

Press Release
20 February 2008

Hong Kong Institute of CPAs and Financial Reporting Council Sign Memorandum of Understanding

(HONG KONG, 20 February 2008) — The Hong Kong Institute of Certified Public Accountants (HKICPA) and the Financial Reporting Council (FRC) have entered into a Memorandum of Understanding (MOU). This will facilitate the co-ordination of effort and exchange of information between the two parties so that they can discharge their respective functions effectively under the Hong Kong regulatory regime.

The HKICPA is the only statutory licensing body of accountants in Hong Kong responsible for the professional training, development and regulation of the accountancy profession. It has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate CPA qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong.

The FRC is a statutory organization which commenced operations in July 2007. Its main functions are to investigate, with respect to listed entities, auditing and reporting irregularities, enquire into non-compliance with financial reporting requirements and, where appropriate, to require listed entities to remove any non-compliance identified.

Both the HKICPA and the FRC recognize the importance of promoting effective accounting practices and financial reporting in Hong Kong to safeguard its leadership as an international financial centre.

The MOU sets out the working arrangements between the HKICPA and the FRC in areas of information sharing, standards interpretation, and case referrals. The [MOU](#) is available on the websites of the HKICPA (www.hkicpa.org.hk) and the FRC (www.frc.org.hk).

“As Hong Kong’s only statutory accounting body for regulating and development of the profession, one of our primary responsibilities is to safeguard local financial markets,” says Albert Au, President of the Institute. “This agreement cements and strengthens our cooperation with the FRC.”

Sophia Kao, chairman of the FRC, adds, “This MOU fosters a seamless collaboration between the two bodies to ensure non-duplication of functions while we both work to protect the continued success of Hong Kong as a world class financial center.”