



Minutes of the 326th meeting of the Auditing and Assurance Standards Committee held on Tuesday, 22 May 2012 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. John Chong
Mr. Jonathan Lai
Mr. Anthony Leung
Ms. Grace Ma
Dr. Phyllis Mo
Mr. Steve Ong
Mr. Paul Phenix
Mr. Gary Poon
Mr. Charlix Wong
Mr. Thomas Wong
Ms. Joyce Woo

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

Apologies for absence were received from Mr. Ian Parker.

2508. Welcome to Mr. Steve Ong

The Chairman welcomed Mr. Steve Ong as a new member to the Committee representing the Hong Kong Exchanges and Clearing Limited.

2509. Minutes of the 324th and 325th Meetings

The minutes of the 324th and 325th meetings were approved by the Committee and signed by the Chairman.

2510. AASC Work Plan 2012 – Status Report

The Committee considered the status report of the Work Plan for 2012 and noted the progress made on the various projects.

2511. Amended "Preface to the Hong Kong Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements" (HK Preface)

The Committee considered the amended HK Preface and provided comments. The SSD was requested to revise the amended HK Preface and submit for the Committee's approval by circulation. In view of the convergence of the HK Preface with the International Preface and the retention of local requirements, the Committee suggested SSD to forward

Action

SSD

the amended HK Preface to the Executive Committee for consideration and if considered appropriate, to the Council for note.

2512. HKSRS 4410 (Revised) "Compilation Engagements"

The Committee considered the HKSRS 4410 (Revised) and provided comments on the local guidance in the proposed standard. The SSD was requested to amend the HKSRS 4410 (Revised) accordingly and submit to AASC for approval by circulation. SSD

2513. HKSA 610 (Revised) "Using the Work of Internal Auditors" and HKSA 315 (Revised) "Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment"

The Committee endorsed HKSA 610 (Revised) and HKSA 315 (Revised) for forwarding to the IAASB for approval before final issuance. SSD

2514. Annual Auditing Update Conference 2012 (AAU)

The Committee noted that the AAU would be held in October 2012. The Committee suggested the following topics for the AAU:

- Sharing experience in auditing Chinese enterprises;
- Update on IAASB's Consultation Paper on Enhancing the Value of Auditor Reporting: Exploring Options for Change;
- New HKAPN 1000 and any local practice notes issued/ revised within the period from now to October 2012;
- HKSA 240 "The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements" to remind auditors the importance of fraud consideration in an audit.

The SSD would consider the above and prepare a draft programme accordingly. SSD

2515. Publications of research findings for members

A committee member suggested to explore the feasibility of disseminating research findings on auditing matters and to enhance members' knowledge of global development in the area of auditing through the APlus or other HKICPA communication channels. The Communications Department of the HKICPA is responsible for the publication of APlus and committee members are welcomed to send their articles to the Communications Departments for their consideration.

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

DENNIS HO
CHAIRMAN

4 June 2012