



Minutes of the 354th Meeting of the Auditing and Assurance Standards Committee

- Date: Monday, 14 September 2015 at 8:30 a.m.
- Location: 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. Eric Tong (Chairman)
Mr. Paul Phenix (Deputy Chairman)
Ms. Sylvia Cheng
Mr. Ringo Chiu
Miss. Siu Mai Chow
Ms. Loretta Fong
Mr. Paul Hebditch
Mr. Jonathan Lai
Mr. Paul Lau
Dr. Phyllis Mo
Mr. Steve Ong
Mr. Anthony Wong
Mr. Thomas Wong
Ms. Joyce Woo
- In attendance: Mr. Chris Joy, Executive Director
Ms. Selene Ho, Associate Director, Standard Setting
Ms. Phoebe To, Associate Director, Standard Setting
- Apologies: Mr. Chi Kit Shaw

Action

2723. Minutes of the 353rd Meeting

The Committee approved and the Chairman signed the minutes of the 353rd meeting.

2724. Work Plan Status Report and Update from Working Groups

The Committee considered the report and noted progress.

The Chair of the Accountants' Report Sub-Committee (Sub-Committee) updated on the progress and outstanding matters for discussion with key stakeholders. The Committee agreed that the accounting profession should state its position clearly in the proposed standard. The Chair of the Sub-Committee would revert to the Sub-Committee and continue to liaise with stakeholders.

2725. Early Adoption of the new Auditor Reporting Standards

The Standard Setting Department (SSD) reported that the Working Group on HKSAEs and HKSAE 3000 (WG) had discussed about the early adoption of the new Auditor Reporting Standards in recent meetings. The general view is that early adoption should be permitted which is in line with the *Preface to the Hong Kong Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements*.

	<p>The Committee agreed that the auditor reporting standards, as well as HKSA 720 (Revise) would be adopted and implemented as a package and suggested issuing FAQ to explain its intent.</p>	SSD
2726.	<p><u>Practice Note 730 (Revised), Guidance for Auditors Regarding Preliminary Announcements of Annual Results</u></p> <p>The Committee noted that the comment period for the exposure draft of PN 730 (Revised) ended on 25 July 2015. No comment was received. The Committee endorsed the final issuance of PN 730 (Revised).</p> <p><i>[Post meeting note: PN 730 (Revised) was issued on 24 September 2015 in Members' Handbook Update 173 and is available at: http://app1.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/update173.pdf]</i></p>	SSD
2727.	<p><u>The Change of Name of "Television and Entertainment Licensing Authority" (TELA) in Practice Note 852 Review of Lottery Accounts</u></p> <p>The Office of the Licensing Authority had recently notified the HKICPA that the ex-issuing office of Lottery Licence named TELA was taken up by the Office of the Licensing Authority of the Home Affairs Department (OLA) since 1 April 2012. In order to avoid any confusion, the Committee endorsed the SSD's proposal to insert a box on the front page of PN 852 notifying members that all references to TELA in the PN would be replaced by OLA with immediate effect.</p> <p><i>[Post meeting note: PN 852 (Revised) was issued on 24 September 2015 in Members' Handbook Update 173 and is available at: http://app1.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/update173.pdf]</i></p>	SSD
2728.	<p><u>Issue on Date Privacy and Long Service Payment/ Severance Payment</u></p> <p>The SSD reported that the Trustees' Association had sought clarification from the HKICPA as whether the data of Employer MPF Account Balance was necessary for audit purposes of the employer's financial statements.</p> <p>The Committee agreed that a tripartite working group including representatives from the AASC, the MPFA and the Trustees' Association should be set up to further discuss and clarify understanding of the issue.</p> <p>The Committee members were requested to consult internally regarding information required.</p>	SSD

2729. **IAASB Staff Audit Practice Alert "Responsibilities of the Engagement Partner in Circumstances when the Engagement Partner is not located where the majority of the Audit Work is Performed" (Alert)**

The Committee considered and agreed that the HKICPA should circulate the IAASB Staff Audit Practice Alert through our weekly e-circular to members. SSD

There being no further business, the meeting closed at 9:20 a.m.

ERIC TONG
CHAIRMAN

24 September 2015