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來函請寄「香港郵政總局郵箱132號稅務局局長收」

ALL CORRESPONDENCE SHOULD BE ADDRESSED TO:—
COMMISSIONER OF INLAND REVENUE,
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IN ANY COMMUNICATION PLEASE QUOTE OUR FILE NO.

檔案號碼: HQ 502/141 Pt. 20

File No.:

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Dear Mr. Riley,

**Invitation to Comment
IAASB's Consultation Paper "A Framework for Audit Quality"**

Thank you for your letter dated 18 March 2013 inviting for comments to the above Consultation Paper.

The IAASB has undertaken a project to develop a Framework for Audit Quality. Through the proposed framework, IAASB aims to raise awareness of the key elements of audit quality, encourage stakeholders to explore ways to improve audit quality, and facilitate greater dialogue between key stakeholders on the topic.

While recognizing the primary responsibility for performing quality audits rests with auditors, the proposed framework describes key elements that contribute to audit quality at the engagement, audit firm and national levels (i.e. inputs, outputs, interactions and contextual factors). It also identifies areas to explore for consideration by both auditors and other participants in the financial reporting supply chain.

In general, I support the IAASB's project and the proposed framework for audit quality. I agree with the IAASB's Chairman Arnold Schilder that there is value in identifying and describing the relevant contributing factors to encourage audit firms and other stakeholders to challenge themselves as to whether there is more they can do to increase audit quality in their particular environments.

I also set out below my reply to the questions of the HKICPA Survey on IAASB 2013 Consultation Paper "A Framework for Audit Quality:-

Question 1.	Yes, I agree that audit quality, along with financial reporting, corporate governance and regulation, supports confidence in capital markets.
Question 2.	Yes, I consider that the Consultation Paper sets out a clear and complete definition of audit quality.
Question 3.	Yes, I consider that audit quality is important to me and to all users of financial statements. Deficiency in audit quality will hamper the reliability of financial statements based on which Profits Tax Assessments are raised and other decision makings are made.
Question 4.	I consider all the listed factors at the audit firm level affect audit quality.
Question 5.	I consider all the listed environmental factors are likely to make a positive contribution to audit quality.
Question 6.	Yes, I consider the Framework developed by the IAASB helpful in enhancing my understanding of audit quality.

In all events, I would appreciate it if you could keep me informed of the development of the IAASB project on framework for audit quality.

Yours sincerely,



(Mrs WU LAM Choi-wah)
for Commissioner of Inland Revenue