



Minutes of the 227th meeting of the Ethics Committee held on Tuesday, 18 March 2014 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. Alden Leung (Chairman)
Mr. Edmand Cheung
Ms. Piera Ho
Ms. Grace Ma
Mr. Amirali Nasir
Ms. Simon Riley
Dr. Wong Ka Lok
Ms. Virginia You
Ms. Monica Yu

In attendance: Mr. Chris Joy, Executive Director, Standards and Regulations
Mr. Ambrose Wong, Associate Director, Standard Setting
Ms. Selene Ho, Associate Director, Standard Setting (for item 1567 only)
Ms. Clare Wong, Member of the Accountants' Report Sub-Committee of Auditing and Assurance Standards Committee (for item 1567 only)

Apologies for absence were received from Mr. Raymond Cheng, Mr. Philip Fung and Mr. Alfred Lum.

Action

1561. Welcome to new members and Committee composition for 2014

The Chairman welcomed Ms. Piera Ho, Mr. Alfred Lum and Mr. Simon Riley as new members of the Committee. The Committee recorded a vote of thanks to the retiring members, Mr. Raymond Kong, Mr. Jonathan Russell Leung and Ms. Jacqueline Wong for their contributions to the Committee during the tenure of their service.

1562. 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.

1563. Terms of Reference

The Committee considered and agreed that the existing terms of reference are still appropriate.

1564. Meeting Schedule for 2014

The Committee noted the proposed meeting dates for 2014. The Standard Setting Department will re-arrange the meeting date for the December 2014 meeting.

SSD

1565. Minutes of the 226th Meeting

The Committee approved and the Chairman signed the minutes of the 226th meeting.

1566. Proposed Work Plan for 2014

The Committee considered the proposed work plan and noted that the key project in the first half of the year would be the regional roundtable and outreach by International Ethics Standard Board for Accountants in May 2014.

1567. Code of Ethics for Reporting Accountants

The Committee considered the draft Code of Ethics for Reporting Accountants (COERP) prepared by the Accountants' Report Sub-Committee (Sub-Committee) of the Auditing and Assurance Standards Committee.

The Committee noted that this project is an important project where members agreed to provide their comments on the draft for further consideration by the Sub-Committee.

The Committee discussed a paragraph in the draft COERP, requiring a sole practitioner to take account of the fact that the requirements or safeguards as mentioned in the COERP will not be available to him or her. Similar considerations apply to a small practice. The Committee considered that the paragraph is generally in line with the substance of the HKICPA Code. The Committee considers IESBA may include guidance of a similar nature to the relevant section of the Code when undergoing its Structure of the Code Project.

1568. Submission on IESBA Consultation Paper on Proposed Strategy and Workplan, 2014-2018

The Committee noted the finalization of submission by Standard Setting Department, which was approved by the Committee through circulation.

1569. IESBA Roundtable on Responding to Non-compliance with Laws and regulations (NOCLAR) and its outreach to Hong Kong

The Committee noted the International Ethics Standard Board for Accountants' roundtable on NOCLAR project on 20 May 2014 and its outreaching activities in Hong Kong on 19 and 21 May 2014.

The Committee noted that the meeting with IESBA Chairman and Technical Director on 19 May 2014 is an important opportunity for members to exchange their views directly with IESBA on ethical issues and IESBA's work. The Chairman urged members to reserve the time for the meeting.

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

ALDEN LEUNG
CHAIRMAN

24 March 2014