



Minutes of the 335th meeting of the Auditing and Assurance Standards Committee held on Tuesday, 25 June 2013 at 8:30 a.m. in the Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.

Present: Mr. Dennis Ho (Chairman)
Mr. Derek Broadley (Deputy Chairman)
Ms. Mabel Cheung
Mr. Ringo Chiu
Mr. Jonathan Lai
Mr. Patrick Law
Ms. Grace Ma
Mr. Ian Parker
Mr. Paul Phenix
Mr. Thomas Wong

In attendance: Mr. Simon Riley, Director, Standard Setting
Ms. Selene Ho, Associate Director, Standard Setting
Ms. Phoebe To, Manager, Standard Setting

Apologies were received from Mr. John Chong, Mr. Alec Leung, Dr. Phyllis Mo, Mr. Steve Ong, Mr. Chi Kit Shaw and Ms. Joyce Woo.

Action

2577. Minutes of the 334th Meeting

The minutes of the 334th meeting were approved by the Committee and signed by the Chairman.

2578. Work Plan Status Report and Update from Working Groups

The Committee considered the work plan status report and noted the progress made on the various projects.

The Chairman updated the Committee on the IAASB national setters meeting held in New York at the end of May 2013 and advised that the main focus was on the proposed changes to the auditor's reporting project. Exposure drafts on relevant new/revised ISAs are expected to be released soon.

The Chairman also updated the Committee on the progress of the section 408 project. The next working group meeting would be held on 2 July 2013 to discuss the outline of the proposed HKICPA guidance. The Committee has requested that the commencement date provisions of the new Companies Ordinance to be clarified with the Companies Registry.

The Chairman of the Accountants' Report Sub-Committee updated the Committee on the latest progress on HKSIR 200 and AATB 1.

2579. Revised PN 850 Reporting on Flag Days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department

The SSD and the Chair of the Working Group on Types of Reporting updated the Committee on the revised draft PN 850. The Committee noted that the guidance in extant *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 draft PN 850. It was considered appropriate to combine the guidance on reporting for flag days and non-flag days general charitable fund-raising activities due to the similarities of the two reporting requirements. The Committee also agreed that the same reporting framework (in accordance with HKSAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*) should be applied for both types of reporting.

The Committee also provided other editorial comments and requested the SSD to clarify several terminologies in the revised PN 850.

Subject to the above changes, the Committee approved the revised draft PN 850 to be forwarded to the Social Welfare Department for their comments prior to the Committee's consideration and approval of the Exposure Draft.

SSD

2580. Annual Auditing Update Conference (AAU) 2013

The Committee noted that the AAU would be held on 26 October 2013. The Committee suggested the following topics for the AAU:

- Summary of pronouncements/local guidance issued during the year and expected to be issued in the coming year;
- Update on IAASB's latest pronouncements;
- Anti-money laundering issues; and
- Regulatory expectation on documentation in relation to group audits.

The SSD proposed to invite the Intermediaries Supervision Department of the SFC to present a session in relation to the audit of securities brokers.

The SSD would prepare a draft programme accordingly for the Committee's consideration at its next meeting.

SSD

2581. IAASB Meeting

The Committee noted the IAASB April 2013 meeting highlights.

There being no further business, the meeting closed at 9:35 a.m.

DENNIS HO
CHAIRMAN

9 July 2013