



Minutes of the 341st Meeting of the Auditing and Assurance Standards Committee

- Date: Tuesday, 11 March 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. Dennis Ho (Chairman)
Mr. Eric Tong (Deputy Chairman)
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. Thomas Wong
Ms. Joyce Woo
- In attendance: Mr. Simon Riley, Acting Director, Standard Setting
Ms. Selene Ho, Associate Director, Standard Setting
Ms. Phoebe To, Manager, Standard Setting
- Apologies: Mr. Ringo Chiu
Mr. John Chong
Mr. Chi Kit Shaw

	<u>Action</u>
<p>2623. <u>Minutes of the 340th Meeting</u></p> <p>The Committee approved and the Chairman signed the minutes of the 340th meeting.</p>	
<p>2624. <u>Work Plan Status Report and Update from Working Groups</u></p> <p>The Committee considered the report and noted the progress.</p> <p>A member of the Accountants' Report Sub-Committee (Sub-Committee) updated the Committee on the progress of the HKSIR project. Regulators also provided some comments on the project.</p>	
<p>2625. <u>A Framework for Audit Quality (Framework) issued by the IAASB</u></p> <p>The Committee noted that the IAASB has issued the Framework as a non-authoritative material. The Committee agreed with the Standard Setting Department's (SSD) proposal not to converge the Framework into a Hong Kong publication. The Committee requested the SSD to consider the appropriate publicity measures in due course.</p>	SSD
<p>2626. <u>IAASB's Consultation Paper on Proposed Strategy for 2015-2019 and Proposed Work Program for 2015-2016 (Consultation Paper)</u></p> <p>The Committee was requested to consider and provide comments on the submission prepared by the SSD for the Consultation Paper.</p>	SSD

The Chairman updated the Committee on the next international standard setters meeting expected to be held in May 2014 and provided information on certain topics expected to be discussed in the meeting.

2627. Transition arrangement for reporting under Part 8 of the Third Schedule in the Insurance Companies Ordinance

The SSD reported that there were concerns for reporting under Part 8 of the Third Schedule after the revised PN 810.2 *The Duties of the Auditor of an Insurer authorized under the Insurance Companies Ordinance* was issued in November 2013.

The SSD proposed a transition arrangement and updated PN 810.2 for reporting under Part 8 to be effective for the financial year ending on or after 31 December 2014 with early adoption permitted.

The Committee agreed the proposed transition arrangement and endorsed the issuance of the updated PN 810.2.

[Post meeting note: Updated PN 810.2 was issued on 12 March 2014 in Members' Handbook Update 142 and is available at: http://app1.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/update142.pdf]

2628. FRSC Exposure Draft on Accounting Bulletin 5 Guidance for the Preparation of a Business Review under the Hong Kong Companies Ordinance Cap. 622 (Exposure Draft)

The Committee was requested to provide comments, if any, on the Exposure Draft and forward to the SSD.

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

DENNIS HO
CHAIRMAN

14 March 2014