



Our Ref.: C/AASC

4 June 2019

International Auditing and Assurance Standards Board
529 Fifth Avenue, 6th Floor,
New York
NY 10017
USA

Dear Sirs,

IAASB Proposed Strategy for 2020 – 2023 and Work Plan for 2020-2021

The Hong Kong Institute of Certified Public Accountants is the only body authorised by law to set and promulgate financial reporting, auditing and ethical standards for professional accountants in Hong Kong. We are grateful for the opportunity to provide you with our comments on this Consultation Paper (CP).

Overall, we support the proposed strategy and work plan, including the goal, keys to success and the stakeholder value proposition. They have considered the expectations of stakeholders and relevant trend and development, and provide a reasonable and balanced basis for IAASB to develop future strategy and work plan. We also agree that the environmental drivers are appropriately identified and reasonable.

We agree with the strategic themes and focus for the period. Given that there is an increasing trend of using new technology for audit and assurance engagements, we appreciate the IAASB forming the Audit Evidence Working Group to assess the need for changes in the standards to address issues and challenges. The standards must continue to be robust and based on solid principles that can accommodate the changes that are expected and as yet unexpected.

With the revisions to various auditing and quality management standards completing in the coming years, we would welcome the implementation support from the IAASB. This would be helpful for users to have a consistent understanding of the standards and ensure an effective global implementation.

In addition, we are supportive of the IAASB's efforts to address complexity, while maintaining scalability and proportionality.

After the completion of these significant projects in the current work plan, there should be a period of stability. It would allow the orderly and effective implementation of these standards and enable them to take root.

We understand that the IAASB plans to continue to focus on outreach and strengthening working relationships with key stakeholders groups, including international regulators, audit oversight bodies, NSS. We are open to collaboration opportunities with the IAASB such as research, post-implementation reviews and outreach to stakeholders.



Though the IAASB has taken a "business as usual" approach when drafting this CP, with the ongoing discussion and development of the Monitoring Group's review and the possible changes to the standard setting model, the IAASB (and IESBA) will have to be nimble and reactive to keep all options open.

If you have any questions regarding the matters raised above, please contact Selene Ho, Deputy Director of the Standard Setting Department (selene@hkiipa.org.hk).

Yours faithfully,

Chris Joy
Executive Director

CJ/SH