



**ACCA Hong Kong - a responsible corporate citizen**

# Annual Review 2003





## ACCA

ACCA (the Association of Chartered Certified Accountants) is one of the largest and fastest-growing international accountancy body, with 320,000 students and members in 160 countries. Our global status today is a testimony to the vision and values of our founding fathers in 1904.

### ACCA in Greater China

ACCA's strong ties with Hong Kong date back to 1950, when it first set up a branch. Hong Kong is now ACCA's largest centre outside the UK with some 41,000 members and students.

ACCA first entered mainland China in 1988. Starting with just 30 students, ACCA has now become the largest international accountancy body in the country with nearly 12,000 members and students, 14 examination centres from Beijing to Xiamen, ten training centres and three offices.

Renowned and respected for giving people of ability the opportunity to pursue a career in business, ACCA has attracted China's brightest graduates. Many win prizes in the examinations.

### ACCA and responsibility

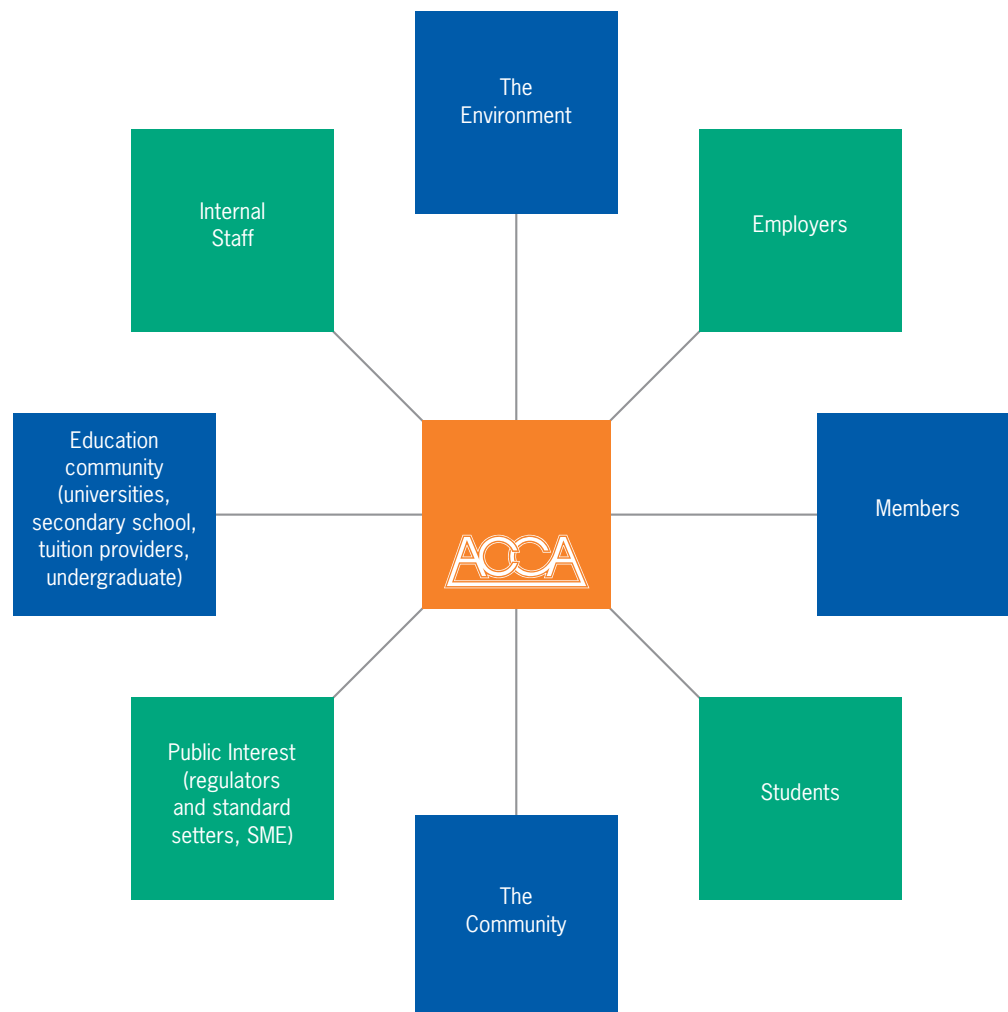
Responsibility is the cornerstone of the accountancy profession. It is as critical today as it was when ACCA was founded 100 years ago. Without responsibility, there can be no trust or confidence in business.

ACCA is committed to responsibility in all that it does.

- The syllabus has a strong ethical component and provides a thorough grounding in core accounting skills.
- The global infrastructure means that, wherever they are based, students are rigorously tested to the same high standards.
- Members are expected to deliver quality professional services and to work to the highest standards of technical competence within a framework of integrity and ethical behaviour.
- In 2005, ACCA will make continuing professional development a requirement of membership. This assures the public that its members are up-to-date with their skills and knowledge.
- ACCA is sensitive to the needs, circumstances and cultural diversity of its members and students in the 160 countries in which it operates.
- It helps emerging economies to establish national accountancy professions and to strengthen their commercial infrastructures.
- ACCA is acknowledged to be at the forefront of environmental and social reporting.

This annual review, entitled *ACCA Hong Kong - a responsible corporate citizen*, attempts to highlight ACCA's responsibility for different stakeholders in Hong Kong.

### ACCA Hong Kong's key stakeholders



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## President's message



It is a great honour to be elected as president of *ACCA Hong Kong*, one which has given me an opportunity to serve my fellow members.

ACCA entered its centenary year in December 2003 and Hong Kong was chosen as the place to start the celebrations, highlighting the importance of Greater China to ACCA. The election of Hong Kong's Samuel Wong as president of ACCA - the first non-European in the role - serves to underline this development. In addition, ACCA's new chief executive, Allen Blewitt, has made the region and the development of our reputation and influence personal priorities.

ACCA has always been committed to providing opportunity on the basis of ability and application, to promoting the highest ethical standards and to working in the public interest. These values are central to the concept of responsibility and continue to be ACCA's guiding principles. Therefore, it is natural that responsibility is the theme of our centenary. ACCA's founding values will help to restore confidence in accounting and business, both of which have been shaken by high-profile corporate scandals.

ACCA has been an integral part of Hong Kong since the branch was set up in 1950. Numbers have grown dramatically. In 1991, there were about 20,000 members and students and in 2003 there were nearly 41,000. ACCA's commitment to Hong Kong is shown by the many services and activities now provided.

2003 has been a memorable year for me and one which my heart will always cherish. I wish to thank those members who helped and advised me over the past year. I would also like to thank the staff of *ACCA Hong Kong* who put our plans into action.

A handwritten signature in black ink, appearing to read 'Leo Lee'.

Leo Lee  
President  
13 April 2004

### Summary of 2003's key events:

- *ACCA Hong Kong* raised money for the Accountants Care Campaign to help control and prevent the spread of SARS.
- The seventh Charity Fun Day of *ACCA Hong Kong* successfully raised funds to sponsor various meaningful community projects of three charitable organisations.
- The free tax advisory service organized by *ACCA Hong Kong* assisted about 1,000 members of the public in the completion of individual income tax returns.
- The *ACCA Hong Kong* Awards for Sustainability Reporting was extended to encourage more uptake of reporting by organisations.
- The Small and Medium Enterprises Accounting Management Excellence Award was launched. It was subsidized by the SME Development Fund of Trade and Industry Department.
- *ACCA Hong Kong* contributed to discussions on regulation and lobbied local regulators on issues that affect Hong Kong's ability to preserve its status as an international financial centre.
- ACCA Centenary Launch Reception held in Hong Kong attracted some 100 VIP guests. Thousands more across the globe joined in the celebrations as the event was being broadcast to events in cities including London, Johannesburg, Prague, Singapore and Kuala Lumpur via the Internet.
- A centenary conference *Accountants Reloaded* and an inter-tertiary centenary competition attracted high numbers of participants.

Centenary  
launch



**Centenary Launch Reception** 1 December 2003  
The event was held in the Bank of China Tower, a landmark of Hong Kong

Sam Wong, ACCA International President delivering his welcome speech

(l to r) Sam Wong, Madam Feng Shu-Ping - Assistant Minister, Ministry of Finance, PRC, Sir David Tweedie - Chairman of IASB and Allen Blewitt - ACCA Chief Executive joining hands to cut the centenary cake marking the beginning of ACCA's year-long celebration

(l to r) Frederick Ma, JP - Secretary for Financial Services and the Treasury, Sam Wong, Madam Feng and Song Ma Suo - Deputy Commissioner of the Ministry of Foreign Affairs of the PRC in Hong Kong SAR

Two supplements were run in Hong Kong Economic Times and SCMP on the day of the grand launch featuring over 30 congratulatory messages from chiefs of international accounting bodies, HKSAR Government and related bodies, business communities, universities and colleges

ACCA Hong Kong Committee members and past presidents pictured with Alice Lau - Commissioner of Inland Revenue at the reception

## Renewed commitment to members



As a global force in accountancy, ACCA has a strategic role to play in formulating public policy. It develops and champions policies that support its members most effectively. ACCA consults and communicates with members to ensure new products and services will meet their needs. Extensive consultation with members throughout the world was conducted in 2003 on the new CPD scheme to be introduced next year.

A survey of members in selected countries in 2003 showed that 85% believe that ACCA meets their expectations and that it has a strong local reputation. They also recognized the international relevance of the qualifications.

A comprehensive range of services is also provided, for example, through magazines, networks and affinity programmes.

### Highlights of services provided for members by ACCA Hong Kong

- 14 seminars and workshops and 4,146 hours of IT, language and management training were attended by 2,935 members.
- tax, PRC, community services and SMEs interest groups were set up.
- social events such as cocktail parties, business luncheons, snorkelling, golf courses, dance classes and study trips were arranged.
- a local journal *Perspective* and a monthly electronic newsletter were published.
- Benefits were arranged for members and include discounts at bookshops and on credit cards, medical check-ups and dental care.

**Centenary Conference** 20 March 2004  
Frederick Ma, JP - Guest of Honour

Centenary Conference Plenary session 1 chairman and speakers  
(l to r) Prof K C Chan - Dean, School of Business Management, HK University of Science & Technology, Herbert Hui - Deputy & Vice Chairman, Ocean Grand Holdings Ltd, Paul Kan - Chairman, Champion Technology Holdings Ltd, Sing Wang - CEO and Executive Director, TOM Group Ltd, Peter Wong - Group Managing Director and CEO, Tai Fook Securities Group Ltd

Tsang Chi Wah - renowned DJ and guest speaker of "Stress Management" seminar

Tax Interest Group members on a one-day study trip to Macau

## Providing opportunity to students



**Students** look to ACCA to offer them a challenging and broad range of qualifications that help them develop skills and embark on successful careers. ACCA has developed many services for students, to help with revision and learning, to support them in their efforts to find suitable training opportunities with accredited employers or to assess online whether their practical experience meets the membership requirements. *ACCA Connect*, the global enquiry service centre, now provides nearly 24/7 support.

In addition, student meetings, focus groups and surveys are used to ascertain their views and concerns. In Hong Kong, 80% of students believe that ACCA is modern and dynamic.

*ACCA Hong Kong* handled 52,949 student enquiries and processed 755 exemption applications in 2003.

### Highlights of services provided for students by *ACCA Hong Kong*

- 10 seminars and 192 hours of IT, soft skills and language skills training were arranged.
- 29 hours of post-examination reviews were organised.
- Briefing sessions for new students, meetings on student training records and one-to-one affiliate counselling sessions were held.
- Local quarterly magazine, *News Update*, was published.

Lynne Chow, Technical Advisor of *ACCA Hong Kong* delivering a talk to students on critical issues in financial reporting

Students attending a post-exam review session

Over 70 students attending the STR briefing session hosted by Joyce Cheng, Head of Student Services (Hong Kong)

## Working with employers



It is vital that employers can be confident that the ACCA professional training covers the knowledge and skills necessary to maintain or create shareholder confidence and trust.

ACCA regularly revises its professional syllabus to ensure that its members and students are the properly educated and trained, and to reflect its core value of responsibility. This applies to its other qualifications, which were created to meet business demands: the diplomas in financial management, corporate governance and international financial reporting standards.

46 organisations in Hong Kong have become ACCA accredited employers. These employers are kept abreast of the latest developments in accountancy and the profession through newsletters and tailored presentations. Their employees are invited to seminars, all free of charge.

### 1. **Silas Yang, chairman of PricewaterhouseCoopers, Hong Kong:**

"ACCA has played a major role in the revolution and development of the Hong Kong accounting profession. It has produced many well qualified accountants whose expertise has helped to establish Hong Kong as an international financial centre. ACCA has built a culture of professional excellence that ensures members maintain standards as high as anywhere in the world."

### 2. **William Chan, human resources director, MTR Corporation Ltd:**

"ACCA has been providing regular support and guidance to employers to ensure the proper development of accounting professionals through its Employer Accreditation Scheme."

Jeanie Fong, Director, Human Resources, Deloitte Touche Tomatsu delivering a seminar on "Recruiting right talents in China" for employees of ACCA accredited employers

Allen Blewitt, Chief Executive of ACCA, presenting the accredited employer certificate to William Chan, Human Resources Director of MTR Corporation

Patrick Chan, Deputy General Manager and Chief Financial Officer of Hang Seng Bank, receiving the certificate from Allen Blewitt

# Acting in the public Interest



"There was no question that the profession's future will be more structured, more governed by predominantly global standards and more under scrutiny from various national and international oversight bodies. The long-held traditions of accountants and other professions to self-regulate are changing rapidly."

**ACCA** aims to provide an independent and robust voice, drawing on its technical expertise around the world. This objectivity enables it to submit constructive and influential comment to governments and regulators.

The findings from a member survey in August 2003 led *ACCA Hong Kong* to suggest to the government that it should uphold its role as a facilitator rather than a participant in the market. This was later echoed in the government's "big market, small government" principle. In the 2004/05 Budget submission, ACCA's recommendations that estate duty should be abolished and the period for home loan interest deduction claim should be removed were considered by the financial secretary.

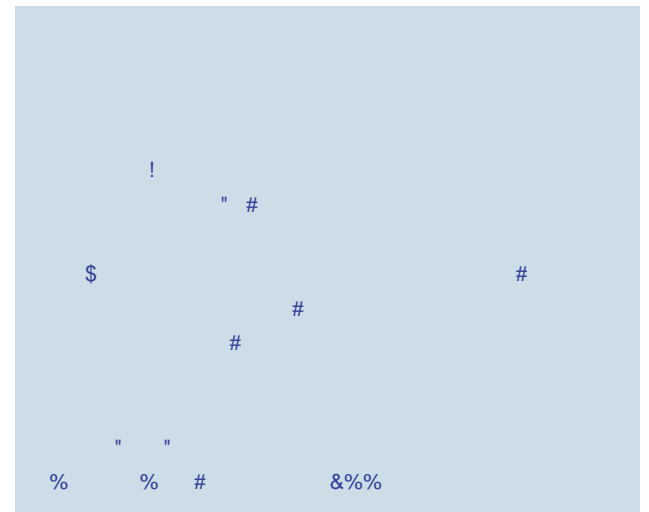
ACCA's proposals for an independent central regulator and for a fairer, shared funding of the Independent Investigative Board received much public support.

## Submissions made by ACCA Hong Kong

- *The Proposals to Enhance the Oversight of the Public Interest Activities of Auditors and Establish a Financial Reporting Review Panel*
- *The Proposal to Empower the Securities and Futures Commission to Initiate a Derivative Action on behalf of a Listed Company*
- *The Regulation of Sponsors and Independent Financial Advisers*
- *The Implications of Adopting a System of No-par Value Shares in HK*
- *Corporate Governance Review by the Standing Committee on Company Law Reform - Proposals made in Phase II of the Review*
- *The Proposals to Enhance the Regulation of Listing*
- *The Inland Revenue (Amendment) Bill 2000*
- *Revenue (No. 2) Bill 2003*
- *Exemption of Offshore Funds from Profits Tax*
- Education and Manpower Bureau's proposal to set up a qualifications framework and the associated quality assurance framework in Hong Kong
- Members' views on Hong Kong government's role in the revival of Hong Kong economy
- Issues to be discussed between the Commissioner of Inland Revenue and the SAT of the PRC in August 2003



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