

Speech for Orientation Programme  
for Professional Accountants,  
Hong Kong University of Science and Technology  
On 25<sup>th</sup> February 2005

Good morning Mr. Dominic Ho, Professor Thomas Wong,  
Professor Gary Biddle, Professors and Fellow Students,

It is my honor to be invited here today to join this meaningful program for our future professional accountants. I hope all of you here would learn more through this program and prepare yourself for your future career. I am pleased to share with you the contribution of accountants in Hong Kong and how important it is the ethical issue for the accounting profession.

To begin with, I would like to say something about the contributions of the accountants. Efforts paid by the accountants through their expertise have enhanced the status of Hong Kong as the world-class commercial and financial centre. Also, in the globalizing world of business, accountants help to

link up Hong Kong with the world through the professional bodies which adopt internationally accounting standards. Furthermore, the services of accountants in the public sector also make Hong Kong a better society through different public and community organizations.

Now let me further elaborate the contributions of the accountants in different sectors to give you a better picture. First of all, in the business sector, accountants usually serve in the aspect of financial management to make sure that the company is in a healthy financial position. This is important that when investors are expecting solid financial control through proper systems set up by professional accountants. In this sense, accountants benefit the economy in an active role.

In the public sector, including the government and other non-government organizations (NGO), professional accountants are also playing direct contributions. For the

government, accountants assist in policy making, public finance, budgeting and auditing of public accounts. For example, the accountants in the Audit Commission will take a close look at the public accounts to see if the funds of the government are well spent. Also, the accountants in the Inland Revenue Commission are working hard to execute our tax system on a fair basis. Without the accountants in the government, I am sure there will be lost of control in the public finance, especially in the areas of collection and utilization. Apart from the government, the accountants help the community service and welfare organizations in their financial management which makes the operation of the organization smoother. Indeed, the contribution of the accountants in the public sector is equally important.

Accountants' contributions can also be seen in the professional sector. A practicing accountant could involve in auditing, tax return and financial advisory, especially assisting companies seeking listing in stock exchange through the

process of IPO. These professional services are beneficial to the owners of companies. Auditors provide assurance to the financial statements prepared by the management that are true and fair, tax planners help to assess the tax payment properly and make effective tax planning for the investors to monitor their investment. Furthermore, reporting accountants review the financial information disclosed in the prospectus of the IPO process. This helps the companies float in stock exchange which provided proper channel of investment finance. As we can see, professional accountants help to make Hong Kong a world-wide financial centre.

There are also other roles played by accountants such as management consultants and liquidators. Management consultants help to smooth the operation of the companies and liquidators protect the rights of the creditors when a company shut down. In other words, accountants also contribute indirectly for the public at large.

As accountants maintain an impartial role in financial management, they used to enjoy reputable social status. The general public has developed a trust on accountants that they are accountable, credible and respectable. Most of the people would solely follow the advices of the accountants for financial and other decisions as they think opinions from accountants are fair and independent. Then where does this kind of trust come from? It comes from the professional expertise and the personal integrity. So bear this in mind if you wish to be a successful and ethical accountant.

When an accountant performs unprofessionally or unethically, there will be destructive consequences. Investors, creditors and the general public would definitely be harmed if fraud, manipulation of financial statements or collusions happens. The shocking Enron incident is a good example, the investors were harmed, the company bankrupted and even a major accounting firm collapsed in consequence. Everyone suffers from the unethical behavior of accountants.

To sum up, accountants are important to our society. Indeed, we need to uphold our professional ethic with proper conduct in order to maintain our professional image. After all, it is hard to earn our respect but it is easy to lose it in a moment of greed. Finally, I hope you can get something today and I wish you a bright future in the accounting profession. Thank you very much.