

# MEMBERS' HANDBOOK

## Update No. 7

(Issued October 2004)

### 1. VOLUME II

<u>Document Reference and Title</u>	<u>Instructions</u>	<u>Explanations</u>
<a href="#">Contents of Volume II</a>	Replace contents pages 1, 2, 5 & 6 with revised contents pages 1, 2, 5 & 6.	Revised contents pages
<b>PREFACE AND FRAMEWORK</b>		
Contents of Volume II – Preface and Framework	Replace contents page 1 with revised contents page 1.	Revised contents page
<a href="#">Preface to Hong Kong Financial Reporting Standards</a>	Insert these pages after the contents of Volume II – Preface & Framework, and discard the existing pages.	Revised Preface
<b>HONG KONG ACCOUNTING STANDARDS (HKAS)</b>		
Contents of Volume II – HKAS	Replace contents page 1 with revised contents page 1.	Revised contents page
<a href="#">HKAS 11 Construction Contracts</a>	Insert these pages after HKAS 8.	New Standard
<a href="#">HKAS 34 Interim Financial Reporting</a>	Insert these pages after HKAS 33.	New Standard
<b>INTERPRETATIONS (SSAP-Int)</b>		
Contents of Volume II – SSAP-Int	Replace contents pages 1 & 2 with revised contents pages 1 & 2.	Revised contents pages
<a href="#">Interpretation 22 The Appropriate Policies for Infrastructure Facilities</a>	Insert these pages after Interpretation 21.	New Interpretation
<a href="#">Interpretation 23 The Appropriate Policies for Hotel Properties</a>	Insert these pages after Interpretation 22.	New Interpretation

## 2. VOLUME III

The HKICPA is pursuing a policy of achieving convergence with International Standards on Quality Control, Auditing, Assurance and Related Services issued by the International Auditing and Assurance Standards Board (International Standards). The Auditing and Assurance Standards Committee (AASC) has been delegated by the HKICPA Council with the responsibility to adopt the International Standards as Hong Kong Standards on Quality Control, Auditing, Assurance and Related Services which will replace the current SASs and SAEs. The International Standards to be adopted include:

- Preface to International Standards on Quality Control, Auditing, Assurance and Related Services as Preface to Hong Kong Standards on Quality Control, Auditing, Assurance and Related Services;
- International Standards on Auditing (ISAs) as Hong Kong Standards on Auditing (HKSAAs);
- International Standards on Review Engagements (ISREs) as Hong Kong Standards on Review Engagements (HKSREs);
- International Standards on Assurance Engagements (ISAEs) as Hong Kong Standards on Assurance Engagements (HKSAEs);
- International Standards on Related Services (ISRSs) as Hong Kong Standards on Related Services (HKSRs);
- International Standards on Quality Control (ISQCs) as Hong Kong Standards on Quality Control (HKSQCs); and
- International Framework for Assurance Engagements as Hong Kong Framework for Assurance Engagements (Framework).

HKSAs, HKSREs, HKSAEs, HKSRs, HKSQCs and Framework as well as Hong Kong Standards on Investment Circular Reporting Engagements (HKSIRs) are collectively known as Hong Kong Standards on Quality Control, Auditing, Assurance and Related Services.

This Update encloses the following 5 final Hong Kong Standards on Quality Control, Auditing, Assurance and Related Services:

- HKSQC 1 “Quality control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements”;
- Hong Kong Framework for Assurance Engagements;
- HKSA 220 “Quality control for audits of historical financial information”;
- HKSA 240 “The auditor’s responsibility to consider fraud in an audit of financial statements”; and
- HKSAE 3000 “Assurance engagements other than audits or reviews of historical financial information”.

**Please follow the filing instructions set out on page 3 in updating Volume III of your Members’ Handbook.**

<b>Document Reference and Title</b>	<b>Filing Instructions</b>
<a href="#">Contents of Volume III</a>	Discard existing pages i–iii and replace with revised pages i–iv
4 new Dividers	File after the Contents Page
<b>HONG KONG STANDARDS ON QUALITY CONTROL</b>	
<a href="#">HKSQC 1 “Quality control for firms that perform audits and reviews of historical financial information, and other assurance and related services engagements”</a>	File after the Hong Kong Standards on Quality Control Divider
<b>HONG KONG FRAMEWORK FOR ASSURANCE ENGAGEMENTS</b>	
<a href="#">Hong Kong Framework for Assurance Engagements</a>	File after the Hong Kong Framework for Assurance Engagements Divider
<b>HONG KONG STANDARDS ON AUDITING</b>	
<a href="#">HKSA 220 “Quality control for audits of historical financial information”</a>	File after the Hong Kong Standards on Auditing Divider
<a href="#">HKSA 240 “The auditor’s responsibility to consider fraud in an audit of financial statements”</a>	File after HKSA 220
<b>HONG KONG STANDARDS ON ASSURANCE ENGAGEMENTS</b>	
<a href="#">HKSAE 3000 “Assurance engagements other than audits or reviews of historical financial information”</a>	File after the Hong Kong Standards on Assurance Engagements Divider
<b>STATEMENTS OF AUDITING STANDARDS Audits of financial statements</b>	
<a href="#">SAS 110 “The auditors’ responsibility to consider fraud and error in an audit of financial statements”</a>	Replace pages 1 & 15 with the revised pages
<a href="#">SAS 240 “Quality control for audit work”</a>	Replace pages 1 & 5 with the revised pages
<b>STANDARDS ON ASSURANCE ENGAGEMENTS</b>	
<a href="#">SAE 100 “Framework for assurance engagements intended to provide either a high or moderate level of assurance”</a>	Replace pages 1 & 6 with the revised pages
<a href="#">SAE 200 “High level assurance engagements”</a>	Replace pages 1 & 10 with the revised pages