



Dear Assignment/News/Business Editor

An internationally recognized audit regulatory regime meeting public interest

(HONG KONG, 26 June 2015) — The Hong Kong Institute of Certified Public Accountants says the Government's conclusion of the public consultation on proposals to improve the regulatory regime for listed entity auditors ("conclusion") released today has largely follow the consultation proposals and there have been some changes reflecting some of the proposals made by the Institute in response to the consultation.

"We welcome the conclusions that have taken up some of the recommendations the Institute proposed with its consultation with members," says Dennis Ho, the Institute president, "However, it is very important that details are provided, discussed and agreed before the legislation process."

The Institute's position is that there should be a clear separation of inspection / investigation and disciplinary powers, the independent oversight body should have adequate qualified audit professionals to effectively perform regulatory functions, more guidance about penalty, and operation cost of the oversight body should come from investors.

"The Institute will continue to support the development of a system of auditor regulation in Hong Kong that will be internationally recognized," Ho adds. "We will continue to work with the Government during the drafting and passage of legislation so that a fair and just audit regulation system that meets the public interest can be established."

– End –

About the Hong Kong Institute of CPAs

The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to Certified Public Accountants in Hong Kong. The Institute has more than 38,000 members and 18,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designation *CPA*.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

The Hong Kong Institute of CPAs is a member of the Global Accounting Alliance - an alliance of the world's leading professional accountancy bodies, which was formed in 2005. The GAA promotes quality services, collaborates on important international issues and works with national regulators, governments and stakeholders.

Hong Kong Institute of CPAs' contact information:

Stella To
Head of Corporate Communications
Phone: 2287 7209
Mobile: 9027 7323
Email: stella@hkicpa.org.hk