

# AUDITING AND ASSURANCE STANDARDS COMMITTEE

## AUDIT PRACTICE MANUAL ADVISORY PANEL

### TERMS OF REFERENCE

#### Objective

Audit Practice Manual Advisory Panel (“Advisory Panel”) is set up under the auspices of the Auditing and Assurance Standards Committee (“AASC”) to ensure updates to the Institute’s Audit Practice Manual (APM) would assist users to carry out a financial statements audit in compliance with the requirements of Hong Kong Standards on Auditing (HKSAAs).

#### Date of establishment

October 2021

#### Composition

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

- (a) have practical experience and direct knowledge of performing a financial statements audit under HKSAAs; and
- (b) be technically competent on HKSAAs including the latest development thereof.

#### Terms of Reference

1. To ensure updates to the Audit Practice Manual are:
  - technically consistent under Hong Kong Standards on Auditing (HKSAAs);
  - substantially addressed HKSAAs requirements for a financial statements audit; and
  - implementable for audit engagements in Hong Kong.
2. To provide recommendations to improve the Audit Practice Manual for compliance with the HKSAAs for a financial statements audit.
3. To perform such other functions as directed by the AASC on matters relating to the Audit Practice Manual.

October 2021