

AUDITING AND ASSURANCE STANDARDS COMMITTEE

HKSA FOR LCE ADVISORY PANEL

TERMS OF REFERENCE

Objective

HKSA for LCE Advisory Panel (“Advisory Panel”) is set up under the auspices of the Auditing and Assurance Standards Committee (“AASC”) to provide support in implementing the *Hong Kong Standard on Auditing for Audits of Financial Statements of Less Complex Entities* (“HKSA for LCE”) for adoption and application in Hong Kong.

Date of establishment

December 2023

Composition

The Advisory Panel reports to the AASC and all members are nominated by the AASC. The Advisory Panel consists of four to six members who collectively possess the following skillsets:

- (a) a significant understanding of the framework for assurance and related services engagements;
- (b) have practical experience and direct knowledge of performing financial statements audits of small to medium-sized entities under Hong Kong Standards on Auditing (“HKSA’s”); and
- (c) be technically competent on HKSA’s including the latest development thereof.

Terms of Reference

1. As tasked by the AASC, to solicit, analyze and discuss issues specific to the HKSA for LCE in a Hong Kong context.
2. To provide recommendations to the AASC on the necessary refinement to HKSA for LCE for implementation in Hong Kong.
3. To provide support to the AASC in developing and updating HKSA for LCE and relevant guidance.
4. To attend meetings with the Institute, government authorities and other relevant bodies specific to the HKSA for LCE.
5. To perform such other functions as directed by the AASC on matters relating to HKSA for LCE.

December 2023