



Minutes of the 214th meeting of the Ethics Committee held on Wednesday, 10 March 2010 at 9:00 a.m. in the 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. Raphael Ding (Chairman)  
Mr. Raymond Kong (Deputy Chairman)  
Mr. Stephen Chan  
Mr. Eric Fok  
Mr. Alex Lai  
Mr. Frankie Lam  
Mr. Alden Leung  
Ms. Grace Ma  
Ms. Virginia You  
Ms. Monica Yu  
Mr. Steve Ong, Director, Standard Setting  
Ms. Selene Ho, Assistant Director, Standard Setting  
Ms. Phoebe To, Manager, Standard Setting

Apologies for absence were received from Mr. Wilson Chan, Ms. Piera Ho and Mr. Kenny Tam.

Council  
Action

**1492. Welcome to new members and Committee composition for 2010**

The Chairman welcomed Mr. Frankie Lam, Mr. Alden Leung and Ms. Grace Ma as new members to the Committee and recorded a vote of thanks to past members, Mr. Philip Tsai, Mr. Charles Grieve, Mr. Keith Pogson, Mr. Raymond Ng and Mr. Charlix Wong for their contributions.

Mr. Alex Lai informed the Committee of his resignation from the Council of The Law Society of Hong Kong and hence, The Law Society would nominate another member to represent The Law Society on this Committee.

*[Post meeting note: The Law Society wrote to the Institute on 27 April 2010 and appointed Mr. Joseph Li of Messrs. Joseph Li & Co., a Council member of The Law Society.]*

**1493. Guidance note on general confidentiality rules**

The Chairman drew members' attention to the guidance note on the general confidentiality rules in relation to minutes and agenda papers of the Council and Committees appointed by the Council.

**1494. Minutes of the 213<sup>th</sup> Meeting**

The Chairman signed the Minutes of the 213<sup>th</sup> Meeting after their approval by the Committee.

**1495. Proposed meeting schedule for 2010**

The Committee noted that additional meetings would be arranged if necessary.

**1496. Terms of Reference and Proposed Work Plan for 2010**

The Committee considered and endorsed the Terms of Reference.

The Committee also considered and endorsed the proposed Work Plan for 2010. The key projects under the Work Plan were:

- (i) To maintain a concurrent agenda with that of IESBA
  - To consider the revised HKICPA *Code of Ethics for Professional Accountants* expected to be issued in first quarter of 2010.
  - To monitor the key projects of IESBA as stated in its strategic planning for 2010-2012.
- (ii) To consider local guidance
  - To keep track of other countries' development on the adoption of the revised IFAC Code of Ethics for Professional Accountants (IFAC Code) in relation to the identification of "public interest entities"; and to consider updating the revised HKICPA Code, if necessary.
  - To monitor the latest work of the Restructuring and Insolvency Faculty Executive Committee and to consider updating section 432 *Integrity, Objectivity and Independence in Insolvency* of the revised HKICPA Code.
  - To monitor the progress on the HKSIR project and to consider the adoption of the UK Code of Ethics for Reporting Accountants in Hong Kong.

**1497. Revised HKICPA Code of Ethics for Professional Accountants (HKICPA Code)**

The Committee considered and endorsed the revised HKICPA Code, subject to amendments being made as suggested by the Committee.

The Committee suggested that the Standard Setting Department informs the Quality Assurance Department of the definition of "public interest entities" as set out in the revised HKICPA Code in view of aligning the definition.

The Committee also requested to consider arranging meetings with various stakeholders (e.g. The Law Society of Hong Kong, Insurance Authority), if necessary, when setting additional guidance for the identification of "public interest entities".

*[Post meeting note: The revised pages of the HKICPA Code were circulated to the Committee for approval and endorsement on 11 March*

2010.]

**1498. Training and Promotion on Revised HKICPA Code**

The Committee requested the SSD to consider training and promotion programs on the revised HKICPA Code to be held in later this year.

There being no further business, the meeting closed at 10:10 a.m.

RAPHAEL DING  
CHAIRMAN

28 April 2010