



**Minutes of the 397<sup>th</sup> Meeting of the Auditing and Assurance Standards Committee**

- Date: Tuesday, 14 December 2021 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 (and via videoconference)
- Present: Ms. Loretta Fong (Chairman)  
Mr. Paul Hebditch (Deputy Chairman)  
Ms. Susanna Lau (Deputy Chairman)(dial-in)  
Mr. Derek Broadley (dial-in)  
Mr. Edmond Chan (dial-in)  
Mr. Ivan Chan (dial-in)  
Prof. Koon-Hung Chan (dial-in)  
Mr. Tony Ching (dial-in)  
Ms. Angela Choi (dial-in)  
Mr. Louis Lau (dial-in)  
Mr. William Wong (dial-in)  
Mr. Thomas Wong (dial-in)
- In attendance: Ms. Cecilia Kwei, Director, Standard Setting  
Ms. Selene Ho, Deputy Director, Standard Setting  
Ms. Grace Lau, Associate Director, Standard Setting  
Ms. Cherry Yau, Senior Manager, Standard Setting  
Ms. Phoebe To, Manager, Standard Setting
- Observer: Mr. Ambrose Wong, Financial Reporting Council (dial-in)
- Apologies: Mr. Gary Stevenson  
Miss. Basilia Wong

**3032. Minutes of the 396<sup>th</sup> meeting**

The Committee approved the minutes of the 396<sup>th</sup> meeting.

**3033. Work plan status report and update from working groups**

The Committee considered the report and noted the progress of various projects with a few local projects to be carried forward to the next year mainly due to awaiting stakeholders' comments for finalization.

**3034. Proposed submission to the Proposed International Standard on Auditing for Audits of Financial Statements of Less Complex Entities ("ED-ISA for LCE")**

SSD reported to the Committee that apart from the local invitation to comment on the ED-ISA for LCE ("ITC") would still open for comment up to 31 December 2021, all the outreach activities had been completed according to the approved plan. SSD further walked the Committee through the draft

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submission to ED-ISA for LCE summarizing the stakeholders' feedback solicited from the outreach activities. The Committee considered the stakeholders' feedback and provided the following comments to be included in the submission:

- It was suggested that the IAASB to reconsider if the exposure draft had met the objectives of the ISA for LCE and to emphasize how the ISA for LCE would benefit the practitioners as practitioners did not foresee any enhancement in audit efficiency by using the ISA for LCE as an alternative to the extant ISA audit.
- It was anticipated that IAASB would need to provide more support for the promotion and education of the LCE for ISA, for examples, developing further application and implementation guidance etc.

The Committee noted that the ITC would close on 31 December 2021. SSD would report any feedback received from the ITC and circulate the revised comment letter for the Committee's review and approval in January 2022. The Committee noted the deadline for submission to IAASB would be on 31 January 2022.

SSD

*[Post meeting note: The revised comment letter was circulated to the Committee for final review on 20 January 2022. The final comment letter was submitted to IAASB on 28 January 2022.]*

**3035. Nomination to the Audit Practice Manual Advisory Panel ("APM Panel") and Quality Management Manual Advisory Panel ("QM Panel")**

SSD thanked a Committee Member for his nomination of new candidates to the APM Panel and the QM Panel. The Committee considered the technical competencies and practical experiences of the new candidates and approved the nominations.

The Committee remarked that the two Panels under the auspices of the Committee would help facilitate the revision of the audit practice manual and the development of the new quality management manual that would assist users in performing audits, reviews or other assurance engagements in compliance with the requirements of the relevant standards.

**3036. Any other business**

The meeting was the last scheduled meeting of the Committee in year 2021. The Chairman thanked the Committee Members for their commitment and contributions to the profession. The Committee Members noted that the Chairman will move on to serve the Institute in another capacity in the coming year and they thanked her for her contributions and leadership.

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

LORETTA FONG  
CHAIRMAN

28 January 2022