

Business Cooperation Agreement

The following is an example of some possible basic content for a business cooperation agreement entered into between a Hong Kong CPA practice and a Mainland CPA practice to comply with Article 5 of the Provisional regulations on CPA practices carrying out audit services relating to the listing of Mainland enterprises outside Mainland. This document is not authoritative and is intended only to provide assistance to Hong Kong CPA practices. The content of a business cooperation agreement should reflect the specific requirements and circumstances of each business cooperation arrangement. Members are advised to seek legal advice before finalising the agreement.

This agreement ("Agreement") establishes a business cooperation between the following parties:

[names and addresses of Hong Kong CPA practice and Mainland CPA practice]

and is undersigned and set forth with effect from [date] of [month], [year].

The undersigned parties hereby agree to the following provisions as conditions of the business cooperation between the two parties ("Business Cooperation") in the audits of Mainland enterprises listed or intended to be listed outside Mainland China ("Mainland Enterprises"):

Scope of the Agreement

1. This Business Cooperation is set up to comply with Article 5 of the Provisional regulations on CPA practices carrying out audit services relating to the listing of Mainland enterprises outside Mainland (referred to below as the "Provisional Regulations") and is applied in the context of the Provisional Regulations.
2. This Agreement is subject to the laws and regulations of the Hong Kong SAR.
3. The Mainland Enterprises included in this Agreement are set out in Appendix 1 to this Agreement.
4. [Hong Kong CPA practice] has agreed the terms of the audit engagements with the Mainland Enterprises and has signed the respective audit engagement letters.
5. [Hong Kong CPA practice] shall inform [Mainland CPA practice] of any changes to Appendix 1, in writing, as soon as practicable.
6. [Hong Kong CPA practice] is responsible for the audit engagements and has the right to determine assignment of work and distribution of profits.
7. The audit working papers that are prepared as a result of work performed in the

Mainland shall be kept by [Mainland CPA practice] in the Mainland.

8. [Hong Kong CPA practice] and [Mainland CPA practice] will deal with respective filing and reporting to meet the requirements of the Provisional Regulations.
9. [Mainland CPA practice] will confirm to [Hong Kong CPA practice] that [Mainland CPA practice] meets the criteria for entering into a cooperation arrangement set out in Article 7 of the Provisional Regulations and will inform [Hong Kong CPA practice] immediately when [Mainland CPA practice] fails to meet such criteria.

Audits of Mainland Enterprises

10. The audits of the Mainland Enterprises shall be conducted in accordance with Hong Kong Standards on Auditing (HKSA). The implementation of this Agreement should not in any way prevent [Hong Kong CPA practice] from complying with HKSA in the conduct of the audits.
11. For the purposes of this Agreement, if the Mainland Enterprises have subsidiaries, associates or joint ventures, the audits of the Mainland Enterprises to be performed in the Mainland may encompass any of those subsidiaries, associates, joint ventures and other entities within the group.
12. [Mainland CPA practice] understands and will comply with the ethical requirements that are relevant to the audits of the Mainland Enterprises as set out in the Hong Kong Code of Ethics for Professional Accountants.
13. In accordance with HKSA 220, *Quality Control for an Audit of Financial Statements*, the engagement partners of [Hong Kong CPA practice] shall take responsibility for the overall quality control for the audits of the Mainland Enterprises, including complying with appropriate procedures regarding the acceptance and continuance of client relationships and audit engagements. Accordingly, [Mainland CPA practice] shall provide [Hong Kong CPA practice] with information on significant matters that have arisen during the current or previous audit engagements and their implications for quality control, including continuing the relationships with clients, as soon as any of those matters arise.
14. Due to the relationship between [Hong Kong CPA practice] and [Mainland CPA practice] created by compliance with the Provisional Regulations, audits of the Mainland Enterprises should be carried out by reference to HKSA 600, *Special Considerations – Audits of Group Financial Statements (Including the Work of Component auditors)* (HKSA 600). [Hong Kong CPA practice] is the primary/group auditor and [Mainland CPA practice] is the component auditor.
15. In respect of each audit engagement, [Hong Kong CPA practice], being the primary/group auditor, is responsible for the direction, supervision and performance of the engagement in compliance with professional standards and

applicable legal and regulatory requirements, and whether the auditor's report that is issued is appropriate in the circumstances. [Mainland CPA practice], being the component auditor, shall perform work on financial information related to a component of the audit at the request and under the direction of [Hong Kong CPA practice] and provide [Hong Kong CPA practice] and persons authorized by [Hong Kong CPA practice] unlimited access to the audit working papers during and after the completion of the audit.

16. In accordance with Article 12 of the Provisional Regulations, if a Mainland enterprise listed in Hong Kong is involved in litigation where a Hong Kong judiciary authority or regulator needs to review its audit working papers or in the case where a Hong Kong regulator has a need to review its audit working papers in the performance of its regulatory functions, the review will be conducted based on the regulatory agreement reached between the relevant Mainland and Hong Kong regulators.
17. Since [Hong Kong CPA practice] has the right to determine assignment of work, [Hong Kong CPA practice] can decide on the extent of work to be carried out by itself and by [Mainland CPA practice] based on its assessment of the Mainland enterprise and its environment. Before the commencement of each audit engagement, [Hong Kong CPA practice] shall, based on the audit plan developed, communicate its requirements [by way of an audit instruction] to [Mainland CPA practice] on a timely basis for each year of audit. This communication shall set out the work to be performed, the use to be made of that work, and the form and contents of the component auditor's communication with the [Hong Kong CPA practice] engagement team. [Mainland CPA practice] shall notify [Hong Kong CPA practice] of any significant matters or unusual events that might affect the audit engagement as early as possible.
18. Given that the audit plan may vary from year to year, the work to be performed at the request of [Hong Kong CPA practice] by [Mainland CPA practice] may also vary accordingly. Allocation of audit fees should be established before field work commences.
19. If [Hong Kong CPA practice] concludes that the work of [Mainland CPA practice] is insufficient to enable it to support the opinion to be given, [Hong Kong CPA practice] shall determine what additional procedures are to be performed and whether to perform those procedures itself or request further work to be carried out by [Mainland CPA practice].

We, the undersigned, agree to all the provisions listed above, and sign this document:

Signed:

[Hong Kong CPA practice]

[Mainland CPA practice]

業務合作協議書

以下是一份為符合《會計師事務所從事中國內地企業境外上市審計業務暫行規定》第五條要求而編製的業務合作協議書所需的基本內容。本文件並非強制性的，其旨僅為香港會計師事務所提供參考指引。業務合作協議書應反映每個合作安排的具體要求和情況。在草擬協議書時，會員應考慮尋求法律意見。

〔香港會計師事務所名稱及地址〕

〔中國內地會計師事務所名稱及地址〕

以上單位簽訂協議書，締結業務合作關係，並於〔年〕〔月〕〔日〕生效。

本協議書的簽署者同意以下列條款開展業務合作，為境外上市及擬上市的中國內地企業（「內地企業」）提供審計服務。

本協議書的範圍

1. 雙方是根據《會計師事務所從事中國內地企業境外上市審計業務暫行規定》（「暫行規定」）第五條，開展業務合作關係，及在《暫行規定》的規範下執行。
2. 本協議書受香港特別行政區的法律法規管轄。
3. 本協議書的附件一列載了相關的內地企業名單。
4. 〔香港事務所〕已與內地企業達成審計業務的細則，並簽訂相關的審計業務約定書。
5. 〔香港事務所〕應以書面盡快通知〔內地事務所〕有關附件一的任何變化。
6. 〔香港事務所〕承擔審計業務的責任，並享有業務分派和利益分配的權利。
7. 因在內地工作所得而形成的審計工作底稿將由〔內地事務所〕存放在內地。
8. 〔香港事務所〕與〔內地事務所〕負責各自的報備和通報事宜，以符合《暫行規定》的要求。

9. [內地事務所]須向[香港事務所]確認其符合《暫行規定》第七條所列出的要求，具備開展業務合作的條件，並當[內地事務所]不再符合該要求時，立即通知[香港事務所]。

內地企業的審計

10. 內地企業的審計應按照香港審計準則進行。本協議書的履行並不會妨礙[香港事務所]依照香港審計準則進行審計。
11. 就本協議書而言，如內地企業有子公司，聯營公司或合營公司，在內地進行的內地企業審計可能包括那些子公司，聯營公司，合營公司或集團內其他實體。
12. [內地事務所]了解並將遵循與內地企業審計相關的職業道德要求，包括香港職業道德守則。
13. 根據香港審計準則第 220 號《對財務報表審計實施的質量控制》，[香港事務所]的項目合夥人應對內地企業的審計的總體質量負責，包括遵守有關客戶關係和審計業務的接受與保持的適當程序。因此，[內地事務所]應向[香港事務所]提供在當期或前期審計業務期間出現的重大事項資料，以及它們對質量控制-包括與客戶關係的持續維繫-的影響，並應於該等事項出現後盡早提供。
14. 由於[香港事務所]與[內地事務所]已按照《暫行規定》締結業務關係，內地企業的審計應參照香港審計準則第 600 號《對集團財務報表審計的特殊考慮（包括組成部分審計師的工作）》進行。[香港事務所]為主要／集團審計師，而[內地事務所]為組成部分審計師。
15. 對於每個審計業務，[香港事務所]作為主要／集團審計師，有責任按照專業準則和適用的法律法規的規定，指導、監督和執行審計業務，並確定出具的審計報告是否適合具體情況。[內地事務所]作為組成部分審計師，應按[香港事務所]的要求及指示，對審計組成部分相關的財務資料進行工作，並在審計期間及完成後，讓[香港事務所]可以不受限制地查閱所有審計工作底稿。
16. 根據《暫行規定》第十二條，如果有香港上市的內地企業涉及法律訴訟等事項需由香港司法部門或監管機構調閱審計工作底稿的，或香港監管機構履行監管職能需調閱審計工作底稿的，則按照相關內地及香港監管機構達成的監管協議執行。

17. 由於〔香港事務所〕享有業務分派的權利，所以它能根據其對內地企業及環境的評估，決定哪些工作由它或〔內地事務所〕執行。在每個審計業務的開展前，〔香港事務所〕應根據已制訂的審計計劃，在每個審計年度及時〔以審計指示的方式〕向〔內地事務所〕通報工作要求。通報的內容應包括組成部分審計師應執行的工作、〔香港事務所〕項目組對其工作的運用，以及組成部分審計師與〔香港事務所〕項目組溝通的形式和內容。〔內地事務所〕應盡早通知〔香港事務所〕可能會影響審計業務的重大或不尋常事件。
18. 由於審計計劃每年或許會有不同，因此〔香港事務所〕要求〔內地事務所〕進行的工作，每年都可能有所不同。審計費用的分配應在展開實地工作前確立。
19. 如果〔香港事務所〕認為〔內地事務所〕的工作不足以支持其給予的審計意見，〔香港事務所〕應決定需要實施哪些追加程序，以及這些程序是由它或是〔內地事務所〕執行。

以下雙方確認同意上述條款並簽署本協議書。

〔香港事務所〕

〔內地事務所〕