



1 April 2019

To: **Members of the Hong Kong Institute of CPAs**
All other interested parties

INVITATION TO COMMENT ON IFAC'S INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS ("IESBA") EXPOSURE DRAFT

***Proposed Revisions to Part 4B of the Code to Reflect Terms and
Concepts Used in ISAE 3000 (Revised)***

Comments to be received by 27 May 2019

The Ethics Committee of the Hong Kong Institute of Certified Public Accountants is seeking comments on the IESBA Exposure Draft which have been posted on the Institute's website at:

<https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Open-for-comment-documents/Code-of-Ethics>

Part 4B of the revised and restructured *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("the Code") comprises the independence standards for assurance engagements other than audit and review engagements, as defined in the Code.

The proposed revision fulfills a pre-commitment the IESBA announced in its proposed *Strategy and Work Plan, 2019-2023* to review Part 4B of the Code for any changes needed to make the provisions in that Part consistent with the revised assurance terms and concepts in the International Auditing and Assurance Standards Board's ("IAASB") International Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

The proposals in the Exposure Draft include:

- Changes in key terminology, including a revised definition of the term "assurance client";
- Enhanced and clarified independence requirements for attestation engagements;
- Clarification of the types of assurance engagement addressed in Part 4B; and
- Simplified guidance on assurance engagements that refer to the definitive source of explanatory material on such engagements in IAASB literature.

The proposals were developed in close cooperation with representatives of the IAASB, as part of the coordination program of the two standard-setting boards.



The IESBA welcomes comments on all matters addressed in this Exposure Draft, but especially those identified in the Request for Specific Comments as set out in Section V. Guide for Respondents of the Explanatory Memorandum to the Exposure Draft.

The Ethics Committee invites your comments on the Exposure Draft by **27 May 2019** to allow your comments to be considered in developing its response to the IESBA. Comments should be supported by specific reasoning and should be submitted in written form.

Comments may be sent by mail, fax or e-mail to:

Standard Setting Department
Hong Kong Institute of Certified Public Accountants
37/F., Wu Chung House
213 Queen's Road East
Hong Kong

Fax number (+852) 2865 6776

E-mail: commentletters@hki CPA.org.hk

Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.

1 April 2019
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Response Due Date
27 May 2019

Exposure Draft

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Hong Kong Institute of
Certified Public Accountants
香港會計師公會

CONTENTS

Exposure Draft

IESBA Press Release

The Exposure Draft can also be found on the Institute's website at:

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