



# MEMBERS' HANDBOOK

## Update No. 178

(Issued 18 December 2015)

<i>Document Reference and Title</i>	<i>Instructions</i>	<i>Explanations</i>
<b>VOLUME III</b>		
<a href="#"><u>Contents of Volume III</u></a>	Discard the existing pages i, iv-v and replace with the revised pages i, iv-v.	Revised contents page
<b>HONG KONG STANDARDS ON ASSURANCE ENGAGEMENTS</b>		
<a href="#"><u>HKSAE 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus</u></a>	Replace pages 1,3-29 and 33-35 with revised pages 1, 3-29 and 33-35. Discard pages 36-40.	Notes 1 and 2
<b>HONG KONG STANDARDS ON INVESTMENT CIRCULAR REPORTING ENGAGEMENTS</b>		
<a href="#"><u>HKSIR 500 Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness</u></a>	Replace pages 1-3 and 8-25 with revised pages 1-3 and 8-27.	Notes 1 and 2
<b>PRACTICE NOTES</b>		
<a href="#"><u>PN 600.1 (Revised) Reports by the Auditor under the Hong Kong Companies Ordinance (Cap. 622)</u></a>	Replace pages 1-5 and 10-18 with revised pages 1-5 and 10-19.	Notes 1 and 2
<a href="#"><u>PN 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules</u></a>	Replace pages 1-2, 4, 7, 10-13, 17-19, 25-26, 28 and 32 with revised pages 1-2, 4, 7, 10-13, 17-19, 25-26, 28 and 32.	- ditto -
<a href="#"><u>PN 850 Reporting on Flag Days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department</u></a>	Replace pages 1-3, 6-10, 12-13, 15-16 and 18-19 with revised pages 1-3, 6-10, 12-13, 15-16 and 18-19.	- ditto -

PN 860.1 (Revised) *The Audit of Retirement Schemes*

Replace pages 1-3, 18, 20, 24, 27-33, 35, 41, 43-62 with revised pages 1-3, 18, 20, 24, 27-33, 35, 41, 43-64. - ditto -

Note:

1. The Auditing and Assurance Standards Committee has embarked on a project to update the relevant auditing and assurance pronouncements for HKSAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, which is effective for assurance reports dated on or after 15 December 2015. As part of the project, the first batch of revised pronouncements are set out below:

- HKSAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*
- HKSIR 500 *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness*
- PN 600.1 (Revised) *Reports by the auditor under the Hong Kong Companies Ordinance (Cap.622)*
- PN 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules*
- PN 850 *Reporting on Flag Days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department*
- PN 860.1 (Revised) *The Audit of Retirement Schemes*

In order for readers to easily identify all the changes, a marked-up version of the above revised pronouncements is posted at:

[http://www.hkicpa.org.hk/file/media/section6\\_standards/technical\\_resources/pdf-file/handbook/update177/trackstds176.pdf](http://www.hkicpa.org.hk/file/media/section6_standards/technical_resources/pdf-file/handbook/update177/trackstds176.pdf)

2. Except for HKSAE 3420, the key revisions to various auditing and assurance pronouncements are:

- (a) Amended the reference of "HKSAE 3000" to "HKSAE 3000 (Revised)";
- (b) Inserted a section of "Our Independence and Quality Control" in all example reports prepared under HKSAE 3000 (Revised);
- (c) Amended the format of the example assurance reports to align more closely with the requirements of HKSAE 3000 (Revised);
- (d) Inserted HKSAE 3000 (Revised) guidance for modified opinion/ conclusion where appropriate.
- (e) Added clauses in relation to practitioner's additional information request and unrestricted access to persons in example representation letters to align with the requirements of HKSAE 3000 (Revised).

For HKSAE 3420, the conforming amendments from HKSAE 3000 (Revised) attached at the back of the standard issued in March 2014 have been incorporated into the body of the standard. In addition, Appendix 3 has been updated to align with the requirements of HKSAE 3000 (Revised).