

# MEMBERS' HANDBOOK

## Update No. 235

(Issued 16 December 2019)

Document Reference and Title	Instructions	Explanations
<b><u>VOLUME I</u></b>		
<a href="#">Contents of Volume I</a>	Replace contents pages i and ii with revised contents pages i and ii.	Revised contents page
<b>PRACTICE REVIEW STATEMENTS</b>		
<a href="#">1.400 "Explanatory Foreword"</a>	Discard existing Statement 1.400, and replace with the revised Statement 1.400	Note
<a href="#">1.401 "Review Procedures and Conduct of Members"</a>	Discard existing Statement 1.401, and replace with the revised Statement 1.401	Note

### Note:

1. The statements are revised to reflect mainly the following changes in the practice review scope and procedures:
  - a) After the enactment of the Financial Reporting Council (Amendment) Ordinance (FRC(A)O) that takes effect on 1 October 2019, the Financial Reporting Council takes over the responsibilities for inspections of Public Interest Entities (PIE) engagements as defined in the FRC(A)O completed by a PIE auditor on or after 1 October 2019. As a result, those PIE engagements completed after 1 October 2019 are scoped out from the HKICPA's practice review programme.
  - b) With effect from October 2018, following the expansion of the scope of the Anti-Money Laundering and Counter-Terrorist Financing (AML) Ordinance to cover designated non-financial businesses and professions, including accountants, an AML compliance monitoring programme has been introduced within the HKICPA's practice review programme to evaluate a practice unit's level of compliance with the Guidelines on AML for Professional Accountants included in the Code of Ethics.
  - c) The procedures to be adopted during the conduct of a desktop review introduced since 2014 and an AML compliance review introduced since 2018 are added in these statements.