



Minutes of the 266th meeting of the Ethics Committee held on Wednesday, 27 November 2024 at 12:30p.m. in Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong (and via video conference)

- Present: Ms. Mary Xuereb (Chair)
Mr. Horace Ma (Deputy Chair) (Dial-in)
Mr. Dennis Chan (Dial-in)
Ms. Elly Chui
Mr. Eric Hung
Ms. Elaine Kwong
Mr. Charbon Lo (Dial-in)
Ms. Mary Lau
Mr. Rudolf Leung (Dial-in)
Mr. Ricky Wong (Dial-in)
Ms. Cecilia Yam (Dial-in)
- In attendance: Mr. Chris Joy, Director
Ms. Cecilia Kwei, Director, Standard Setting
Ms. Selene Ho, Deputy Director, Standard Setting
Ms. Grace Lau, Associate Director, Standard Setting
Ms. Cherry Yau, Associate Director, Standard Setting
Ms. Phoebe To, Manager, Standard Setting
- Observer: Ms. Tracy Chan, Accounting and Financial Reporting Council (Dial-in)
Ms. Kristin Ko, Accounting and Financial Reporting Council (Dial-in)
- Apologies: Mr. Paul Chan
Mr. Dacky Leung

Action

1971. Minutes of the 265th meeting

The Committee approved the minutes of the 265th meeting.

1972. Work plan status report

The Committee considered the report and noted the progress of various projects. SSD extended its gratitude to committee members who contributed to the delivery of the Institute's ethics training sessions on new and revised ethics pronouncements as well as other ethical related topics relevant to professional accountants.

1973. Educational initiatives during 2024

The Committee received a summary of the Institute's ethics educational courses and materials delivered in 2024. Additionally, the Committee noted and concurred with SSD's follow-up actions taken in response to the Committee's comments from the September meeting, including:

- Delivery of a [video clip](#) showcasing the Institute's [Ethics Resources Centre](#).
- Due to the limited availability of free verifiable ethics CPD courses in the market, SSD took alternative action to promote the Institute's technical resources through social media posts instead of providing a summary of free-of-charge ethics CPD courses for communication with HKICPA members.

The Committee was also requested to propose topics that may warrant the development of educational materials and recommend their appropriate format and speakers.

1974. Phase 2 of the public interest entity definition project

SSD provided an update on the progress of Phase 2 of the Public Interest Entity (PIE) definition project. This included research into the definition of PIE in the codes for professional accountants in various jurisdictions, as well as discussions with the Institute's industry regulatory advisory panels, which consist of professionals with practical experience and direct knowledge of financial and regulatory reporting in the sector.

Based on the information gathered and feedback received, SSD presented a preliminary proposal to the Committee for categorizing certain types of entities as PIEs in Phase 2, using industry-specific criteria. Committee members from CPA firms were requested to seek internal consultation to provide feedback on the proposal. Additionally, SSD would continue to engage with the industry advisory panels for feedback.

The Committee also recommended SSD prepare a summary of the thresholds and criteria used to categorize entities as PIEs across different entity types. This summary aims to ensure the proper and consistent application of categorization criteria in the development of PIEs during Phase 2.

1975. Endorsement on the issuance of the updates to the Institute's Code of Ethics for Professional Accountants to align with the 2024 IESBA Handbook

The Committee considered the proposed changes to the Code were mainly housekeeping in nature and therefore endorsed to issue the updated Code to members.

[Post meeting note: The updated Code was issued on 5 December in Members' Handbook Update [No. 318](#) and is available [here](#).]

1976. Any other business

Based on recent training delivery experience, the Deputy Chair recommended augmenting educational initiatives for accountants in business regarding the latest developments in the Code. This could include collaboration with other professional or regulatory bodies to enhance ethical awareness in relation to their roles and responsibilities.

There were no additional business items or implementation issues related to the Code brought up for discussion.

The meeting was the last scheduled meeting of the Committee in 2024. The meeting recorded a vote of thanks to the Committee members and the secretariat for the contributions and support.

There being no further business, the meeting closed at 1:40 p.m.

9 December 2024

MARY XUEREB
CHAIR