



Minutes of the 346th Meeting of the Auditing and Assurance Standards Committee

- Date: Tuesday, 23 September 2014 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 (Acting Chairman)
Mr. Ringo Chiu
Miss. Siu Mai Chow
Mr. Jonathan Lai
Mr. Paul Lau
Mr. Patrick Law
Ms. Grace Ma
Dr. Phyllis Mo
Mr. Steve Ong
Mr. Paul Phenix
Mr. Chi Kit Shaw
Mr. Thomas Wong
Ms. Joyce Woo
- In attendance: Ms. Selene Ho, Associate Director, Standard Setting
Ms. Phoebe To, Manager, Standard Setting
- Apologies: Mr. Dennis Ho

Action

2657. Minutes of the 345th Meeting

The Committee approved and the Acting Chairman signed the minutes of the 345th meeting on behalf of the Chairman.

2658. Work Plan Status Report and Update from Working Groups

The Committee considered the report and noted progress.

The Chairman of the Accountants' Report Sub-Committee (Sub-Committee) reported that the issuance of exposure drafts on HKSIR 100 and HKSIR 200 would be delayed due to the outstanding matters in relation to certain clauses in the example engagement letter. The Sub-Committee would further discuss with the sponsors/ lawyers group on these matters.

2659. Revised PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard

The Committee noted that the comment period for the exposure draft of revised PN 900 ended on 30 July 2014. Three comment emails were received. The Working Group on Companies Ordinance (WG) had considered the comments and proposed no change was necessary.

The Committee endorsed it to be issued in final, subject to some minor editorial amendments to be made by the Standard Setting Department (SSD).

[Post meeting note: Revised PN 900 was issued on 30 September 2014 in Members' Handbook Update 158 and is available at:

http://app1.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/update158.pdf

2660. Revised HKSA 810 Engagements to Report on Summary Financial Statements

The Convenor of the WG highlighted the key change proposed to the Committee, which was related to the qualification wording in an example report. The Committee endorsed the final issuance of the revised HKSA 810.

[Post meeting note: Revised HKSA 810 was issued on 30 September 2014 in Members' Handbook Update 158 and is available at:

http://app1.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/update158.pdf

2661. Questions and Answers on auditor's report relating to the Companies Ordinance transition arrangements

The SSD reported that enquires in relation to the transitional wording in the auditor's report were received. These enquires were mostly related to the transitional wordings for reporting on section 141D, 141(4) and (6), and summary financial statements. The SSD had prepared draft Q&As to address the above enquiries.

The Committee considered and endorsed the draft Q&As for posting on the Institute's website, subject to some minor amendments to be made by the SSD.

[Post meeting note: The Q&A was posted on 30 September 2014 on the Institute's website and is available at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/new-co/predecessor-co-index/pe-refer-co-audit-report/>

2662. New mechanism for partially-funded projects under the Standing Committee on Language Education and Research, and auditor's reports thereon

The Committee noted that the Education Bureau had requested the SSD to provide advice on audit-related matters for the new mechanism to provide funding support to language education projects under the Standing Committee on Language Education and Research (SCOLAR).

The Working Group on Types of Reporting had met the team from SCOLAR in August to understand and discuss the new mechanism and reporting requirements of the project. The team from SCOLAR would further consider the reporting requirements and revert to the SSD in due course. The SSD would keep the Committee informed of development on this project.

2663. Discussion Paper issued by the International Integrated Reporting Council (IIRC)

The Executive Director briefed the Committee on the Discussion Paper "Assurance on Integrated Reporting" issued by the IIRC in July 2014. It was proposed that a working group comprising of members from the Institute's Sustainability and Integrated Reporting Advisory Group and the Committee be set up to develop the submission letter. Committee members interested were invited to contact the SSD.

2664. Participation in IAASB's projects

At the last IAASB national standard setters meeting in May 2014, the Institute's representatives had indicated their interest to participate in IAASB's projects, subject to available resources. The Committee was informed about the IAASB's new proposed projects and was encouraged to provide support and contribute to these projects.

There being no further business, the meeting closed at 9:10 a.m.

DENNIS HO
CHAIRMAN

7 October 2014