

A PLUS

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Office Address: 4/F, Tower 2, Lippo Centre,
89 Queensway, Hong Kong

Tel: +852 2287 7228 Fax: +852 2865 6603

Website: <http://www.hkicpa.org.hk>

E-mail: hkicpa@hkicpa.org.hk



Editor: Mike Hurlle

mikehurlle@eightpublishing.com

Assignment Editor: Ryan Swift

Chinese Editor: Roland Yee

Art Director: Emilio Rivera III

Design Manager: Catherine Tai, Pam Choi

Publisher: Chris Baker

Publishing Coordinator: Jennifer Wan

Sales Manager: Jennifer Ho

Tel: +852 2836 8969

E-mail: jenniferho@eightpublishing.com

Editorial Office

21/F East Exchange Tower,

38 Leighton Road,

Causeway Bay, Hong Kong

Tel: +852 2892 1322 Fax: +852 2893 0320

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PRESIDENT'S MESSAGE

Dear Members,

Time flies as we are already in the second half of 2005 and also that of the 2005 Council year.

The month of June was a very busy one. We hosted a well-attended International Financial Reporting Standards Forum with Sir David Tweedie, chairman of IASB, attending as a keynote speaker. More than 200 members and executives came to hear Sir David talk about the IASB's current and future work program on global convergence of financial reporting standards, including those with U.S. GAAP. He was also very candid in readily admitting that IFRSs are not perfect and that much effort is needed to beat them into better shape. He also conveyed the IASB's clear preference for jurisdictions to fully converge first and then improve from within to make IFRSs better serve the public interest. This Hong Kong has done with effect from 1 January 2005 along with the European Union, Australia and more than 40 other countries.

The message I would add is, with HKFRS having fully converged with IFRS, Hong Kong companies should seriously consider basing their accounting policies on IFRS. Such a move will also enable PRC companies listed on the Hong Kong Stock Exchange to be at the same cutting edge, which bodes well for Hong Kong as a major financial centre.

I am also pleased to advise that we have successfully concluded negotiations on Mutual Recognition Agreements with CPA Australia and the Canadian Institute of Chartered Accountants (CICA). We have also agreed to proceed with the Chartered Institute of Management Accountants (CIMA) on developing a mutual examination paper exemption agreement. The MRA with CPAA was signed on 24 June and the signing date with CICA is being arranged. The agreement with CICA will – for the first time – give our members recognition in North America.

Members should be pleased to note that your Institute achieved the above within the anniversary timeline of 30 June. Meanwhile, with the independent advisor having completed the review of the examination schemes of ACCA and the Institute, we have also begun discussions with ACCA regarding future recognition. We hope to achieve success in the very near future.

I wish to take this opportunity to thank our International Recognition Committee, under the able chairmanship of Roger Best, Winnie Cheung, our chief executive, and Georgina Chan, our executive director of education and training, for their cross time zone concerted effort to bring the MRAs to a successful conclusion.

Now, our CPA QP is recognized on five continents – Asia, Australia, Africa, Europe and North America. I hope members will take advantage of the MRAs to enrich their professional standing and CVs!

In conclusion, I would advise that, on your behalf, I have written to the new Chief Executive of HKSAR, the Honourable Donald Tsang Yum-kuen, to congratulate him on taking office, and I have also taken the opportunity to urge him to place legislating for proportionate liability high on his Policy Agenda for our profession.

Sincere regards,



Edward K.F. Chow
President, Hong Kong Institute of CPAs