



**Auditing and Assurance Standards Committee**  
**Meeting Summary – September 2007**

The Auditing and Assurance Standards Committee (Committee) met on 11 September 2007.

Members present at the meeting were: Carlson Tong (Chairman), Keith Pogson (Deputy Chairman)(via teleconference), Wilfred Wong (Deputy Chairman), Deborah Annells, Chan Tak Shing, Colin Chau, Patrick Cheng, Charles Chow, Richard George, Charles Grieve, Barry Ip, Lucia Li (represented by K.T. Li) and Thomas Wong.

Secretariat staff present at the meeting were: Patricia McBride, Steve Ong, Elaine Chan, Selene Ho and Winnie Chan.

The following agenda items were discussed:

1. Draft Submissions on IAASB ED of ISA 200 (Revised and Redrafted) *Overall Objective of the Independent Auditor, and the Conduct of an Audit in Accordance with International Standards on Auditing* and ISA 500 (Redrafted) *Considering the Relevance and Reliability of Audit Evidence*
  2. Adoption of the IAASB Glossary of Terms in Volume III of the HKICPA Members' Handbook
  3. Proposed Circular on Reporting on General Charitable Fund-Raising Activities (Other than Flag Days)
  4. Annual Auditing Update Conference 2007
  5. Proposed draft Notes for Auditor for the District Council Election Financial Assistance Scheme
  6. HKEx Consultation Paper on Periodic Financial Reporting
1. **Draft Submissions on IAASB ED of ISA 200 (Revised and Redrafted) Overall Objective of the Independent Auditor, and the Conduct of an Audit in Accordance with International Standards on Auditing and ISA 500 (Redrafted) Considering the Relevance and Reliability of Audit Evidence**

The Committee considered and endorsed the Institute's draft submissions to the IAASB prepared by the secretariat including some late comments on the proposed IAS 200.

The Institute's submissions were forwarded to the IAASB on 19 September and can be viewed at:

<http://www.hkicpa.org.hk/professionaltechnical/assurance/submission/docs/ISA200.pdf>

<http://www.hkicpa.org.hk/professionaltechnical/assurance/submission/docs/ISA500.pdf>

2. **Adoption of the IAASB Glossary of Terms in Volume III of the HKICPA Members' Handbook**

The Committee considered and endorsed a draft Glossary of Terms prepared by the secretariat for inclusion in Volume III of the HKICPA Members' Handbook relating to Auditing and Assurance Matters, which is adopted from the extant IAASB Glossary of Terms for Auditing and Assurance.

3. **Proposed Circular on Reporting on General Charitable Fund-Raising Activities (Other than Flag Days)**

The Committee noted that the draft Circular had been forwarded to the Social Welfare Department (SWD) and the Treasury for comments in July 2007 and is still under consideration by the SWD. The Committee requested the Committee member representing the Treasury to assist in following up the progress of the matter with SWD.

4. **Annual Auditing Update Conference 2007**

The Committee considered and endorsed the theme “**Recent Developments in Auditing - Where are we?**” for the Annual Auditing Conference to be held on 3 November 2007 and the programme outline covering:

- IAASB Framework and the Clarity Project and proposed Exposure Drafts and Standards – The Way Forward
- HKSRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*
- Companies (Revision of Accounts and Reports) Regulation
- Circular on Gross Fee Income Report on Rule 8 of the Solicitors (Professional Indemnity) Rules
- Discussion Paper on Assistance Options to New Applicants and Sponsors in connection with Internal Controls over Financial Reporting.

5. **Proposed draft Notes for Auditor for the District Council Election Financial Assistance Scheme**

The Committee ratified the revised draft notes for the independent auditor for the District Council Election Financial Assistance Scheme which were endorsed by the Committee by circulation and sent to the Electoral Affairs Commission in August 2007.

6. **HKEx Consultation Paper on Periodic Financial Reporting**

The Committee noted that The Stock Exchange of Hong Kong Limited issued the Consultation Paper in August for public consultation until 5 November 2007.

The consultation paper is seeking views and comments mainly on issues relating to periodic financial reporting, specifically on the shortening of reporting deadlines for half yearly and year end announcements and reports for Main Board issuers and the introduction of quarterly reporting for Main Board issuers. The paper also proposes amendments to the GEM Listing Rules to align the disclosure and publication requirements for GEM issuers' quarterly reporting to be the same as the proposed quarterly reporting requirements for Main Board issuers.

Committee members were requested to consider the Consultation Paper and provide their comments, if any, to the secretariat in order a HKICPA submission can be prepared by the Corporate Finance Committee or the Corporate Governance Committee.

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**Meeting Summaries are provided for the information and convenience of those who wish to follow the Committee's deliberations. Decisions reported are tentative and may be changed or modified by the Committee at a later date. Decisions become final only after completion of the formal due process required to finalize and release documents. No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this Meeting Summary, or for any errors or omissions in it.**