

HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Minutes of the **41st Annual General Meeting** held on Friday, 13 December 2013 in the Auditorium, 27th floor, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong at 5:30 p.m.

- Chairman : Ms. Susanna CHIU, FCPA (President)
- Council Members Present : Mr. Clement CHAN, FCPA (Vice President)
Ms. Mabel M.B. CHAN, CPA (Vice President)
Mr. Keith POGSON, FCPA (Immediate Past President)
Mr. Raymond CHENG, FCPA
Ms. Jennifer H.Y. CHEUNG, FCPA (Co-opted member)
Ms. CHEUNG Wing Han, Ivy, FCPA
Prof. CHO LUNG Pui Lan, Stella, FCPA
Ms. Ada CHUNG, FCPA (Rep. of the Financial Secretary)
Mr. Dennis HO Chiu Ping, FCPA
Mr. Ronald KUNG, FCPA
Mr. LAM Chi Yuen, Nelson, FCPA
Mr. Stephen LAW, CPA
Ms. Edith SHIH (Appointed lay member)
Mr. Martin SIU, CPA (Rep. of the Director of Accounting Services)
Ms. SUN Kwai Yu, Vivian, FCPA (Co-opted member)
Mr. Eric TONG, FCPA
Mr. Kim Man WONG, CPA (Appointed member)
- Apologies : Ms. Melissa BROWN (Appointed lay member)
Mr. Andrew FUNG (Appointed lay member)
Mr. Doug OXLEY, FCPA
Mr. TAM Wing-pong (Appointed lay member)
- Chief Executive & Registrar : Mr. DING Wai Chuen, Raphael, FCPA
- Other members present : 46

There being a quorum, the Chairman called the meeting to order.

In the interest of time, the Chairman proposed, Mr. Albert Au seconded and members present unanimously agreed by a show of hands that the Notice of the Meeting be taken as read.

1. **President's address**

The President updated members on the Institute's developments during the year as follows:

- A surplus of HK\$5 million was recorded for the fiscal year, despite cost inflation, rising level and standard of member services, as compared with a HK\$8 million deficit from the previous year. The Institute was in good financial health as it started its Sixth Long Range Plan.
- The Institute celebrated its 40th anniversary this year as the largest professional body in Hong Kong with more than 36,000 members and 15,000 students. The Institute's Qualification Programme had produced around 9,000 graduates and was recognised in five continents.
- A series of member engagement forums on topics relating to the Sixth Long Range Plan and audit regulatory reform were held on a monthly basis to communicate with members and strengthen the relationship between the Institute and its members. Institute members were able to express their views directly to members of the Council at the forums.
- The Institute maintained that although the current regulatory system had proven to be effective, Hong Kong must move forward to align itself with international practices. Ongoing member consultations on the audit regulatory reform were conducted and the Institute valued the opinions of its members. Regardless of how the regulatory regime would change, the Institute would still play an important role as Hong Kong's only statutory accounting body, subject to oversight.
- The Institute continued to provide support targeting at the career needs of members working in business, including running a faculty programme in finance and management in conjunction with another professional institute, providing specialised training on independent non-executive directorships and a dedicated programme on financial controllership.
- Over 40% of the Institute's membership was under the age of 40. To serve this group of members, a Young Members Group had been set up several years ago to host seminars, career development talks and a wide range of cultural and leisure activities so that young members could network, learn from and grow up with each other.
- The Institute organised technical workshops, annual symposiums, quality assurance forums and business networking events with Mainland counterparts for the small- and medium-size practitioners ("SMPs"). Articles and guidebooks aiming to help the SMPs specialise and become more competitive were also published.

Before closing, the President accorded a vote of thanks to the two Vice Presidents and fellow Council members for their support and commitment. The President also thanked the Chief Executive and his management team for their professionalism and dedication.

2. **To receive the annual report and approve the statement of accounts**

In the interest of time, the Chairman proposed, Mr. Philip Tsai seconded and the members present unanimously agreed by a show of hands that the auditor's report be taken as read.

The Chairman invited comments from members on the statement of accounts.

Mr. Edward Chow commended the Institute's management team under the leadership of the Chief Executive, with support from the Council, for the financial turnaround. However, he hoped that the Council would be mindful not to cut cost at the expense of the member services.

Mr. Chow remarked that the Institute contributed a lot of money to fund the international organisations' activities. He reminded Council that they had a responsibility both individually and collectively to make sure that the Institute and its members received value for the contributions made. Mr. Chow expressed his regret that the Institute did not now have a representative at the Board of International Federation of Accountants ("IFAC") although the Institute was a founding member of IFAC.

As compared with the New Zealand Institute of Chartered Accountants which has similar membership size as the Institute's, their members had been the chief executive officer, chief operating officer and incumbent president of IFAC. Mr. Chow urged the new Council to make sure that the Institute's presence in the international arena was felt. He also pointed out that many organisations had their own agenda when serving on international bodies. The Institute's international participation befitted Hong Kong's status as the third largest financial centre in the world and the Institute being one of the leading accounting bodies.

The Chairman thanked Mr. Chow for his views and advised that the Institute had participated in IFAC's Profession Accountants in Business Committee and Small and Medium Practices Committee and chaired some of its task forces. The Institute also helped IFAC's PAIB Committee producing papers on the roles and expectations of PAIBs and chief financial officers. The Institute's Sixth Long Range Plan covered the Institute's international strategy. The Chairman also assured Mr. Chow that the Council would work closely with the Chief Executive on expense reduction and would play a balancing role to ensure that members' money was well spent without sacrificing the quality of the Institute's member services.

The Chairman proposed, Mr. Patrick Law seconded and the members present unanimously resolved by a show of hands that the statement of accounts for the year ended 30 June 2013 be approved.

3. **To appoint an auditor of the Institute under Professional Accountants By-law 42(1)**

The Chairman proposed, Mr. Gary Poon seconded and the members present unanimously resolved by a show of hands to appoint Mazars CPA Limited as the Institute's auditor until the next Annual General Meeting.

4. **To elect seven Council Members in accordance with sections 12 and 13 of the Professional Accountants Ordinance**

The Chairman informed the meeting that for the seven vacancies this year, the Registrar had received a total number of valid votes from 3,391 members of which 1,255 members returned their completed ballot forms and 2,136 members cast their votes electronically.

The Chairman declared that pursuant to Professional Accountants by-law 3(5), the following seven members by order of their surname were elected to the Council in accordance with sections 12 and 13(1)(b) of the Professional Accountants Ordinance:

Certified public accountants in full time practice as certified public accountants (practising)

Ms. CHAN Mei Bo, Mabel
Mr. LAM Chi Yuen, Nelson
Mr. LAW Fu Yuen, Patrick

Certified public accountants otherwise than in full time practice as certified public accountants (practising)

Ms. CHEUNG Hok Yan, Jennifer
Mr. KUNG Yiu Fai, Ronald
Mr. LAW Cheuk Kin, Stephen
Mr. WONG Kim Man

The Chairman informed the meeting of the composition of the new Council for the ensuing year. In addition to the 14 elected members, two ex-officio members and herself as a Council member in the capacity of immediate past President, four lay persons had been appointed to the Council by the Chief Executive of the HKSAR ("CE") and up to two co-opted Council members would be selected by the new Council.

The Chairman advised that Ms. Edith Shih would retire from the Council on 14 December 2013 after having served six consecutive years on the Council as a lay member and thanked her for her dedicated service. The CE appointed Mrs. Seng Sze Ka-mee, Natalia to succeed Ms. Shih as an appointed lay member from 15 December 2013 to 30 November 2015. In addition, Mr. Andrew Fung had been re-appointed by the CE to serve on the Council for another term from 15 December 2013 to 30 November 2015.

The Chairman thanked the incumbent lay members: Ms. Melissa Brown and Mr. Tam Wing-pong for their service and contributions.

The Chairman also extended a vote of thanks to the three retiring Council members, Mr. Keith Pogson, immediate past President; Ms. Sun Kwai Yu, Vivian, co-opted member and Ms. Edith Shih, appointed lay member for their contributions and support over the years they served on the Council.

5. **Any other ordinary business**

The Chairman informed the meeting that no official notification of any items to be discussed had been received and, as such, the meeting had no other business. The Chairman invited members to express their views on any subjects of interest before the close of the meeting.

Mr. Edward Chow remarked that the Institute had a history of 40 years and was now mature, sustainable and growing. It had a lot of members who had made great achievements to the community. He suggested Council to consider setting up a system to acknowledge the outstanding achievements of prominent accountants, such as Mr. Edmund Ho, the former Chief Executive of the Macau SAR.

Ms. Vivian Lau advised that she had heard many comments from members when she ran for the Council election. While 2013 was considered a good and stable year, she knew that many members had found it a difficult year and they could not earn higher income and see a better future. She hoped that Council would take into account not only voices from big firms and practitioners, but also the voices from other members.

The Chairman thanked Mr. Chow and Ms. Lau and agreed that the new Council would consider their views.

Mr. Clement Chan, Vice President, accorded a vote of thanks on behalf of the Council to the President for her capable leadership and dedication to the Institute.

There being no further business, the Chairman declared the meeting closed at 6:15 p.m..

SUSANNA CHIU
CHAIRMAN

5 February 2014