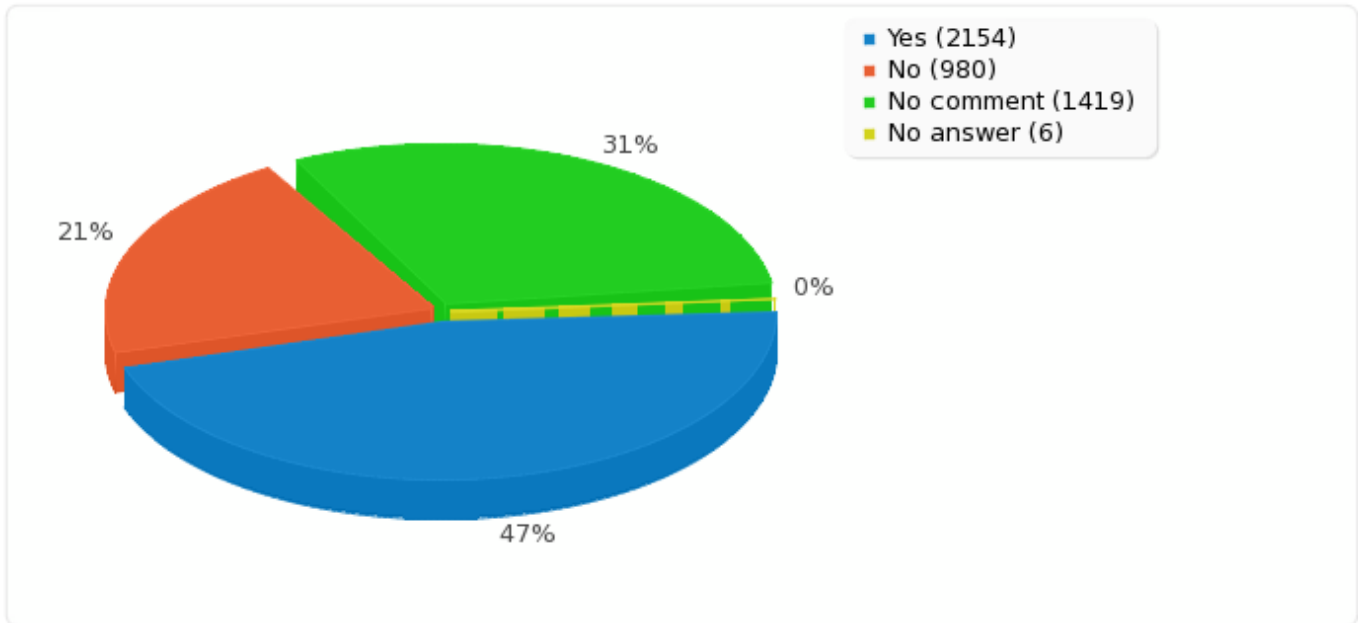
Answer	Count	Percentage
Yes (B1)	2154	47.25%
No (B2)	980	21.50%
No comment (B3)	1419	31.13%
Comments	694	15.22%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 140

14. The framework proposes the monetary penalties will be capped at the greater of \$10 million or three times the profit made or loss avoided in carrying out the audit. Do you agree?

If not, what is a reasonable amount as the maximum penalty?





Field summary for 150

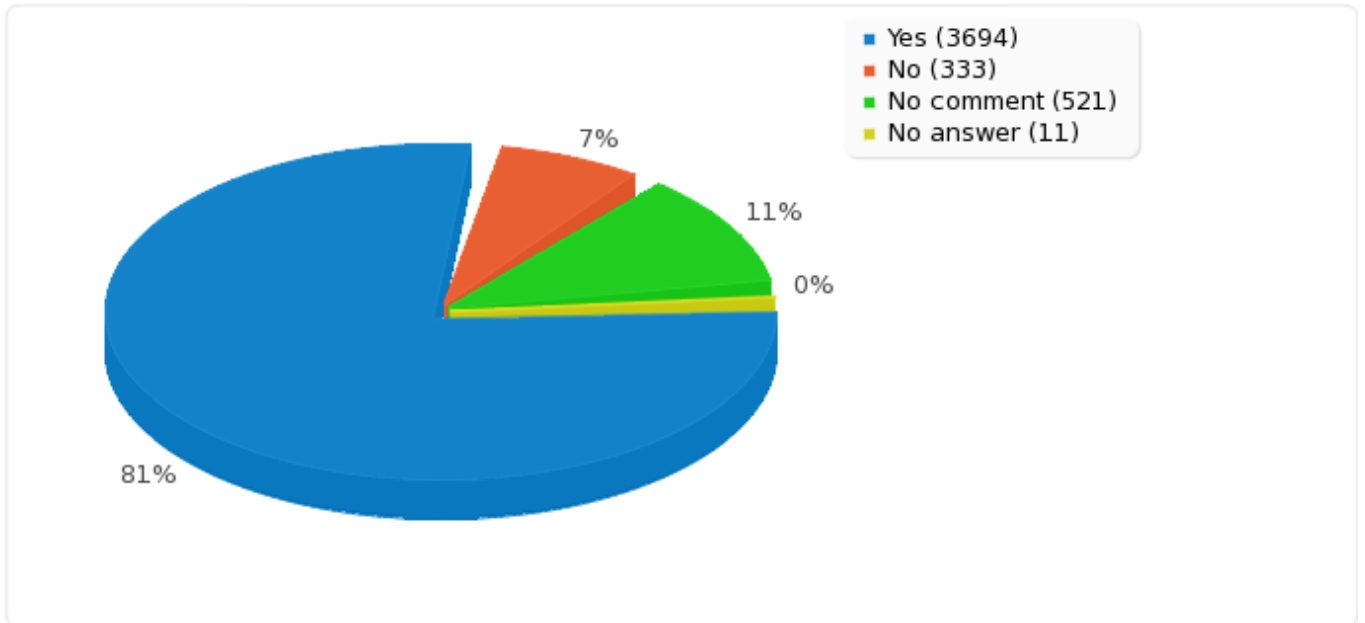
15. HKICPA believes that the new system should NOT include endorsement of auditing and ethical standards by the IOB as it goes beyond the requirements of oversight. Do you agree?

Answer	Count	Percentage
Yes (B1)	3694	81.03%
No (B2)	333	7.30%
No comment (B3)	521	11.43%
Comments	131	2.87%
No answer	11	0.24%
Not completed or Not displayed	0	0.00%



Field summary for 150

15. HKICPA believes that the new system should NOT include endorsement of auditing and ethical standards by the IOB as it goes beyond the requirements of oversight. Do you agree?





Field summary for 160

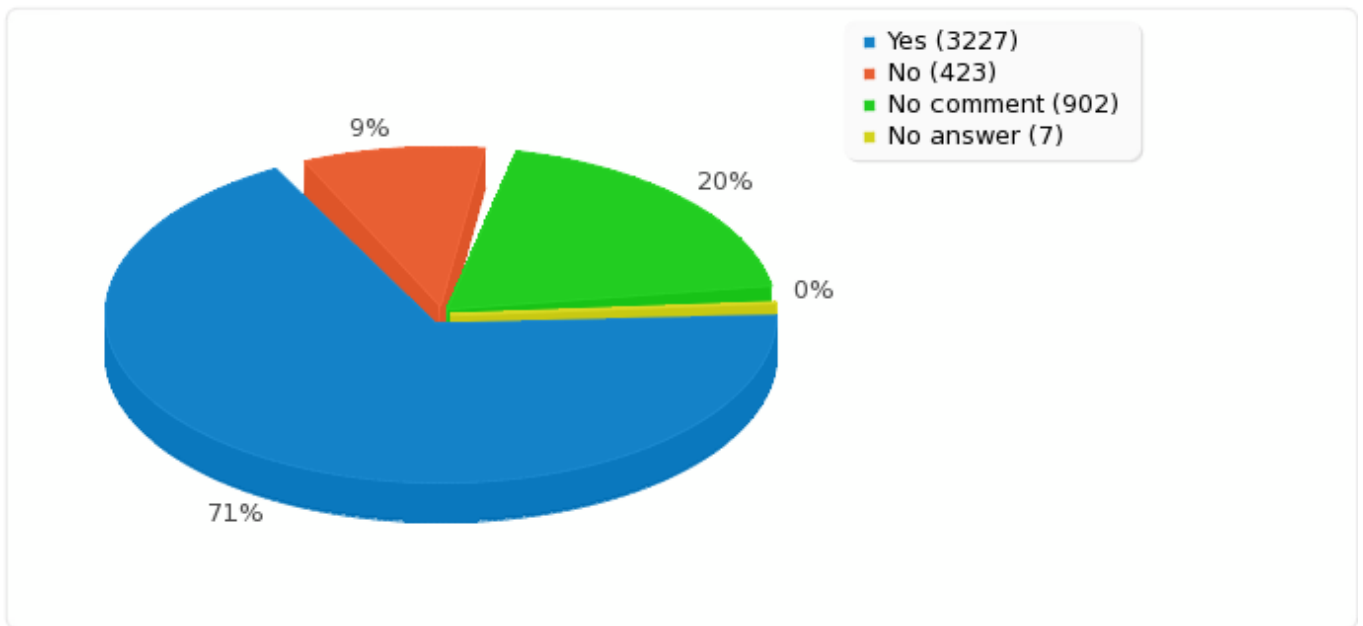
16. HKICPA believes that there should be NO reference in the regulatory framework to the right of the IOB (and HKICPA) to participate in international standard setting forums. Do you agree?

Answer	Count	Percentage
Yes (B1)	3227	70.78%
No (B2)	423	9.28%
No comment (B3)	902	19.79%
Comments	95	2.08%
No answer	7	0.15%
Not completed or Not displayed	0	0.00%



Field summary for 160

16. HKICPA believes that there should be NO reference in the regulatory framework to the right of the IOB (and HKICPA) to participate in international standard setting forums. Do you agree?





Field summary for 170

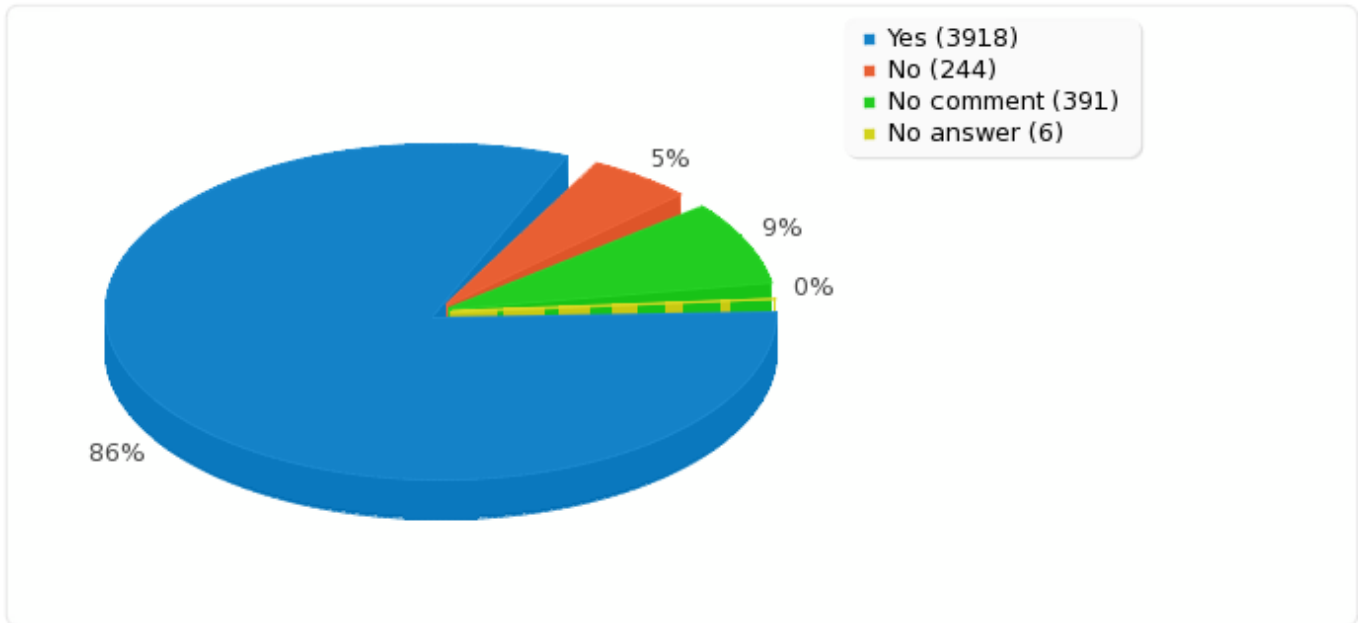
17. HKICPA believes that funding of the IOB should be from sources independent of audit profession, and HKICPA should NOT be involved in determination or collection of funding fees or levies. Do you agree?

Answer	Count	Percentage
Yes (B1)	3918	85.94%
No (B2)	244	5.35%
No comment (B3)	391	8.58%
Comments	206	4.52%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 170

17. HKICPA believes that funding of the IOB should be from sources independent of audit profession, and HKICPA should NOT be involved in determination or collection of funding fees or levies. Do you agree?





Field summary for 180

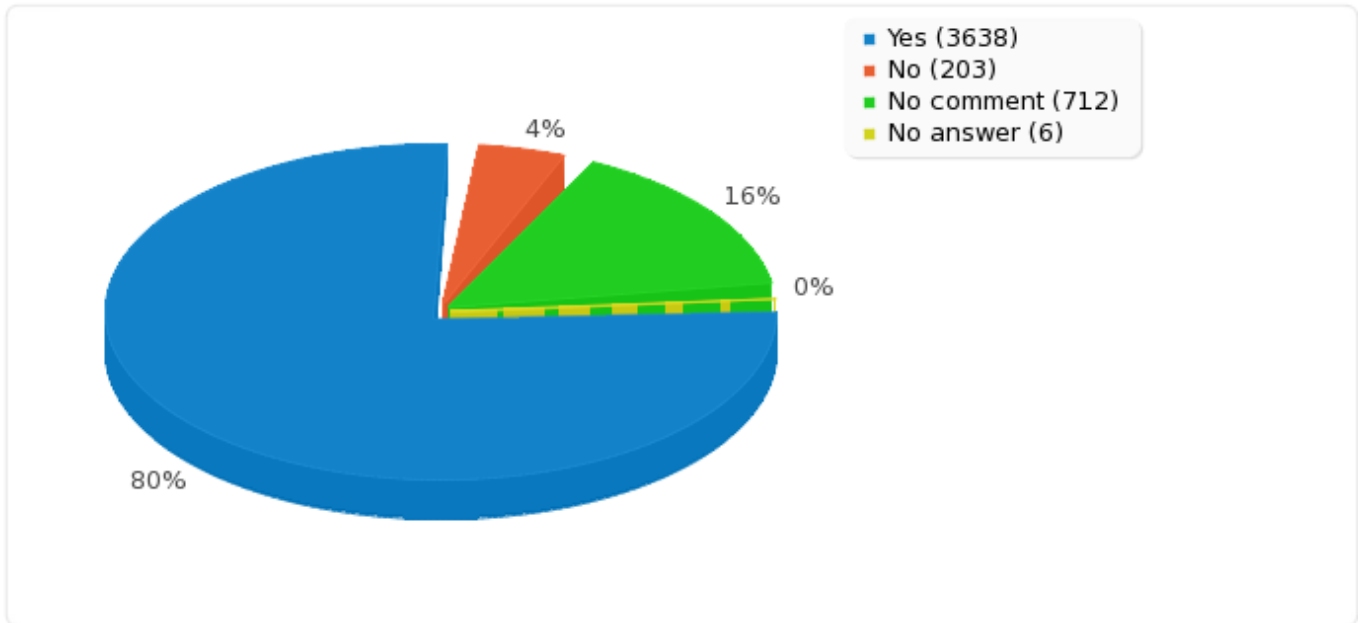
18. HKICPA believes that future composition of the governing and decision making bodies of the IOB should include individuals with substantial knowledge and experience of auditing. Do you agree? If so, what is your suggested composition?

Answer	Count	Percentage
Yes (B1)	3638	79.80%
No (B2)	203	4.45%
No comment (B3)	712	15.62%
Comments	674	14.78%
No answer	6	0.13%
Not completed or Not displayed	0	0.00%



Field summary for 180

18. HKICPA believes that future composition of the governing and decision making bodies of the IOB should include individuals with substantial knowledge and experience of auditing. Do you agree? If so, what is your suggested composition?





Field summary for 190

Any additional comments:

Answer	Count	Percentage
Answer	4447	97.54%
No answer	112	2.46%
Not completed or Not displayed	0	0.00%



Field summary for 190

Any additional comments:

