

Bills Committee on Financial Reporting Council (Amendment) Bill 2021

**List of follow-up action arising from the discussion
at the meeting on 7 September 2021**

Guidelines to be issued by the post-reform Financial Reporting Council

Under the proposed amended section 37H of the Financial Reporting Council Ordinance (Cap. 588), the post-reform Financial Reporting Council ("FRC") must not impose a pecuniary penalty under the proposed new section 37CA(2)(b) for any certified public accountants' misconduct unless FRC has had regard to the guideline(s) published in the Gazette (which would not be subsidiary legislation) indicating the way in which it exercises its power to impose the penalty. The Administration is requested to consider the suggestion from members and the Legal Adviser to the Bills Committee that the Bill should explicitly require FRC to consult relevant parties when formulating such guidelines.

Council Business Division 1
Legislative Council Secretariat
13 September 2021