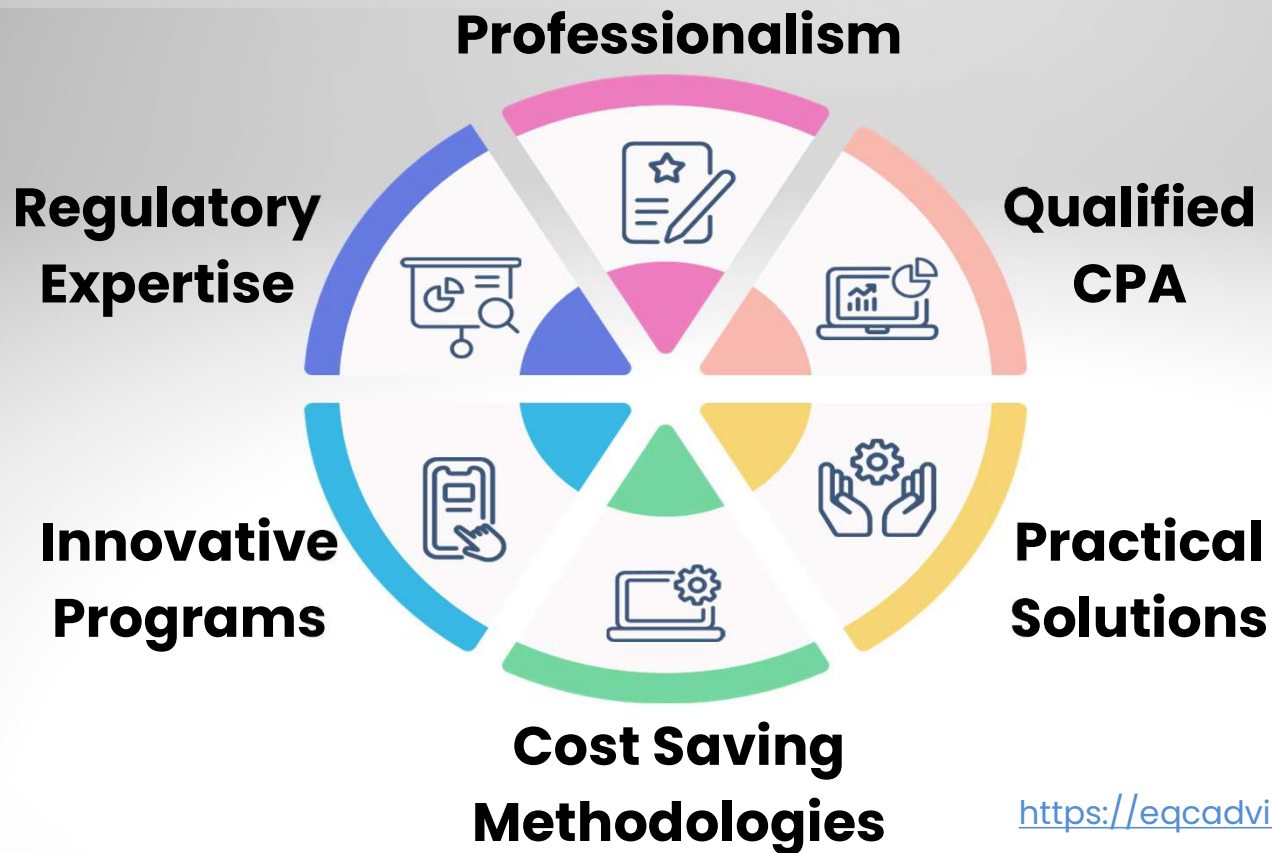


INTRODUCING AUDIT PROGRAM 4.0

Last Updated: 29 April 2025

1.1 About EQC



https://eqcadvisory.com/eventregistration_form/

1.2 EQC Consultancy services

- Experience in handling over 250 Practice reviews / Inspections
- Consulted in all stages of practice reviews / inspections
- Work with RPC – law firm in handling complaints / mitigating negotiations
- Use innovative technologies to generate working papers
- External monitoring reviews, drafting of SoQM policies, AML Policies
- Prep Work for inspections and responses to inspection findings
- Consultancy for root cause analyses and remedial actions
- Customized training programs specific to findings

We have been providing services on everything covered in this training.

Contact us for inquiries:

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Founder

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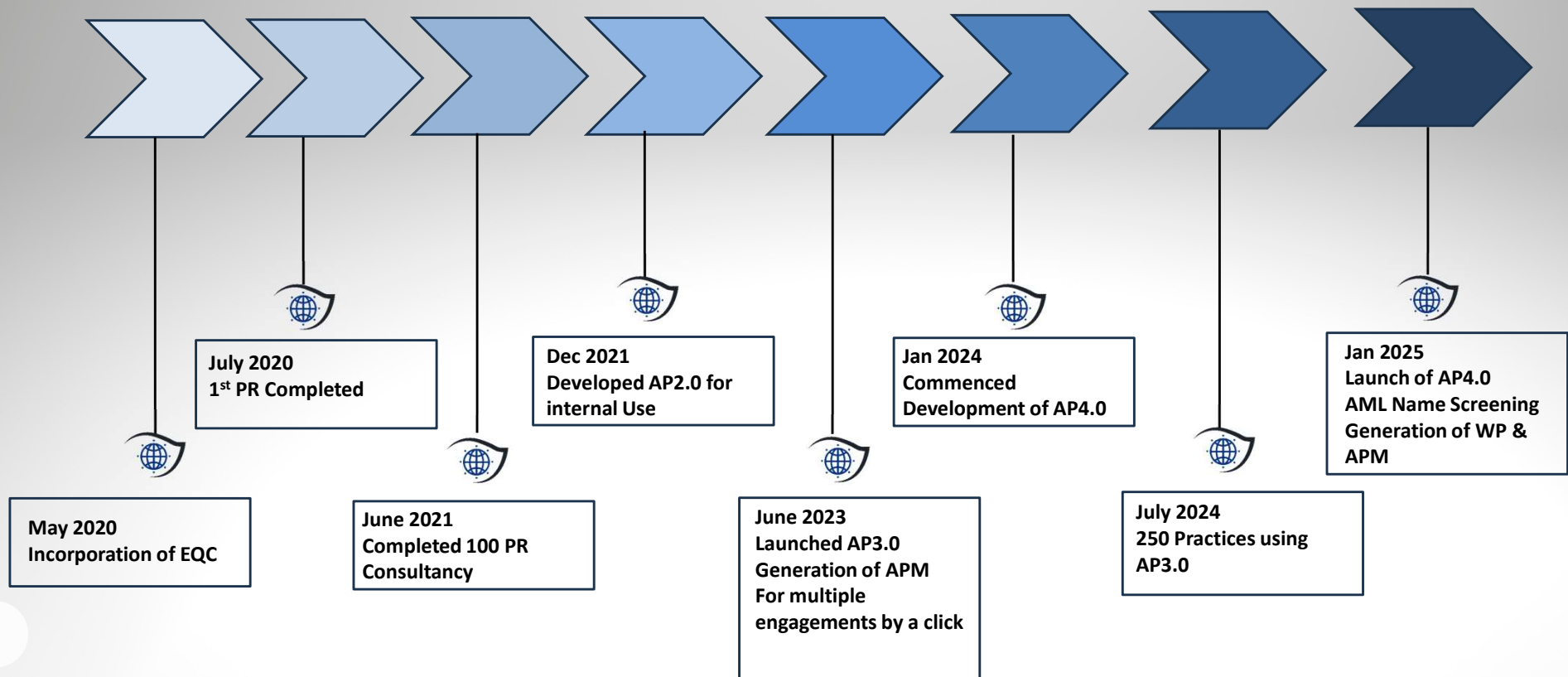
Manager

5107-6484

atsui@eqcadvisory.com



1.3 EQC Milestones on Audit Program



Section 2: Introducing Audit Program 4.0

2024/25 CPA Pain Points That AP4.0 Tackles

- 1. Talent Shortage**
- 2. Incomplete working papers**
- 3. Lack of Organization**
- 4. Regulatory Compliance Challenges**
- 5. Inefficient Audit Processes**
- 6. Trade-war Tariffs and Economic Turbulence**

2.1 TALENT SHORTAGE

Challenges in attracting new talent to the audit field in Hong Kong

In Jan 2024, HKICPA released survey results on Talent supply in Hong Kong.

Uncertain economic outlook causing employers to adopt a “Wait and See” approach on budgets for new headcounts. Newly recruited talents have a learning curve, and employers risk staff turnover.

Hong Kong SMPs face high staff turnover (20% p.a.)

It takes 3-6 months to fill vacancies and another 3-6 months to train & coach new employees, with no guarantees on retention rates.

2.1 TALENT SHORTAGE

SMPs face recruitment challenges
due to limited career opportunities,
losing talent to larger firms.



2.2 Incomplete Working Papers

**Inconsistent documentation
delays audits, increases
risks, and creates
challenges in meeting
regulatory expectations.**

**Administrative burden on
locating audit work, esp.
when there is staff turnover.**



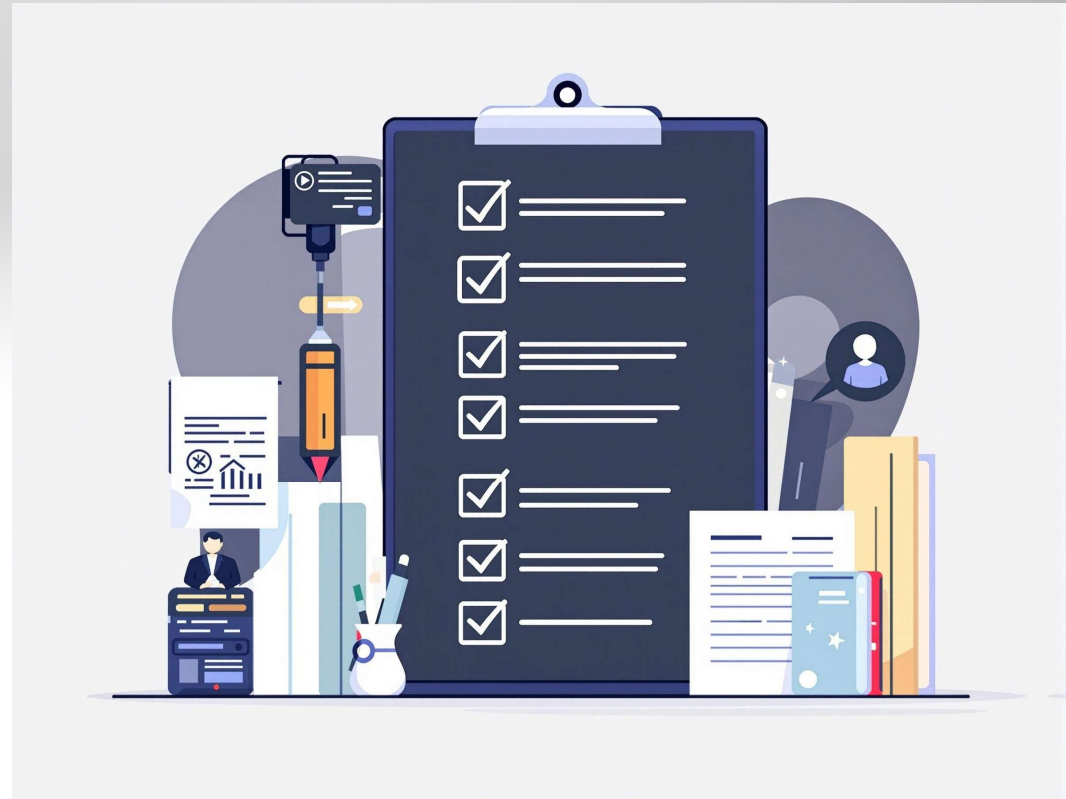
2.3 Lack of Organization

Scattered working papers make reviews, collaboration, and continuity inefficient and prone to errors.



2.4 Regulatory Compliance Challenges

Constantly changing regulations create pressure to stay updated and ensure audits **meet required standards.**



2.5 Inefficient Audit Processes

Repetitive, manual tasks consume time, reduce productivity, and divert focus from higher-value business activities.



2.6 Trade-War Disruptions

**Risk Assessment in
Unstable Times: What the
AFRC Will Expect?**



What Can AP4.0 Do?



2.7 Functionalities of AP4.0

1. Affordable AML Name Screening
2. Bulk Generation of Audit Programs, Analytical Reviews, Sample Selection Planning Sheets, Tests of Details
3. Re-Generation based on 1st Round of Audit Adjustments
4. Re-Generation based on 2nd Round of Audit Adjustments
5. Roll-over of Input Forms / Mapping Sheets
6. Auto-Import of Ledger Data

2.8 Credit Usage

Functionality	Credit Deduction
AML Name Screening	0.02 / Client Added 0.01 / Search Report Generated
Audit Program / Sample Selection Planning / Audit Procedures / Analytical Reviews / Working Papers	1.8 – 2.4 / Audit Engagement Cost = HK\$540 – HK\$3,000 / Engagement Depends on Number of Credits Purchased

2.9 Constant Upgrade - Feedback vs Solutions

- 1. Cannot Update Figures**
- 2. Import Ledgers take too much time**
- 3. Too many working papers – review time!**
- 4. Client files segregated by functions**
- 5. Program too complicated**
- 6. Too much info to fill in**

- 1. Now can revise figures TWICE**
- 2. Auto Import of Ledger Data**
- 3. Risk Profile added to Determine Extent of WP**
- 4. Client files now organized into Client Folders**
- 5. Simplified to 3 key stages from 5**
- 6. Function now enables copying COA Mapping and Main, and rollover of comparatives**

Pricing & 2025 Timeline



2.10 Alignment of Validity Period of Credits

Year 2025											
Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec
2025 Winter - Demo on New Functions - Sales of Credits - Installation						2025 Summer - Demo on New Functions - Sales of Credits - Installation					
		2025 Spring - Training & Tutorial						2025 Fall - Training & Tutorial			
	2025 H1 EQC Development of New Functions						2025 H2 EQC Development of New Functions				

New Expiry Dates:

2025 Winter Credits: 30 June 2026 (i.e. 15-18 month validity)

2025 Summer Credits: 30 June 2026 (i.e. 12 month validity)

Extension of Unused Credits by 6 months: 20% of Purchase Price of Unused Credits

No new purchases in 2025 with unused credits B/F from 2024 – Maintain Original Expiry Dates

New credits purchased in 2025 with unused credits B/F from 2024 – Align All Credits to New Expiry Dates

2.11 Pricing of AP4.0 Credits (2025 Spring)

No. of Credits Purchased (Minimum Order)	Original Price 1 Apr – 30 Apr HKD / Credit	Demo Day Promo Within 7 days from Demo (20% off) HKD / Credit	Demo Day Promo Confirm on Day of Demo (30 - 40% off) HKD / Credit
20 (1 Free Installation)	1,250	1,000	875
40 (1 Free Installation)	1,000	800	685
60 (1 Free Installation)	800	640	540
80 (1 Free Installation)	700	560	457
100+ (5 Free installations)	600	480	390
250+ (10 Free Installations)	550	440	341
400+ (15 Free Installation)	500	400	300

2.12 Cost Per Engagement (2025 Spring)

No. of Credits Purchased (Minimum Order)	Cost Per Engagement Confirm on Demo Day HKD / Engagement	Price Per Credit Confirm on Demo Day HKD / Credit	Total Price HKD
20 (1 Free Installation)	1,575 – 2,100	875	17,500
40 (1 Free Installation)	1,233 – 1,644	685	27,400
60 (1 Free Installation)	972 – 1,296	540	32,400
80 (1 Free Installation)	823 – 1,097	457	36,560
100+ (5 Free installations)	702 – 936	390	39,000
250+ (10 Free Installations)	614 – 818	341	85,250
400+ (15 Free Installation)	540 – 720	300	120,000

AP4.0 Demo

