

# RIF

## Restructuring and Insolvency Faculty Hong Kong Institute of CPAs

### INFORMATION SHEET

#### Development of faculties

The Hong Kong Institute of Certified Public Accountants ("the Institute") views specialist faculties as an important development. Faculties aim to develop as centres of excellence in specific fields of expertise and to enhance support for faculty members working in that sector. The **Restructuring and Insolvency Faculty ("RIF")**, the first specialist faculty established by the Institute, was formally launched at a reception on 28 April 2008, with the Hon Mr. Justice Rogers, V-P, Justice of Appeal, as the guest of honour.

#### Objectives of faculties

Broadly, the role of faculties encompasses:

- Promoting best practice in the relevant specialised fields, with the aim of helping to raise industry standards.
- Providing facilities, services and support (e.g., continuing professional education, technical information and publications), to assist faculty members in carrying out their work in the specialised field.
- Acting as the professional and public interest voice of the Institute, and of the relevant industry sector generally, in specialised fields, and maintaining and strengthening the reputation and standing of the Institute and the relevant industry sector.

### The RIF

#### Membership

RIF membership is open to certified public accountants, lawyers, holders of other relevant professional memberships and/or qualifications, practitioners with suitable experience, and other persons with a relevant interest in the insolvency field. At present, the RIF membership stands at around 500 members, who are:

72%	Accountants
26%	Lawyers
2%	Others, including staff of the Official Receiver's Office, bankers and academics, etc.

#### Operation, management and accountability

The aims and objectives, structure, accountability, etc., of the RIF are set out in broad terms in its constitution. The RIF Executive Committee ("RIFEC") is responsible for the management of the RIF and accountable to the Institute's Council through the relevant accountability boards. Day-to-day operational matters relating to the RIF are dealt with by the Institute's Specialist Practices Department.

The RIFEC comprises 16 members. 12 seats are filled by election from amongst the RIF membership, up to two are appointed by Council and the remainder are filled by co-option from among RIF membership. The elections are held in October/November every year. The first elections took place in 2009.

## Activities

The RIF holds regular lunch seminars at the Institute's training centre in which topics of interest to insolvency practitioners are presented and discussed and, in addition, networking events. The RIF events held for the membership year 2009-2010 are listed in [Appendix A](#). The RIFEC has also assisted the Institute in planning more extensive insolvency training courses and individual RIF members have also been involved more actively in helping to run the courses and/or teach them.

Arrangements have been made with the Institute's Professional Development Department and the Law Society's Accreditation Sub-committee for the RIF lunch seminars to be accredited under each body's CPD scheme. Under the existing arrangements, generally one Hong Kong Institute of CPAs CPD hour and one Law Society CPD point are granted for each one-hour lunch seminar.

The RIF also produces an e-newsletter, "The IP's Voice", as a channel of communication to keep RIF members informed of the work of the RIFEC, RIF activities, legal and regulatory updates and news about developments in the world of insolvency and restructuring.

The RIFEC carries out technical work, including reviewing and commenting on consultation documents, legislative proposals on insolvency practice or which may have an impact on insolvency practice. It is also in the process of updating the statement on professional ethics in insolvency and liquidation, and developing proposals for amendments to the winding up provisions under the Companies Ordinance, and related rules, with a view to putting these forward in the context of the government's Companies Ordinance Rewrite project.

## INSOL International

The RIF, which superseded the Insolvency Interest Group, forms the basis of the Institute's association membership of the International Association of Restructuring, Insolvency & Bankruptcy Professionals ("INSOL").

An overview of INSOL's mission, goals and membership benefits, extracted from the 2010 INSOL Directory, is at [Appendix B](#). In addition to insolvency practitioners, bankers, academics, regulators and judges are eligible for full INSOL membership

As one of the largest 10 INSOL member associations, the Institute is entitled to nominate a representative to sit on the INSOL Board of Directors. Directors are appointed for a three-year term. Mr. Bruno Arboit, who is also deputy chairman of the RIFEC, is currently serving as the Institute's nominee on the INSOL board. His term of office runs until September 2011.

INSOL publishes a quarterly journal, entitled "INSOL World", which is distributed directly from INSOL to members free of charge. It also issues a monthly electronic newsletter and publishes an annual directory of member associations and individual members.

## Funding and Membership Subscriptions

The RIF membership year runs from 1 July to 30 June of the following year. The RIF aims to be largely self-funding through annual subscriptions and income from activities. The annual subscription for the membership year 2010-2011 is HK\$780 for members of the Institute, staff of the Institute's member practices and students of the Institute, and HK\$950 for all other RIF members. This fee is inclusive of £29 sterling for INSOL membership.