

**Consideration of the Director of Audit's Report tabled in the Legislative Council on 17 April 2019** As in previous years, the Committee did not consider it necessary to investigate in detail every observation contained in the Director of Audit's Report. The Committee has therefore only selected those chapters in the Director of Audit's Report No. 72 which, in its view, referred to more serious irregularities or shortcomings. The Committee has also sought and obtained information from the Administration on some of the issues raised in other chapters of the Director of Audit's Report No. 72. The Committee appreciates that, in response to the Committee's written questions, the relevant bureaux/departments have provided the Committee with lots of useful information to facilitate the Committee's better understanding of the subjects. The Administration's response has been included in this Report.

2. **Meetings** The Committee held a total of four meetings and one public hearing in respect of the subjects covered in this Report. During the public hearing, the Committee heard evidence from a total of six witnesses, including one Director of Bureau and one Head of Department. The names of the witnesses are listed in *Appendix 3* to this Report.

3. **Arrangement of the Report** The evidence of the witnesses who appeared before the Committee, and the Committee's specific conclusions and recommendations, based on the evidence and on its deliberations on the relevant chapter of the Director of Audit's Report, are set out in Chapter 3 of Part 4 below.

4. The video and audio record of the proceedings of the Committee's public hearings is available on the Legislative Council website.

5. **Acknowledgements** The Committee wishes to record its appreciation of the cooperative approach adopted by all the persons who were invited to give evidence. In addition, the Committee is grateful for the assistance and constructive advice given by the Secretary for Financial Services and the Treasury, the Legal Adviser and the Clerk. The Committee also wishes to thank the Director of Audit for the objective and professional manner in which he completed his Report, and for the many services which he and his staff have rendered to the Committee throughout its deliberations.