



## Minutes of the 369<sup>th</sup> Meeting of the Auditing and Assurance Standards Committee

- Date: Tuesday, 26 June 2018 at 8:30 a.m.
- Location: Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.
- Present: Mr. Paul Lau (Chairman)  
Ms. Loretta Fong (Deputy Chairman)  
Mr. Derek Broadley  
Mr. Edmond Chan  
Mr. Paul Hebditch  
Mr. Frank Lam  
Mr. Steve Ong (Dial-in)  
Mr. Anthony Wong  
Miss. Basilia Wong
- In attendance: Mr. Chris Joy, Executive Director  
Ms. Selene Ho, Deputy Director, Standard Setting  
Ms. Phoebe To, Manager  
Ms. Grace Lau, Manager
- Apologies: Ms. Susanna Lau  
Mr. Chi Kit Shaw  
Miss. Joyce Woo  
Mr. Thomas Wong

### Action

#### **2824. Minutes of the 368<sup>th</sup> Meeting**

The Committee approved and the Chairman signed the minutes of the 368<sup>th</sup> meeting.

#### **2825. Work Plan Status Report and Update from Working Groups**

The Committee considered the report and noted progress of various projects.

#### **2826. Update on IAASB National Standard Setters ("NSS") meeting**

The Chairman of the Committee, Executive Director and staff of Standard Setting Department ("SSD") had attended the IAASB NSS meeting held in May. They updated the Committee on the key topics discussed during the meeting, including development of initiatives related to technology in various jurisdictions, SMP/SME related issues and developments of various international standards.

#### **2827. IAASB Survey on the IAASB's Future Strategy**

It was reported that IAASB had released its strategy survey to seek views and insights from stakeholders about its future strategy. The survey would be closed on 24 July. The Committee was requested to provide comments on the survey to SSD by 6 July.

**2828. Post implementation research project on revised auditor's reports**

SSD reported that the research work had commenced in June. The Committee considered and discussed the proposed approach and expected timeline for the research project.

The Committee agreed the proposal of setting up a panel of SSD staff and inviting representatives from investors group to perform qualitative review of selected KAMs and identify improvement areas. It was also suggested to invite representatives from audit firms to join the panel.

SSD

**2829. Annual Auditing Update Conference 2018 ("AAU")**

The Committee noted that the AAU is tentatively scheduled on 27 October at the Ritz-Carlton Hotel in Kowloon.

The Committee considered and discussed the proposed topics for the AAU. SSD would circulate the draft programme in due course and invite speakers.

SSD

**2830. Uploading of income and expenditure statement and report of lottery event onto government's websites**

SSD reported that a notification was received from the Home Affairs Department – Office of the Licensing Authority ("OLA") about the new administrative measure to be implemented in August 2018.

Currently, the income and expenditure statement ("IE statement") and the written report by a CPA ("Report") of lottery events organized by lottery licence holders are posted on the website of OLA. With the new administrative measure implemented in respect of lottery licence applications received and approved in and after August 2018, the IE statements and the Reports will also be made available without any redaction on Government websites (including but not limited to websites under the Home Affairs Department and GovHK) for public inspection and copying.

The Committee noted that no revision to PN 852 *Review of Lottery Accounts* is necessary as the requirement for the IE statement and Report to be made available for public inspection has been set out in paragraph 1 of PN 852.

**2831. AOB**

It was reported that there has been ongoing discussion on whether obtaining external audit confirmation through a third party platform such as confirmation.com complies with Hong Kong Standards on Auditing. The Committee agreed and noted that the HKICPA would issue an article on the use of such platform for external audit confirmation.

The Committee was given an update on the proposed reform of the international standard setting boards for auditing and ethics. It was noted that further roundtables, consultations and outreaches would be carried out by the Monitoring Group regarding the reform.

There being no further business, the meeting closed at 9:25 a.m.

PAUL LAU  
CHAIRMAN

4 September 2018