



## Minutes of the 343<sup>rd</sup> Meeting of the Auditing and Assurance Standards Committee

Date: Tuesday, 27 May 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)  
Mr. Ringo Chiu  
Mr. John Chong  
Miss Siu Mai Chow  
Mr. Jonathan Lai  
Mr. Patrick Law  
Ms. Grace Ma  
Dr. Phyllis Mo  
Mr. Steve Ong  
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. Paul Lau  
Mr. Paul Phenix

### Action

**2635. Minutes of the 342<sup>nd</sup> Meeting**

The Committee approved and the Chairman signed the minutes of the 342<sup>nd</sup> meeting.

**2636. Work Plan Status Report and Update from Working Groups**

The Committee considered the report and noted the progress.

In view of the satisfactory progress on various projects in the first half of the year, the Committee was requested to consider any new proposals to be included in the work plan for the second half of the year.

**2637. Revised Terms of Reference (TOR)**

The Chairman briefed the Committee on the Council's decision to include a paragraph in the terms of reference of a number of committees and panels to give them an explicit role in identification of current and developing issues that may provide topics for CPD, research or other thought leadership projects.

The Committee considered and approved the revised TOR.

2638. **IAASB Exposure Drafts: ISA 720 (Revised), The Auditor's Responsibilities Relating to Other Information and Proposed Consequential and Conforming Amendments to Other ISAs; and Proposed Changes to the International Standards on Auditing (ISAs) – Addressing Disclosures in the Audit of Financial Statements**

The Committee noted the recent issuance of the two exposure drafts. The Committee was requested to provide comments on them before the deadlines.

The SSD was requested to send the links to the Institute's previous submissions in relation to these exposure drafts to the Committee.

SSD

2639. **The approach by which the HKICPA promotes A Framework for Audit Quality issued by the IAASB (the Framework)**

The Committee had concluded at the March meeting that the HKICPA would not issue an equivalent publication of the IAASB's Framework.

The SSD proposed to promote the IAASB's Framework in the following ways:

- include a session on the Framework at the Annual Auditing Update scheduled in October 2014
- organize a forum for key stakeholders
- alert regulators to the publication at liaison meetings
- align with activities proposed by IAASB

The Committee agreed with the SSD's proposals and had additional suggestions as follows:

- include an article on the Framework in APlus;
- conduct a research project on what are the indicators for audit quality;
- include in other seminars to members (e.g. SMP Symposium)

SSD

The SSD was requested to consider the suggestions.

2640. **Annual Auditing Update Conference 2014 (AAU)**

The Committee noted that the AAU would be held in October 2014.

The Committee suggested the following topics for the AAU:

- Update on IAASB's latest pronouncements;
- Impact of the new Companies Ordinance;
- Audit Quality related topics; and
- Capital Market related topics

The SSD would prepare a draft AAU programme accordingly for the Committee's consideration in due course.

SSD

**2641. Agenda topics for IAASB – NSS Meeting to be held on 29-30 May 2014**

The Chairman briefed the Committee on the key agenda items for the IAASB - NSS meeting to be held in late May 2014. The Chairman would update the Committee on the IAASB – NSS meeting at next meeting.

**2642. Recent exposure draft issued by the Ministry of Finance (MOF)**

The Committee noted that the MOF had recently issued an exposure draft of the provisional regulations on CPA practices carrying out cross-border audit services. The Chairman updated the Committee on the Institute's comments on the exposure draft.

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

DENNIS HO  
CHAIRMAN

9 June 2014