



Minutes of the 329th meeting of the Auditing and Assurance Standards Committee held on Tuesday, 20 November 2012 at 8:30 a.m. in Room 6 & 7 of the Hong Kong Institute of Certified Public Accountants, 27/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. Ian Parker
Mr. Anthony Leung
Dr. Phyllis Mo
Mr. Paul Phenix
Mr. Gary Poon
Mr. Charlix Wong
Mr. Thomas Wong
Ms. Joyce Woo

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

Apologies for absence were received from Mr. Jonathan Lai, Ms. Grace Ma and Mr. Steve Ong.

2535. Minutes of the 328th Meeting

The minutes of the 328th meeting were approved by the Committee and signed by the Chairman.

2536. 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.

For the improvement changes to HKSIR 400 "Comfort Letters and Due Diligence Meetings", the Committee requested the Standard Setting Department (SSD) to include this project in the status report.

2537. New Practice Note (PN) 750 "Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal"

The Committee considered the proposed new PN 750 and provided comments for SSD's consideration. The Committee approved the issuance of an exposure draft of PN 750 for a comment period of two months, subject to some amendments to be made by the SSD.

[Post meeting note: The exposure draft on PN 750 was issued on 23 November 2012 for comment by 23 January 2013 which is available at: http://www.hkicpa.org.hk/file/media/section6_standards/standards/Audit-n-assurance/ed-2012/i2c_pn750.pdf]

Action

SSD

SSD

2538. Revised HKSIR 400 "Comfort Letters and Due Diligence Meetings"

The Committee considered the improvement changes to HKSIR 400 which had been approved by the Accountants' Report Sub-Committee (Sub-Committee). Though the improvement changes had been agreed with the relevant stakeholders, the Committee requested the revised HKSIR 400 be exposed for comment for a short period. SSD

The Committee also noted a suggestion from the Sub-Committee to issue a Technical Bulletin on certain practical issues in relation to HKSIR 400.

[Post meeting note: The exposure draft on revised HKSIR 400 was issued on 21 November 2012 for comment by 17 December 2012 which is available at:

http://www.hkicpa.org.hk/file/media/section6_standards/standards/Audit-n-assurance/ed-2012/i2c_hksir400re.pdf

2539. Reply from the Office of the Privacy Commissioner for Personal Data (PCPD)

The Committee considered the reply from the PCPD on our earlier enquiry on compliance with the Personal Data (Privacy) Ordinance in relation to (i) disclosure of third party information by banks to the auditor and (ii) disclosure in financial statements.

As there was no particular concern in respect of bank confirmations from the last reporting season, the Committee requested SSD to monitor the situation in the coming reporting period and consider seeking advice from the Legal Counsel on the impact of the PCPD's reply. SSD

There being no further business, the meeting closed at 9:45 a.m.

DENNIS HO
CHAIRMAN

23 November 2012