

Government welcomes passage of Financial Reporting Council (Amendment) Bill 2021

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, welcomed the passage of the Financial Reporting Council (Amendment) Bill 2021 by the Legislative Council today (October 22) which would enhance the regulatory regime of the accounting profession in Hong Kong.

The amended Ordinance enables the Financial Reporting Council (FRC) to become a full-fledged independent regulatory body for the accounting profession. In the new name of Accounting and Financial Reporting Council under the new regime, the FRC will perform expanded statutory functions, including the issuance of practising certificates to certified public accountants; registration of accounting practice units and Public Interest Entities auditors; and inspection, investigation and discipline work of the accounting profession. The FRC will also oversee the Hong Kong Institute of Certified Public Accountants' performance in its various statutory professional functions.

Mr Hui said, "The amended Ordinance brings Hong Kong's regulatory regime of the accounting profession more in line with international developments and with increased coherence and efficiency, hence reinforcing our status as an international financial centre and business hub, and facilitating the long-term development of the profession.

"According to the legal framework of the amended Ordinance, the Government will prepare the subsidiary legislation to provide for the transitional arrangements of the new regulatory regime. The FRC will also develop guidelines and other administrative documents in relation to its expanded powers. The accounting profession and other stakeholders will be engaged in the process."

The amended Ordinance will commence operation on a day to be appointed by the Secretary for Financial Services and the Treasury by notice published in the Gazette after the necessary preparatory work has been completed.