

## Press Release

20 November 2023

### **AFRC issues 2023 Oversight Report on HKICPA's Performance of Specified Functions**

The Accounting and Financial Reporting Council (**AFRC**) today issues its [2023 Oversight Report on HKICPA's Performance of Specified Functions \(the Report\)](#) covering the assessment period from 1 April 2022 to 31 March 2023. This is the first oversight report covering the expanded specified functions of the Hong Kong Institute of Certified Public Accountants (**the HKICPA**) added to the purview of the AFRC's oversight after the Further Reform of the regulatory regime of the accounting profession, which came into effect in October 2022. The specified functions under the expanded scope of oversight include (i) the registration of CPAs, (ii) standard setting, (iii) the provision of training to CPAs, (iv) setting continuing professional development requirements for CPAs, and (v) arranging for mutual or reciprocal recognition of accountants.

The Report identified eleven findings and provided a set of observations for the HKICPA to drive improvement, covering the following themes:

- a) Embracing a holistic approach;
- b) Optimising resource utilisation; and
- c) Enhancing quality control.

The Report also provided further recommendations for each of these findings based on a thorough analysis of their impact. These recommendations are intended to address the underlying causes of the issues identified.

Ms Mary Leung, Head of Policy, Registration and Oversight, remarked, "The AFRC maintains a constructive, consistent, and forward-looking approach to our oversight responsibilities. We aim to provide strategic, relevant, and high-level guidance to the HKICPA to enhance its implementation of specified functions."

Ms Janey Lai, Acting CEO concluded, "The HKICPA plays a pivotal role in continuously raising the standards of the accounting profession. As the independent oversight body of the HKICPA, the AFRC has confidence that the HKICPA will make progress in the respective areas towards the overarching objective of propelling the sustainable development of the profession."

End

## About the Accounting and Financial Reporting Council

The Accounting and Financial Reporting Council (AFRC) is an independent body established under the Accounting and Financial Reporting Council Ordinance. As an independent regulator, AFRC spearheads and leads the accounting profession to constantly raise the level of quality of professional accountants, and thus protects the public interest.

For more information about the statutory functions of the AFRC, please visit [www.afrc.org.hk](http://www.afrc.org.hk).

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