

ANNUAL REPORT
2019 年報



**EMBARKING ON
A NEW JOURNEY**
開展新里程

The Full-fledged Independent Auditor Regulator
全面的獨立核數師監管機構

Who are we? 我們的角色

The Financial Reporting Council (FRC) is the full-fledged independent listed entity auditor regulator for Hong Kong with direct powers of inspection, investigation and discipline concerning auditors of listed entities, recognition of overseas auditors of listed entities and oversight of the performance of the Hong Kong Institute of Certified Public Accountants in respect of their functions of registration, setting of standards on professional ethics and auditing and assurance; and setting of continuing professional development requirements in relation to PIE auditors. It may also initiate an enquiry into possible non-compliance with accounting requirements by listed entities. The FRC is committed to upholding the quality of financial reporting of listed entities in Hong Kong and enhancing investor protection, thereby reinforcing Hong Kong's position as a competitive international financial centre.

財務匯報局是香港全面的獨立上市實體核數師監管機構，獲賦予直接行使下列權力：查察、調查及紀律處分上市實體核數師、認可上市實體海外核數師及監督香港會計師公會履行對上市實體核數師的註冊、制定專業道德、核數及核證準則和制定持續專業發展規定的職能。本局亦可對上市實體可能存在的不遵從會計規定事宜展開查訊。財務匯報局將堅守使命，致力維持香港上市實體財務匯報的質素，以加強投資者保障及鞏固香港作為具競爭力的國際金融中心的地位。

Embarking on a New Journey 開展新里程

Upon the enactment of the Financial Reporting Council (Amendment) Ordinance in January 2019, the FRC has been taking steps to prepare itself for its role as the full-fledged independent auditor regulator of Hong Kong. These include mapping out the appropriate governance and organisation structure, developing policies and guidelines for its widened scope of statutory duties and fostering collaborations and relations with local and international regulators. Each step is important in equipping ourselves to embrace the opportunities and challenges presented in the new auditor regulatory regime. After months of intense preparations, the FRC is ready to embark on a new journey.

自《財務匯報局(修訂)條例》於2019年1月通過後，財務匯報局已為作為香港全面的獨立核數師監管機構作充分準備，包括規劃適當的管治和組織架構、為擴大的法定職責制定政策和指引，以及促進與本地和國際監管機構的關係，加強合作。本局所踏出的每一步對我們迎接新核數師監管制度所帶來的機遇和挑戰都十分重要。經過數月緊密的籌備，財務匯報局已準備就緒，開展新里程。

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CHAIRMAN'S STATEMENT

主席報告



“

After months of intense preparations, the FRC has successfully transformed itself to become the full-fledged independent oversight body for regulating auditors of public interest entities on 1 October 2019.

經過連月來密鑼緊鼓進行籌備，財務匯報局已於2019年10月1日成功轉化為全面的獨立上市實體核數師監管機構。

”

Dr Kelvin Wong, JP Chairman
黃天祐博士，太平紳士 主席

It is my honour and privilege to be re-appointed as the Chairman of the Financial Reporting Council (FRC) under the new auditor regulatory regime with effect from 1 October 2019. This annual report with the theme “Embarking on a New Journey” not only reviews our preparatory work for the transformation into the full-fledged independent auditor regulator but also the mission and objectives that the FRC has set to ensure the effectiveness of our regulatory role.

A challenging and rewarding year

I feel truly grateful that the FRC has gone through another challenging yet rewarding year. Challenging in the sense that under various constraints, we had many important matters to deal with, some of which were uncharted waters to us. Yet at the same time, the experience was highly rewarding as we had been able to surmount every single obstacle, strode forward as planned and finally entered the new era of auditor regulation.

能在2019年10月1日起生效的新核數師監管制度實施時，再次獲任命為財務匯報局主席，本人感到十分榮幸。這份以「開展新里程」為主題的年報除了回顧我們就轉化為全面的獨立核數師監管機構所進行的籌備工作，亦回顧了財務匯報局所訂立的使命及目標，以達至有效的監管。

充滿挑戰但碩果纍纍的一年

財務匯報局又經過具挑戰的一年，碩果纍纍，本人對此實在十分感激。我們面對的挑戰在於需要在眾多限制下處理許多重要事情，部分更是我們未接觸過的範疇。但是，與此同時，這些經歷使我們獲益良多，因為我們能夠跨越每個難關，按計劃邁步向前，最終進入核數師監管的新紀元。



Safeguarding public interest through expanded functions

After months of intense preparations, the FRC has successfully transformed itself to become the full-fledged independent oversight body for regulating auditors of public interest entities on 1 October 2019. In the light of the evolving regulatory landscape and our expanded statutory responsibilities under the Financial Reporting Council (Amendment) Ordinance 2019 (the Amendment Ordinance), we have set directions and strategies that are conducive to the effective implementation of our functions under the new regime, the long-term development of the FRC and the effective oversight of the management process. They are the cornerstone for us to fulfil our mission of enhancing the quality of financial reporting of public interest entities in Hong Kong, deepening investors' confidence in the quality of corporate reporting and safeguarding public interest.

Establishing new governance and organisation structures

To fully and effectively discharge our expanded functions and execute our redefined strategies, we have established a new governance structure. The Board, comprising 15 members, is the ultimate governing body of the FRC. Five committees have been set up to advise the Board on matters in relation to different functions of the FRC, namely inspection, investigation, discipline, finance and corporate affairs and compensation and nomination. At the same time, we engage even more actively with our Honorary Advisers who, with a wide spectrum of professional expertise, provide their insights and advice to the FRC. This is particularly crucial when our role is significantly expanded under the new regime.

We have also put in place a new organisation structure with clear segregation of responsibilities and accountabilities for different departments to ensure effective management and efficient operation.

Setting an objective and transparent regulatory framework

Determined to establish an objective and transparent regulatory framework that safeguards public interest, the FRC has adopted the principles of being sensible and reasonable when establishing our policies, guidelines and procedures which serve as the regulatory benchmarks in respect of our various statutory functions. The reason is, we do not intend to over-regulate or under-regulate, both of which are detrimental to the long-term development of the audit profession.

We hold the belief that as an effective regulator, our ultimate goal is to promote sustainable development of the audit profession through the improvement in audit and financial reporting quality. Therefore, our role is not only to adjudicate but also to educate, and to encourage but not to discourage. I have full confidence that the systems and measures we introduced will facilitate us to achieve this goal.

透過擴大職能保障公眾利益

經過連月來密鑼緊鼓進行籌備，財務匯報局已於2019年10月1日成功轉化為全面的獨立上市實體核數師監管機構。鑑於監管環境不斷演變，加上我們根據《2019年財務匯報局(修訂)條例》(修訂條例)的法定職能有所擴大，我們已制定有關的方向及策略，將有利我們於新制度下有效履行職能，亦有助財務匯報局長遠發展及實施有效監察管理程序。這些方向及策略是我們的基石，以履行提升香港上市實體的財務匯報質素、加強投資者對企業匯報質素的信心及保障公眾利益的使命。

建立新管治及組織架構

為全面有效履行我們擴大的職能並執行我們重新訂立的策略，我們已建立一個全新的管治架構。董事局為財務匯報局的最終管治機關，由15名成員組成，轄下設有五個委員會，就財務匯報局的查察、調查、紀律處分、財務及企業事務和薪酬及提名等不同職能，向董事局提供建議。與此同時，我們更積極與名譽顧問交流，他們具有廣泛的專業知識，向財務匯報局提出真知灼見。在新制度下，我們的職能大幅擴大，因此名譽顧問的建議和意見對我們來說尤其重要。

我們亦已制定全新的組織架構，不同部門的職責及問責明確區分，以確保進行有效管理及高效運作。

建立客觀及透明的監管框架

為力建立一個客觀及透明的監管框架以保障公眾利益，財務匯報局以合情合理的原則來訂立政策、指引及程序，作為我們各種法定職能的監管準則。因為我們不希望過度監管或監管不足，兩種情況都有損審計業界的長遠發展。

我們認為作為一個有效的監管機構，最終目標是透過提升審計和財務匯報的質素來促進審計業界的可持續發展。因此，我們的角色不只是裁決，亦需要教育、鼓勵而非進行阻撓。本人深信，我們推出的系統及措施將有助我們達成這個目標。

CHAIRMAN'S STATEMENT (continued)

主席報告(續)

Introducing new initiatives to recruit and retain talents

In any organisation, competent staff are the prerequisite for things well done. To meet our management and operational needs under the new regime, we have put talent retention, acquisition, and development at the top of our agenda. In May 2019, the Board commissioned an external consultancy firm to carry out a "Study on Remuneration and Benefits Structure", based on which the FRC will recruit, develop and retain professional and passionate staff to ensure effective regulatory outcomes for our existing and new functions.

Creating an open and frank corporate culture

A good corporate culture helps nurture an effective working relationship between the board and the management and promotes effective regulatory outcomes that could foster the sustainable development of an organisation. With this in mind, the FRC strives to create a corporate culture that embraces openness, frankness and communication in which our staff would be able to demonstrate leadership skill, execute strategies set, deliver the expected regulatory outcomes and thrive in their career.

推出新舉措以招聘和留住人才

具備能幹稱職的員工是每個成功機構的關鍵。為滿足新制度下的管理及營運需求，我們的首要事務是留住、招攬及培訓人才。於2019年5月，董事局委託一間外聘顧問公司展開一項《薪酬及福利架構調查》，據此，財務匯報局將招聘、培訓及留住充滿熱誠的專業員工，以確保現有及新的職能達至有效監管的成果。

營造開誠布公的企業文化

良好的企業文化有助培養出董事局與管理層之間的高效工作關係，並推動有效的監管成果，更可促進機構的可持續發展。有鑑於此，財務匯報局致力營造一個開誠布公及鼓勵溝通的企業文化，讓員工得以一展領導才能、執行所訂策略、實現預期監管成果，並在工作上大展鴻圖。



The FRC strives to create a corporate culture that embraces openness, frankness and communication.
財務匯報局致力營造一個開誠布公及鼓勵溝通的企業文化。



Strengthening collaborations with local, Mainland and international regulators

As an effective auditor regulator of a leading capital market, it is of paramount importance that the FRC connects and collaborates with financial regulators domestically and globally.

We continued our close collaboration with our local regulatory counterparts through case referrals and knowledge sharing.

We have further strengthened our ties with Mainland regulators to promote cross-boundary regulatory collaboration. On 22 May 2019, we signed a Memorandum of Understanding with the Ministry of Finance of the PRC in relation to gaining access to audit working papers located in the Mainland.

加強與本地、內地及國際監管機構的合作

財務匯報局在首屈一指的資本市場作為一個高效的核數師監管機構，與本地及全球金融監管機構之間的聯繫及合作至為重要。

我們透過個案轉介及知識共享，與本地監管機構緊密合作。

我們已進一步加強與內地監管機構的聯繫，以促進跨境監管合作。於2019年5月22日，我們就獲取存放於內地的審計工作底稿與中國財政部簽署備忘錄。



On 22 May 2019, the FRC signed a Memorandum of Understanding with the Ministry of Finance of the PRC.
於2019年5月22日，財務匯報局與中國財政部簽署備忘錄。

CHAIRMAN'S STATEMENT (continued)

主席報告(續)

In order to ensure the effective discharge of our ultimate responsibility of oversight on the relevant functions of the Hong Kong Institute of Certified Public Accountants (HKICPA) under the Amendment Ordinance, a Statement of Protocol on Oversight Arrangement was signed between the FRC and the HKICPA on 27 September 2019.

為確保本局能按照修訂條例，有效地履行監督香港會計師公會有關職能的最終責任，財務匯報局與香港會計師公會於2019年9月27日簽署《監督安排協議聲明》。



A Statement of Protocol on Oversight Arrangement was signed between the FRC and the HKICPA on 27 September 2019.
財務匯報局與香港會計師公會於2019年9月27日簽署《監督安排協議聲明》。

We have also forged an extensive network with a number of regional and international financial regulators such as the International Forum of Independent Audit Regulators (IFIAR), the UK Financial Reporting Council (UK FRC) and the Public Company Accounting Oversight Board (PCAOB) of the US. The connections we built allow us to keep abreast of the latest global audit and regulatory standards and best practice, and to apply them in the local context, where appropriate.

The increasing connectivity among global capital markets certainly calls for wider and deeper regulatory collaboration. The FRC will remain steadfast in fostering relationship and cooperation with regulators around the world with the common goal of enhancing audit quality and investor protection.

我們亦與多個區域及國際金融監管機構建立廣闊聯繫如獨立審計監管機構國際論壇(IFIAR)、英國財務匯報局及美國上市公司會計監督委員會(PCAOB)，有助我們掌握最新的全球審計及監管準則以及最佳作業標準，並適時應用於本地層面。

全球資本市場之間日益緊密的聯繫無疑需要更廣泛深入的監管合作。財務匯報局將繼續致力與全球各地的監管機構建立關係，並加強合作，攜手達致提升審計質素及加強投資者保障的目標。



Expressing heartfelt gratitude

This statement would be incomplete without expressing heartfelt gratitude to our former Council Members, Board Members, Honorary Advisers, Members of the Financial Reporting Review Panel and Members of the Process Review Panel. We highly appreciate their ardent support. Their collective wisdom and valuable contributions helped shape the FRC as it is today. My special thanks go to the Financial Services and the Treasury Bureau which has offered its resourceful support to the FRC throughout the years. Last but not least, I would like to convey my sincerest thanks to our four funding parties – the Companies Registry Trading Fund, the Hong Kong Exchanges and Clearing Limited (HKEX), the HKICPA and the Securities and Futures Commission (SFC) for their financial support since 1 December 2006 till 30 September 2019. Under the new regime, we will become entirely self-funded through levies from auditors of public interest entities, public interest entities and sellers and purchasers of securities to be collected from 2022.

Embarking on a new journey

Riding on the experience gained in the past, the FRC is embarking on a journey with opportunities and also challenges. We will remain committed to our mission in upholding the quality of financial reporting, providing investors with stronger protection and strengthening Hong Kong's position as a leading international financial centre.

衷心致謝

在此，本人亦希望對前任財務匯報局成員、董事局成員、名譽顧問、財務匯報檢討委員團成員及程序覆檢委員會成員的大力支持致以由衷謝意。他們的真知灼見及寶貴貢獻協助打造出今時今日的財務匯報局。本人特別感謝財經事務及庫務局多年來為財務匯報局提供全力支援。最後，本人衷心感謝四間撥款機構（公司註冊處營運基金、香港交易及結算所有限公司（港交所）、香港會計師公會以及證券及期貨事務監察委員會（證監會））自2006年12月1日至2019年9月30日所提供的經費。在新制度下，財務匯報局自2022年起將透過向上市實體核數師、上市實體以及證券買賣雙方徵費而全面自資運作。

開展新里程

憑藉以往所得經驗，財務匯報局即將開展一個充滿機遇和挑戰的里程。我們會一如以往，致力達成維持財務匯報質素、加強投資者保障及鞏固香港作為主要國際金融中心地位的使命。

Dr Kelvin Wong, JP

黃天祐博士，太平紳士

Chairman

主席

EMBARKING ON A NEW JOURNEY

開展新里程



EMBARKING ON A NEW JOURNEY

開展新里程



The New Auditor Regulatory Regime

The Financial Reporting Council (Amendment) Ordinance took effect on 1 October 2019 which marked the beginning of the FRC's new journey as the full-fledged, independent oversight body of auditors of listed entities ("PIEs") of Hong Kong.

新核數師監管制度

《財務匯報局(修訂)條例》於2019年10月1日生效，標誌著財務匯報局成為香港全面的獨立上市實體核數師監管機構的新里程的開始。

Mission and Vision

使命與願景



Discharges our statutory duties as an effective regulator
履行作為有效監管機構的法定職能



Upholds the quality of financial reporting of listed entities in Hong Kong
維持香港上市實體財務匯報的質素



Strengthens cooperation with financial regulators both locally and internationally
加強與本地和國際金融監管機構的合作

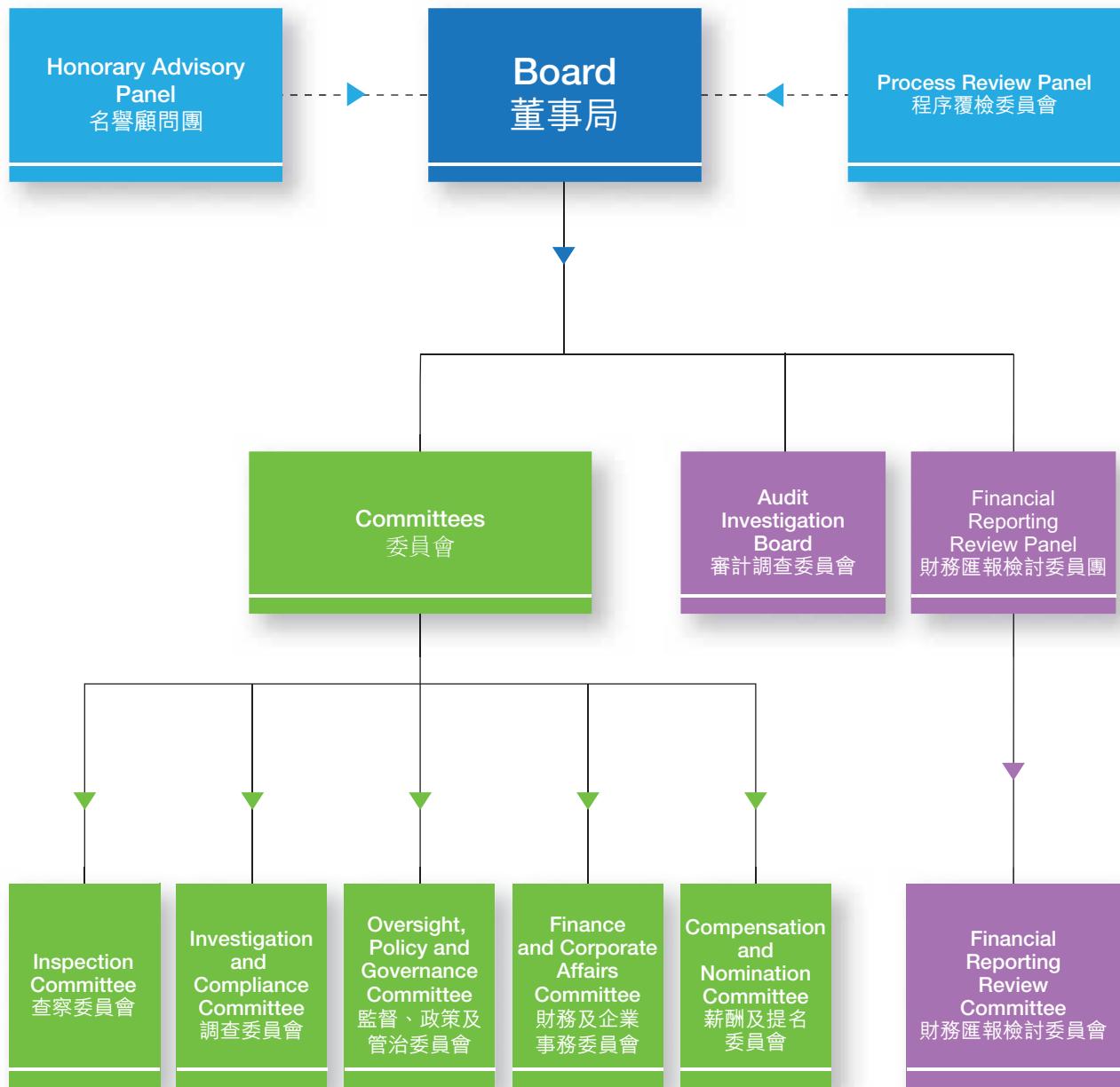


Promotes good corporate governance
促進良好的公司管治

EMBARKING ON A NEW JOURNEY (continued)

開展新里程(續)

Governance Structure 管治架構





Strategic Focus

策略重點

Under the new regime, the FRC is determined to fulfil our mission and vision through the following strategies:

在新監制度下，財務匯報局決心透過以下策略以實現本局的使命和願景：



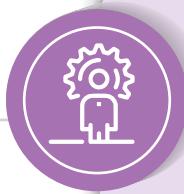
Safeguarding public interest through the implementation of an objective and transparent regulatory framework
透過實施客觀及具透明度的監管框架，維護公眾利益



Connecting and collaborating with financial regulators locally and globally to enhance audit quality
與本地和國際的金融監管機構建立聯繫及合作，以提升審計質素



Introducing new initiatives to retain, acquire and develop talents to achieve effective regulatory outcomes
推行新舉措以保留、羅致及培育人才，以實現有效的監管成果



Creating an open and frank corporate culture for the sustainable development of the FRC
營造開誠布公的企業文化，使本局持續發展和進步



Board Chairman 董事局主席

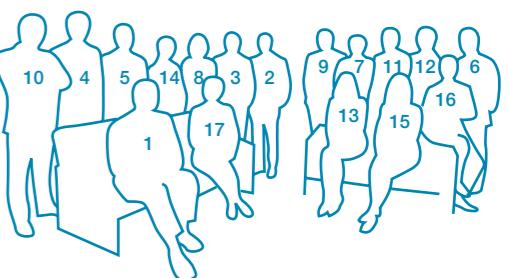
1 Dr Kelvin Wong, JP
黃天祐博士，太平紳士

Board Members 董事局成員

2 Mr Roger Best, JP
路沛翹先生，太平紳士
3 Mr Chan Tze Ching, BBS, JP
陳子政先生，銅紫荊星章，太平紳士
4 Mr Eugene Fung, SC
馮庭碩先生，資深大律師
5 Mr Wilson Fung
馮英偉先生
6 Mr Stephen Hung
熊運信先生
7 Ms Miranda Kwok
郭珮芳女士
8 Ms Rosita Lee
李佩珊女士
9 Mr Stephen Lee
李開賢先生
10 Dr Lin Yong
林涌博士
11 Mr Francis Siu
蕭偉強先生
12 Mr Peter Wan
尹錦滔先生
13 Ms Florence Wong (Acting CEO)
王蕙湄女士(署理行政總裁)
14 Mr Wong Kai Man, BBS, JP
黃啟民先生，銅紫荊星章，太平紳士
15 Ms Eirene Yeung
楊逸芝女士

Management 管理層

16 Mr Alfred Chan
陳鴻興先生
17 Ms Wincey Lam
林穎志女士
13 Ms Florence Wong (Acting CEO)
王蕙湄女士(署理行政總裁)



PROFILES OF BOARD MEMBERS

董事局成員簡歷

The Board

The Board is the highest governing body of the FRC. Currently, the Board comprises 15 members including the Chairman who is non-executive, 13 non-executive directors and 1 executive director.

董事局

董事局是財務匯報局的最高管治機關，董事局由15名成員組成，包括主席(非執行)、13名非執行董事及1名執行董事。

Chairman

主席

Dr Kelvin Wong, JP (from 2018-12-15; current appointment expires on 2021-09-30)

Dr Wong is the Chairman of Financial Reporting Council and a member of the Operations Review Committee of Independent Commission Against Corruption.

He is an Executive Director, a Deputy Managing Director and the Chairman of Corporate Governance Committee of COSCO SHIPPING Ports Limited. He is also an Independent Non-Executive Director of seven listed companies in Hong Kong.

He was a Non-Executive Director of Securities and Futures Commission (2012-2018), the Chairman of Investor and Financial Education Council (2017-2018), the Chairman of The Hong Kong Institute of Directors (2009-2014), a member of Financial Reporting Council (2015-2018), a convenor-cum-member of Financial Reporting Review Panel (2013-2016), a member of Standing Committee on Company Law Reform (2010-2016), a member of Main Board and GEM Listing Committees of The Stock Exchange of Hong Kong Limited (2007-2013) and a member of Auditing and Assurance Standards Committee of the Hong Kong Institute of Certified Public Accountants (2006-2008).

Dr Wong holds a Master of Business Administration degree from Andrews University in Michigan, USA, and a Doctor of Business Administration degree from The Hong Kong Polytechnic University.

黃天祐博士，太平紳士(由2018-12-15起；現時任期將於2021-09-30屆滿)

黃博士為財務匯報局主席及廉政公署審查貪污舉報諮詢委員會委員。

他是中遠海運港口有限公司執行董事、董事副總經理及公司管治委員會主席。他亦為7間香港上市公司獨立非執行董事。

他曾為證券及期貨事務監察委員會非執行董事(2012-2018)、投資者及理財教育委員會主席(2017-2018)、香港董事學會主席(2009-2014)、財務匯報局成員(2015-2018)、財務匯報檢討委員團召集人及成員(2013-2016)、公司法改革常務委員會委員(2010-2016)、香港聯合交易所有限公司主板及創業板上市委員會成員(2007-2013)及香港會計師公會核數與核證準則委員會委員(2006-2008)。

黃博士擁有美國密茲根州Andrews University工商管理碩士學位及香港理工大學工商管理博士學位。

Members

成員

Mr Roger Best, JP (from 2019-10-01; current appointment expires on 2021-09-30)

Mr Best was a partner of Deloitte Touche Tohmatsu and is a former President of the Hong Kong Institute of Certified Public Accountants (HKICPA). He has chaired the HKICPA Financial Reporting Standards Committee and has also been a member of the International Financial Reporting Standards Advisory Council.

路沛翹先生，太平紳士(由2019-10-01起；現時任期將於2021-09-30屆滿)

路沛翹先生曾任德勤・關黃陳方會計師行的合夥人，並且是前香港會計師公會會長，曾擔任其財務報告準則委員會主席，亦曾任國際財務報告準則顧問委員會的成員。



Mr Chan Tze Ching, BBS, JP (from 2014-12-01; current appointment expires on 2020-09-30)

Mr Chan is a Senior Advisor of The Bank of East Asia and CVC Capital Partners. He is a veteran banker, with over 30 years of banking experience covering Hong Kong, Japan, Taiwan and Mainland China. He currently serves on the boards of various listed companies, NGOs and government statutory bodies.

陳子政先生，銅紫荊星章，太平紳士(由2014-12-01起；現時任期將於2020-09-30屆滿)

陳先生現任東亞銀行及CVC Capital Partners的高級顧問。他為資深銀行家，在業界擁有超過30年經驗，函括香港、日本、台灣及中國等地。他目前擔任多間上市公司、志願團體及政府法定機構的董事。

Mr Eugene Fung, SC (from 2018-12-01; current appointment expires on 2021-09-30)

Mr Fung is a barrister in private practice. He is experienced in the fields of commercial law, trusts and probate, tax, property litigation, and company and insolvency law. He is also a Recorder of the High Court, the Chairman of the Banking Review Tribunal and a Deputy Chairman of the Administrative Appeals Board. He was a member of the Law Reform Commission of Hong Kong from 2012 to 2018.

馮庭碩先生，資深大律師(由2018-12-01起；現時任期將於2021-09-30屆滿)

馮先生是一名私人執業資深大律師。他在商業法、信託法、遺囑認證、稅務法、物業訴訟，以及公司法及破產法方面擁有豐富經驗。他亦是高等法院特委法官、銀行業覆核審裁處主席和行政上訴委員會副主席。他於2012年至2018年期間擔任香港法律改革委員會委員。

Mr Wilson Fung (from 2014-12-01; current appointment expires on 2020-09-30)

Mr Fung has over 17 years of experience in auditing in Hong Kong and England, followed by 21 years as a Financial Controller in Jardine Matheson. He is a fellow member of the Hong Kong Institute of Certified Public Accountants (HKICPA), the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. He was elected as President of the HKICPA in 2010. He was formerly a convenor to the Financial Reporting Review Panel of the Financial Reporting Council (2007-2013). Mr Fung is the Founding President of Hong Kong Business Accountants Association and currently serves on the Boards of several NGOs and statutory bodies.

馮英偉先生(由2014-12-01起；現時任期將於2020-09-30屆滿)

馮先生在香港及英國擁有逾17年審計經驗，曾於怡和管理有限公司工作超過21年，於2014年9月退休前為集團財務總監。他是香港會計師公會、特許公認會計師公會及英格蘭和威爾斯特特許會計師公會的資深會員。他曾於2010年出任香港會計師公會會長。馮先生是香港商界會計師協會創會會長。他曾於2007年至2013年期間出任財務匯報局的財務匯報檢討委員會召集人，目前擔任多間志願團體及法定機構的董事、理事或成員。

PROFILES OF BOARD MEMBERS (continued)

董事局成員簡歷(續)

Mr Stephen Hung (from 2018-12-01; current appointment expires on 2021-09-30)

Mr Hung is the Past President and a current member of the Council of the Law Society of Hong Kong. As a representative of the Law Society, he serves the Judicial Officers Recommendation Commission. In his own capacity, he serves on the Hong Kong Examinations and Assessment Authority, the Law Reform Commission, Sub-committee on Causing or Allowing the Death of a Child, the Communications Authority, the Professional Services Advancement Support Scheme Vetting Committee and the Lump Sum Grant Steering Committee. He is an Adjunct Professor of Law of Hong Kong Shue Yan University, the Law School of Beijing Normal University and Visiting Professor of the Faculty of International Law of China University of Political Science and Law in Beijing, China.

熊運信先生 (由2018-12-01起；現時任期將於2021-09-30屆滿)

熊先生是香港律師會前會長，於卸任會長後仍留任理事會。作為香港律師會代表，他亦於不同政府委員會擔任公職，包括司法人員推薦委員會。此外，熊先生以個人身分服務於香港考試及評核局、香港法律改革委員會導致或任由兒童死亡個案小組，通訊事務管理局成員，商務及經濟發展局設立專業服務協進支援計劃委員會及社會福利署整筆撥款督導委員會。熊先生亦是香港樹仁大學客席教授，北京師範大學法學院兼職教授及中國政法大學國際法學院客座教授。

Ms Miranda Kwok (from 2018-12-01; current appointment expires on 2021-09-30)

Ms Kwok is the President and Executive Director of China Construction Bank (Asia). She has been serving the bank for over 34 years. She is Vice-President of the Hong Kong Institute of Bankers, member of the EFAC Financial Infrastructure and Market Development Sub-committee, Hong Kong Export Credit Insurance Corporation Advisory Board as well as the Air Transport Licensing Authority.

郭珮芳女士 (由2018-12-01起；現時任期將於2021-09-30屆滿)

郭女士現為中國建設銀行(亞洲)常務副行長兼執行董事。她服務該銀行超過34年。郭女士在管理銀行之職責外，更積極服務於一系列香港政府及專業組織。她現任香港銀行學會副會長，並擔任外匯基金諮詢委員會轄下的金融基建及市場發展委員會委員、香港出口信用保險局諮詢委員會之委員及空運牌照局成員。

Ms Rosita Lee (from 2018-12-01; current appointment expires on 2021-09-30)

Ms Lee is the Head of Investment Products and Advisory Business of Hang Seng Bank Limited, a Director and Chief Executive Officer of Hang Seng Investment Management Limited, a Director and Chief Executive Officer of Hang Seng Investment Services Limited, a Director of Hang Seng Qianhai Fund Management Company Limited and a member of China Committee of Hong Kong General Chamber of Commerce.

李佩珊女士 (由2018-12-01起；現時任期將於2021-09-30屆滿)

李女士現為恒生銀行有限公司投資產品及顧問業務主管、恒生投資管理有限公司之董事兼行政總裁、恒生投資服務有限公司之董事兼行政總裁、恒生前海基金管理有限公司之董事及香港總商會中國委員會成員。

She serves a number of public appointments in Hong Kong, including the Securities and Futures Commission, The Sir David Trench Fund for Recreation, The Hong Kong Jockey Club Music and Dance Fund, and the Correctional Services Children's Education Trust.

她在港亦擔任多項公職，服務之香港政府機構和組織包括證券及期貨事務監察委員會、戴麟趾爵士康樂基金投資諮詢委員會、香港賽馬會音樂及舞蹈信託基金委員會及懲教署人員子女教育信託基金投資顧問委員會。

Ms Lee holds a Bachelor of Social Sciences Degree from The University of Hong Kong, a Master of Science Degree in Global Finance jointly awarded by the Hong Kong University of Science and Technology and New York University STERN Business School and is CFPcm certified.

李女士畢業於香港大學，獲社會科學學士學位，亦持有由香港科技大學及美國紐約大學斯特恩商學院頒發的環球金融理學碩士，並擁有「認可財務策劃師(CFP)」專業資格。



Mr Stephen Lee (from 2019-10-01; current appointment expires on 2021-09-30)

Mr Lee has over 30 years of experience in accounting, auditing and financial management at KPMG in London and Hong Kong. He retired from KPMG in 2011 as Partner-in-Charge of the Risk Consulting practices of KPMG in respect of Hong Kong, Mainland China and the Asia Pacific region, and is currently serving as an Adjunct Associate Professor at The Chinese University of Hong Kong and as Immediate Past President of The Institute of Internal Auditors Hong Kong. He is also an Independent Non-Executive Director at a number of companies.

He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales, and is an associate member of The Institute of Directors and The Institute of Internal Auditors.

李開賢先生 (由2019-10-01起；現時任期將於2021-09-30屆滿)

李先生在倫敦和香港的畢馬威會計師事務所擁有超過30年的會計、審計和財務管理經驗。他於2011年從畢馬威退休，當時是畢馬威香港、中國內地及亞太地區風險諮詢業務的主管合夥人，現擔任香港中文大學兼職副教授，並擔任香港內部稽核師學會前任會長。他也是多家公司的獨立非執行董事。

李先生是香港會計師公會及英格蘭及威爾斯特許會計師公會的資深會員，以及董事學會及內部稽核師協會的會員。

Dr Lin Yong (from 2019-10-01; current appointment expires on 2021-09-30)

Dr Lin Yong is a senior executive of Haitong Securities, CEO of Haitong International Holdings, Deputy Chairman and CEO at Haitong International Securities Group and Chairman of Haitong Bank, S.A. He is also the Deputy Director of the International Cooperation Strategy Committee of Securities Association of China, member of Mainland Opportunities Committee of Financial Services Development Council, Chairman of Chinese Securities Association of Hong Kong, founding Deputy Chairman of Chinese Financial Association of Hong Kong, and member of Hong Kong Academy of Finance.

林涌博士 (由2019-10-01起；現時任期將於2021-09-30屆滿)

林博士現為海通證券高級管理成員，海通國際控股行政總裁，海通國際證券集團副主席兼行政總裁及海通銀行主席。他目前亦為中國證券業協會國際戰略委員會副主任、香港金融發展局內地機遇小組成員、香港中資證券業協會會長、香港中國金融協會創會副主席及香港金融學院成員。

Mr Francis Siu (from 2019-10-01; current appointment expires on 2021-09-30)

Mr Siu is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.

He graduated from the University of Sheffield UK in 1979. After that, he joined KPMG Manchester, UK and returned to Hong Kong in 1986 and became a partner of KPMG Hong Kong in 1993. From 2000 to 2002, he was a senior partner of KPMG Shanghai Office. From 2002 to March 2010, he was a senior partner of KPMG Beijing Office and a senior partner of Northern Region, KPMG China.

He is currently an Independent Non-Executive Director of a number of listed companies in Hong Kong and Singapore and sat on a number of committees of the accounting profession in China.

蕭偉強先生 (由2019-10-01起；現時任期將於2021-09-30屆滿)

蕭先生為香港會計師公會和英國及威爾斯特許會計師公會的資深會員。

他於1979年在英國雪菲爾大學畢業，隨即加入畢馬威英國曼徹斯特辦事處及於1986年調回畢馬威香港事務所，並於1993年成為畢馬威香港事務所審計合夥人。由2000年至2002年期間，他於畢馬威華振會計師事務所上海分所擔任首席合夥人職務，及由2002年至2010年3月期間，於畢馬威華振會計師事務所北京分所擔任北京首席合夥人職務，並任畢馬威華振會計師事務所華北區首席合夥人。

他目前為數間香港上市公司和新加坡上市公司的獨立非執行董事；亦曾擔當數個中國會計師協會轄下委員會的成員。

PROFILES OF BOARD MEMBERS (continued)

董事局成員簡歷(續)

Mr Peter Wan (from 2019-10-01; current appointment expires on 2021-09-30)

Mr Wan is a fellow member of the Hong Kong Institute of Certified Public Accountants. He has over 30 years of practising experience and was a partner of PricewaterhouseCoopers before retirement. He has since been invited to join the Board of Directors of a number of listed companies as Independent Non-Executive Director. He currently serves as the Treasurer and Council Member of the Open University of Hong Kong and has held stewardship positions in several NGOs and service organisations.

尹錦滔先生 (由2019-10-01起；現時任期將於2021-09-30屆滿)

尹先生是香港會計師公會資深會員，執業逾三十年，退休前是羅兵咸永道會計師事務所的資深合夥人。隨後獲邀加入多家上市公司之董事局，出任獨立非執行董事。尹先生現為香港公開大學司庫及校董會成員。此外，他還積極參與多家非政府組織及服務機構的管治工作。

Ms Florence Wong (from 2019-12-06; current appointment expires on 2022-12-05)

Ms Wong is the Head of Oversight, Policy and Governance of the FRC. She has been with the FRC for over 10 years. Ms Wong has extensive regulatory knowledge and experience in financial reporting and auditing. She is a former member of the Financial Reporting Standards Committee of the Hong Kong Institute of Certified Public Accountants (HKICPA). Prior to joining the FRC, Ms Wong worked at the HKICPA and an international accounting firm. She is qualified as a certified public accountant and a certified internal auditor.

王蕙湄女士 (由2019-12-06起；現時任期將於2022-12-05屆滿)

王女士是財務匯報局監督，政策及管治部主管，在財匯局任職已超過10年。王女士在財務匯報和審計方面擁有豐富的監管知識和經驗。她是香港會計師公會財務報告準則委員會的前任成員。在加入財務匯報局之前，王女士曾在香港會計師公會和一家國際會計師事務所工作。她具備註冊會計師和註冊內部審計師的資格。

Mr Wong Kai Man, BBS, JP (from 2014-12-01; current appointment expires on 2020-09-30)

Mr Wong was a Non-Executive Director of the Securities and Futures Commission (2009-2015) and a member of the Listing Committee of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (1999-2003). He was an audit partner of PricewaterhouseCoopers, Hong Kong before his retirement in June 2005. He has served/is serving as an Independent Non-Executive Director of several companies listed in Hong Kong. Mr Wong has also served on advisory committees and statutory bodies established by the Government of the Hong Kong Special Administrative Region, boards of charities and councils of universities.

黃啟民先生，銅紫荊星章，太平紳士 (由2014-12-01起；現時任期將於2020-09-30屆滿)

黃先生為證券及期貨事務監察委員會之非執行董事(2009-2015)及香港聯合交易所有限公司創業板上市委員會成員(1999-2003)。他亦為香港羅兵咸永道會計師事務所的審計合夥人，並於2005年6月退休。他曾為／現為幾間上市公司的獨立非執行董事。他亦服務於多個香港特別行政區政府之諮詢及法定機構、非牟利機構之董事局及數間大學的校董會。



Ms Irene Yeung (from 2014-06-03; current appointment expires on 2020-09-30)

Ms Yeung is Executive Committee Member and the Company Secretary of CK Asset Holdings Limited.

She is also a member of the SFC (HKEx Listing) Committee of the Securities and Futures Commission, the Advisory Committee on Corruption of the Independent Commission Against Corruption and the Vice Chairman of the General Committee of The Chamber of Hong Kong Listed Companies. She is a solicitor of the High Court of the Hong Kong Special Administrative Region and a non-practising solicitor of the Senior Courts of England and Wales.

楊逸芝女士 (由2014-06-03起；現時任期將於2020-09-30屆滿)

楊逸芝女士為長江實業集團有限公司執行委員會委員兼公司秘書。

她為證券及期貨事務監察委員會之證監會（香港交易所上市）委員會委員、廉政公署貪污問題諮詢委員會委員、香港上市公司商會常務委員會副主席。她為香港特別行政區高等法院執業律師及英格蘭和威爾斯高級法院非執業律師。

Committees

The committee structure has been revised in view of the expanded functions. 5 committees are set up to advise the Board on different affairs of the FRC. Each committee comprises Board Members and Honorary Advisers with a wide spectrum of expertise. The current members of the committees serve a term of 2 years from 1 October 2019 to 30 September 2021.

Inspection Committee

The Inspection Committee advises the Board on matters concerning the inspection function.

Terms of reference

- To provide advice on the inspection manual (which would cover areas such as inspection strategy, the inspection process, guidelines for grading the performance of a firm in an inspection).
- To provide advice on the proposed annual inspection plan to be approved by the Board.
- To provide advice, as requested by the Inspection Department, on inspection findings, grading or follow-up action in individual cases.
- To provide advice on the extent of publication of inspection findings on individual firms (e.g. to the audit committee of the related listed entity, or to the public), and the contents of any such publication.
- To provide advice on the annual inspection activity report of the FRC to be approved by the Board.
- To perform an annual review (both substantive and procedural) of the performance of the inspection function by selecting sample completed inspections.
- To provide advice on matters in relation to the inspection function as requested by the Board from time to time.

Chairman

Mr Roger Best, JP

Vice-Chairman

Ms Rosita Lee

Members

Mr Clement Chan, MH

Mr Eugene Fung, SC

Mr Francis Siu

Mr Peter Wan

Mr Wong Kai Man, BBS, JP

Mr Benjamin Rhys

Mr Stephen Wong

Prof Wayne Yu*

* Appointed with effect from 11 December 2019

委員會

因應本局的擴大職能，委員會架構已作出相應調整。財務匯報局設有5個委員會，就不同事務向董事局提供建議。每個委員會由董事局成員和具有廣泛專業知識的名譽顧問組成。現任委員會成員的任期為2年，由2019年10月1日至2021年9月30日。

查察委員會

查察委員會就有關查察職能的事宜向董事局提供建議。

職權範圍

- 就查察手冊提供意見(涵蓋查察策略、查察程序、對接受查察事務所的表現進行評級的指引等)。
- 就建議的年度查察計劃提供意見，以供董事局批准。
- 按查察部要求就每宗個案的查察結果、評級或跟進行動提供意見。
- 就個別事務所查察結果的公開程度(例如是否向相關上市實體的審計委員會或向公眾公開)及任何所刊發內容提供意見。
- 就財務匯報局年度查察活動報告提供意見，以供董事局批准。
- 透過抽查已完成的查察個案，就查察職能的表現進行年度審閱(實質及程序審閱)。
- 按董事局要求不時就查察職能的事宜提供意見。

主席

路沛翹先生，太平紳士

副主席

李佩珊女士

成員

陳錦榮先生，榮譽勳章

馮庭碩先生，資深大律師

蕭偉強先生

尹錦滔先生

黃啟民先生，銅紫荊星章，太平紳士

李斯先生

王德文先生

俞偉峰教授*

* 於2019年12月11日獲委任



Investigation and Compliance Committee

The Investigation and Compliance Committee advises the Board on matters concerning the investigation and enquiry functions.

Terms of reference

- To provide advice and guidance on the development of policies, strategies, guidelines and procedures for the operation of the investigation and enquiry functions.
- To provide advice in setting selection criteria, including areas of focus, for the financial statements review programme annually.
- To provide advice on technical matters relating to accounting, auditing and professional ethics as identified by staff.
- To receive operation report of the Investigation and Compliance Department, oversee the progress of enquiry, investigations, complaints and financial statements reviews and provide recommendation on operational matters.
- To perform an annual review (both substantive and procedural review) of the performance of the complaint and review handling function by selecting sample completed cases of complaints and reviews which are closed without further action.
- To provide advice on matters in relation to the investigation and enquiry functions as requested by the Board from time to time.

Chairman

Mr Wong Kai Man, BBS, JP

Vice-Chairman

Mr Peter Wan

Members

Mr Chew Fook Aun
Mr Wilson Fung
Ms Wincey Lam
Mr Stephen Lee
Mr Anthony Leung
Ms Ashley Khoo
Mr Jackson Woo
Ms Eirene Yeung
Dr Lin Yong

調查委員會

調查委員會就有關調查及查訊職能的事宜向董事局提供建議。

職權範圍

- 就調查及查訊職能的運作政策、策略、指引及程序提供意見及指引。
- 每年就財務報表審閱計劃甄選標準的制定(包括重點範圍)提供意見。
- 就員工所發現有關會計、審計及專業道德的技術性事宜提供意見。
- 省覽調查部的運作報告，監督查訊、調查、投訴及財務報表審閱的進度以及就運作事宜提供建議。
- 透過抽查已完結的投訴及審閱個案(已結案且並無進一步行動)，就處理投訴及審閱職能的表現進行年度審閱(實質及程序審閱)。
- 按董事局要求不時就調查及查訊職能的事宜提供意見。

主席

黃啟民先生，銅紫荊星章，太平紳士

副主席

尹錦滔先生

成員

周福安先生
馮英偉先生
林穎志女士
李開賢先生
梁小東先生
丘培煥女士
胡家驥先生
楊逸芝女士
林涌博士

Oversight, Policy and Governance Committee

The Oversight, Policy and Governance Committee advises the Board on matters concerning the FRC's oversight of the HKICPA's performance of specified functions and matters concerning policy research and guidance on governance issues for stakeholders and beneficiaries concerned with the aim of enhancing the quality of audit and financial reporting.

Terms of reference

- To advise the Board on the annual plan of the Department of Oversight, Policy and Governance and oversee the performance of executives to ensure effective implementation of the approved annual plan.
- To consider and comment upon the report on oversight of HKICPA's performance of specified functions (i.e. registration, setting of standards for ethics and auditing and assurance practices, and setting of requirements for continuing professional development in relation to PIE auditors), including recommendations to HKICPA on performance of specified functions, and advise the Board on the exercise of the power to issue directions to HKICPA under section 10(1A)(c) of the FRC Ordinance.
- To provide strategic input and perspective on the current, emerging and potential issues affecting the quality of financial reporting, audit and corporate governance for identification and prioritization of research proposals and other initiatives for promoting the quality of the above matters.
- To consider and advise on research proposals and other initiatives being undertaken that are conducive to enhancing the quality of financial reporting, audit and corporate governance and any resultant publications and thought leadership projects.
- To perform any other functions as shall be determined by the Board from time to time.

Chairman

Mr Chan Tze Ching, BBS, JP

Vice-Chairman

Ms Rosita Lee

Members

Ms Melissa Brown
Mr Michael Cheng
Mr Eugene Fung, SC
Mr Stephen Hung
Mr Stephen Lee
Mr Keith Lui
Mr Francis Siu
Mr Paul Smith*
Ms Nancy Tse, JP
Ms Florence Wong (Acting CEO)

* Appointed with effect from 5 February 2020

監督、政策及管治委員會

監督、政策及管治委員會就有關財務匯報局監督香港會計師公會指明職能的事宜及有關持份者及受益人關注的管治議題的政策研究和指引的事宜，向董事局提供建議，以提高審計和財務匯報的質素。

職權範圍

- 就監督、政策及管治部門的年度計劃向董事局提供意見及監督行政人員的表現，以確保已批准的年度計劃有效地執行。
- 就有關監督香港會計師公會指明職能(即有關公眾利益實體核數師的註冊、專業道德及核數及核證執業準則的設定標準，及持續專業發展的設定要求)的報告進行審覽及提出意見，包括就其指明職能向香港會計師公會提出建議，以及就根據《財務匯報局條例》第10(1A)(c)條向香港會計師公會作出書面指示的權力的行使向董事局提供意見。
- 就影響財務匯報、審計及企業管治質素的現有、即將出現及潛在問題提供戰略性意見及觀點，以確定研究方案和其他倡議及其優先次序，從而提升進行上述事宜的質素。
- 就有利提升財務匯報、審計及企業管治質素的已進行研究方案及其他倡議，以及由此而來的出版刊物及思維領導項目，進行審覽及提供意見。
- 履行董事局不時釐定的任何其他職能。

主席

陳子政先生，銅紫荊星章，太平紳士

副主席

李佩珊女士

成員

Melissa Brown女士
鄭孟揚先生
馮庭碩先生，資深大律師
熊運信先生
李開賢先生
雷祺光先生
蕭偉強先生
Paul Smith先生*
謝秀玲女士，太平紳士
王蕙湄女士(署理行政總裁)

* 於2020年2月5日獲委任



Finance and Corporate Affairs Committee

The Finance and Corporate Affairs Committee advises the Board on finance, budgeting, corporate communications, administration and other corporate matters of the FRC.

Terms of reference

- To advise, review and make recommendations on the development of policies and procedures relating to Finance, Administration, Information Technology and Corporate Communications matters.
- To review policies and procedures to ensure effective financial and internal controls.
- To review annual financial statements and audit findings, and oversee the implementation of the audit recommendations.
- To review and make recommendations to the Board on the draft annual budget and forecast, including review and monitor the actual performance against budget.
- To advise, review and make recommendations on treasury management and related performance.
- To advise, review and make recommendations on the financial sustainability of the FRC, including the levels of levy and various fees.
- To advise on matters in relation to capital expenditure.
- To advise, review and make recommendations on the Information Technology strategic plans and oversee the execution of the plans.
- To formulate strategies on external communications and promotion of public awareness of the FRC.
- To exercise an oversight on the effective implementation of the communications and public promotion strategies.
- To consider any matters as requested by the Board from time to time.

Chairman

Mr Wilson Fung

Vice-chairman

Mr Chan Tze Ching, BBS, JP

Members

Dr Eva Chan
Mr Stephen Hung
Ms Miranda Kwok
Ms Wincey Lam
Ms Rosita Lee
Dr Lin Yong
Mr Keith Pogson
Mr David Stannard
Mr Richard Tsang
Ms Florence Wong (Acting CEO)

財務及企業事務委員會

財務及企業事務委員會就財務、財政預算、機構傳訊、行政管理及財務匯報局的其他企業事務向董事局提供建議。

職權範圍

- 就制定與財務、行政、資訊科技及機構傳訊事宜有關的政策及程序提供意見、進行審閱及提供建議。
- 審閱政策及程序以確保有效的財務及內部控制。
- 審閱年度財務報表及審計結果，並監督實施審計建議。
- 審閱年度預算及預測，並就此向董事局提供建議，包括根據預算審閱及監察實際表現。
- 就庫務管理及相關表現提供意見、進行審閱及提供建議。
- 就財務匯報局的財務可持續性(包括徵費水平)提供意見、進行審閱及提供建議。
- 就資本支出相關事宜提供意見。
- 就資訊科技策略計劃提供意見、進行審閱及提供建議，並監督計劃的執行。
- 制定對外溝通策略及提升公眾對財務匯報局的認識。
- 監督傳訊及公共宣傳策略的有效實施。
- 按董事局要求不時審覽任何事宜。

主席

馮英偉先生

副主席

陳子政先生，銅紫荊星章，太平紳士

成員

陳綺華博士
熊運信先生
郭珮芳女士
林穎志女士
李佩珊女士
林涌博士
包凱先生
洗達能先生
曾立基先生
王蕙湄女士(署理行政總裁)

Compensation and Nomination Committee

The Compensation and Nomination Committee advises the Board on all human resources related matters and nominations to be made or recommended by the FRC.

Terms of reference

- To advise, review and make recommendations on human resources policies, procedures and related issues.
- To advise, review and make recommendations on the terms and conditions of employment for staff, including the structure and level of staff remuneration.
- To advise, review and make recommendations on remuneration packages to ensure competitiveness with the market.
- To make recommendations to the Board on the remuneration and reappointment (if applicable) of management staff (CEO, Deputy CEO, Executive Directors, Heads of Department and General Counsel).
- To nominate members for committees or panels set up by the Board and make recommendations of members for panels set up by the Government that are relevant for the FRC.
- To consider any matters as requested by the Board from time to time.

Chairman

Dr Kelvin Wong, JP

Vice-chairman

Ms Eirene Yeung

Members

Mr Roger Best, JP

Ms Miranda Kwok

Mr Francis Mok

Ms Florence Wong (Acting CEO)

薪酬及提名委員會

薪酬及提名委員會就人力資源相關的事宜及由財務匯報局作出或推薦的提名向董事局提供建議。

職權範圍

- 就人力資源政策、程序及相關事宜提供意見、進行審閱及提供建議。
- 就員工僱傭條款及條件(包括員工薪酬架構及水平)提供意見、進行審閱及提供建議。
- 就薪酬方案提供意見、進行審閱及提供建議，以確保市場競爭力。
- 就管理層人員(行政總裁、副行政總裁、執行董事、部門主管及法律顧問)的薪酬及續聘(如適用)向董事會提供建議。
- 為董事局設立的委員會或委員團提名成員，並為政府設立與財務匯報局相關的委員團推薦成員。
- 按董事會要求不時審覽任何事宜。

主席

黃天祐博士，太平紳士

副主席

楊逸芝女士

成員

路沛翹先生，太平紳士

郭珮芳女士

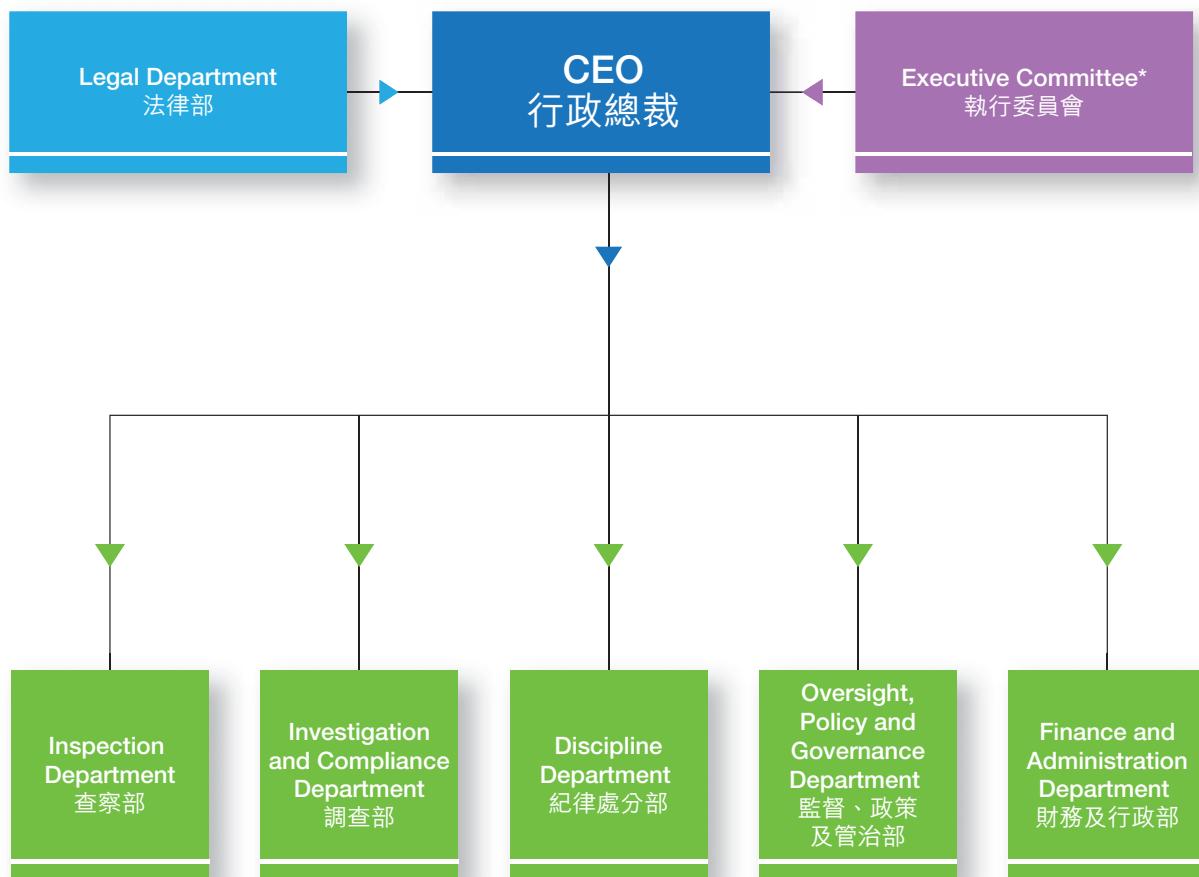
莫家麟先生

王蕙湄女士(署理行政總裁)



Organisation Structure

組織架構



* The Executive Committee comprises CEO, Heads of Departments and General Counsel.
執行委員會由行政總裁、部門主管及法律顧問組成。

Chief Executive Officer

The Chief Executive Officer (CEO), appointed by the Chief Executive of the Hong Kong Special Administrative Region (HKSAR), leads the staff to manage the operations of the FRC to ensure that the organisation's statutory functions are performed effectively.

Departments

The operations of the FRC are carried out by different departments with clear segregation of responsibilities.

Inspection Department

The Department of Inspection is responsible for carrying out inspections with the objectives of monitoring and promoting audit quality. An inspection focuses on how a PIE auditor conducted PIE engagements and on the effectiveness of the PIE auditor's quality control system to determine whether the applicable professional standards and legal and regulatory requirements have been complied with.

Investigation and Compliance Department

The Department of Investigation and Compliance is responsible for carrying out the investigation and enquiry functions of the FRC. It may initiate an investigation and/or enquiry based on complaints from the public, referrals from other regulators, the FRC's own financial statements review programme or internal referrals arising from inspections of PIE auditors.

Discipline Department

The Department of Discipline is responsible for carrying out the disciplinary function of the FRC. It will take firm and appropriate action in cases of misconduct by applying commensurate sanctions for the purposes of deterrence, investor protection, maintaining market confidence in the audit quality of listed entities and upholding the standards of conduct among PIE auditors and registered responsible persons.

Oversight, Policy and Governance Department

The Department of Oversight, Policy and Governance is responsible for overseeing the performance of the HKICPA in respect of their functions of registration, setting of standards for ethics and auditing and assurance, and setting of requirements for continuing professional development in relation to PIE auditors, and for recognising non-Hong Kong auditors who intend to undertake and/or carry out any PIE engagement for overseas entities. The Department will also conduct policy research that is conducive to enhancing the quality of financial reporting and audit quality, and publish guidance on governance and other issues where appropriate.

Finance and Administration Department

The Department of Finance and Administration is responsible for managing matters in relation to finance, budget, human resources, corporate communication and general administration of the FRC.

行政總裁

行政總裁由香港特別行政區行政長官任命，負責領導員工管理財務匯報局的日常運作，以確保有效履行機構的法定職能。

部門

財務匯報局的運作由不同部門執行，職責分工明確。

查察部

查察部負責執行查察，旨在監察和提高審計質素。查察重點在於公眾利益實體核數師如何進行公眾利益實體項目，及公眾利益實體核數師的質素監控制度的有效性，以確定其是否已遵守適用的專業標準以及法律法規要求。

調查部

調查部負責履行財務匯報局的調查及查訊職能，可基於接獲的公眾投訴、其他監管機構的轉介、財務匯報局的財務報表審閱計劃或由財務匯報局對公眾利益實體核數師進行查察而產生的內部轉介個案，展開調查及／或查訊。

紀律處分部

紀律處分部負責履行財務匯報局的紀律處分職能，將就失當行為採取果斷及適當的行動，施加適當處分，以收阻止失當行為發生之效、保障投資者、維持市場對上市實體審計質素的信心及保持公眾利益實體核數師和註冊負責人的行為標準。

監督、政策及管治部

監督、政策及管治部負責監督香港會計師公會履行對上市實體核數師的註冊、制定專業道德、審計及核證準則和制定專業進修規定的職能的表現及認可有意為境外實體承擔及／或進行任何公眾利益實體項目的非本地核數師。部門亦會進行有關提升財務匯報及審計質素的政策研究及在合適情況下就有關管治及其他議題刊發指引。

財務及行政部

財務及行政部負責管理財務匯報局有關財務、預算、人力資源、機構傳訊及行政的事務。

LOOKING BACK ON 2019

2019年回顧



DEPUTY CHIEF EXECUTIVE OFFICER'S REPORT

副行政總裁報告



“

The management team has worked closely with the Chairman and Council members in the past nine months to ensure that the strategies set for the smooth transition to the new regime were effectively executed.

管理團隊與主席及財務匯報局成員於過去九個月緊密合作，確保為順利過渡至新制度而設的策略有效地執行。

”

Ms Wincey Lam Deputy Chief Executive Officer
林穎志女士 副行政總裁

As mentioned in the Chairman's Statement, 2019 is a rewarding year for the FRC. Thanks to the visionary leadership of our former Council and the concerted efforts of the management team and our staff, we have been able to fulfil many important missions critical for our smooth transition to the new auditor regulatory regime amidst our investigations.

Smooth transition to the new regime

Under the Financial Reporting Council (Amendment) Ordinance 2019 (the Amendment Ordinance) effective on 1 October 2019, we are vested with the powers of inspection, investigation, recognition of overseas auditors of public interest entities (PIEs) and discipline concerning PIE auditors. We are also empowered to have an oversight on the performance of the Hong Kong Institute of Certified Public Accountants (HKICPA) for functions in relation to PIE auditors including registration, setting of standards on professional ethics, auditing and assurance; and setting of continuing professional development requirements.

In view of the above-mentioned statutory functions, the management team has worked closely with the Chairman and Council members to ensure that the strategies set for the smooth transition to the new regime were effectively executed. First, we have established new governance and organisation structures, which were designed to achieve proper check and balance while further enhancing the operational effectiveness and efficiency. Specifically, the FRC is governed by the Board under the Amendment Ordinance, the

誠如主席報告所述，2019年是財務匯報局碩果累累的一年。有賴財務匯報局成員高瞻遠矚的領導，加上管理團隊與員工齊心協力，我們除了現行調查職能，也達成許多對於順利過渡至新核數師監管制度相當關鍵的重要任務。

順利過渡至新制度

根據於2019年10月1日生效的《2019年財務匯報局(修訂)條例》(修訂條例)，本局獲賦予行使查察、調查、認可上市實體海外核數師和紀律處分上市實體核數師的權力。本局亦獲賦予權力監督香港會計師公會履行對上市實體核數師的註冊、制定專業道德、審計及核證準則和制定持續專業進修規定的職能。

就上述法定職能，管理團隊與主席及財務匯報局成員緊密合作，確保為順利過渡至新制度而設的策略有效地執行。首先，我們設立了新的管治及組織架構，旨在達致適當制衡，同時進一步加強運作成效及效率。具體而言，財務匯報局由董事局(最終管治機構)根據修訂條例管治，而董事局下設五個委員會，分別為查察委員會、調查委員會、監督、政策及管治委員會、



ultimate governing body, under which 5 committees have been set up, namely the Inspection Committee, the Investigation and Compliance Committee, the Oversight, Policy and Governance Committee, the Finance and Corporate Affairs Committee and the Compensation and Nomination Committee. These committees, comprising Board Members and Honorary Advisers with a wide spectrum of expertise, provide invaluable advice on different affairs to the FRC.

The FRC values staff as the most treasurable asset of the organisation. As mentioned by the Chairman in his statement, we have commissioned an external consultancy firm to carry out a study on the remuneration and benefits structure of the FRC. The findings and recommendations resulted from the study have been carefully considered to draw up a remuneration and benefits structure conducive to the recruitment and retention of competent and passionate staff.

Concurrently, we have launched a phased recruitment programme to cater for our increasing workload and changing operational needs. We are pleased to report that many senior positions for the new functions have already been filled by highly qualified and competent professionals. Our recruitment exercise will go on.

For any regulatory system to be effective, it is important for our stakeholders to understand the underpinning philosophy and implementation mechanism of the relevant rules and regulations. To this end, the FRC has set up clear policies and guidelines in respect of our various functions. In the process, we proactively engaged our stakeholders. For instance, we conducted a consultation from 13 March to 17 April 2019 on the proposed sanctions guidelines in which 2 briefings and 15 meetings with audit firms and professional bodies were arranged. We explained the policies and guidelines in details, clarified doubts and alleviated concerns of our stakeholders. The views and comments collected from the consultation had been carefully reviewed and considered, resulting in constructive revision of some of the guidelines. I am pleased to note that all these efforts have been welcomed by the audit profession. This proves the value of active listening and sincere dialogue.

2019 operations

During the reporting period from 1 January to 30 September 2019, we received a total of 55 complaints in which, after our assessment, 48 were pursuable. Of the pursuable complaints, 71% came from the public and 29% were referred to the FRC from other regulatory bodies.

Despite the hectic preparation for the new regime, we managed to complete 12 investigations and 3 enquiries during the nine-month period, similar to the numbers for the same period in 2018. Further discussion and analysis of our operations can be found in the “Management and Operations Review” section on pages 46 to 59 of this annual report.

財務及企業事務委員會和薪酬及提名委員會。這些委員會由董事局成員和具有廣泛專業知識的名譽顧問組成，就不同事務向財務匯報局提供寶貴建議。

財務匯報局視員工為機構內最為寶貴的資產。誠如主席於其報告所述，本局委託了一間外聘顧問公司進行財務匯報局的薪酬及福利架構調查，並仔細考慮調查所得結果及建議，以制訂有利招聘及留住熱誠能幹員工的薪酬及福利架構。

與此同時，我們已推出分階段的招聘計劃以配合日益增加的工作量及不斷變化的營運需求。我們欣然報告，多名具備相當資格及勝任的專業人士已就任為新職能而設的多個高級職位。本局會持續進行招聘工作。

任何監管制度要有效實施，重點在於持份者理解相關規則及法規背後的理念及實施機制。為此，財務匯報局已就各項職能設立清晰的政策及指引。過程中，我們積極推動持份者的參與。例如，我們於2019年3月13日至4月17日就建議的處分指引進行諮詢，與會計師事務所及專業團體進行了兩次簡報會和15次會議。我們詳細解釋政策及指引、澄清疑慮以及減輕持份者的憂慮，並仔細審閱及考慮諮詢過程收集的觀點及意見，從而對部分指引作出建設性修訂。本人很高興得悉審計業界對上述各項工作表示歡迎，由此可見主動聆聽及真誠對話的價值。

2019年運作

於匯報期(由2019年1月1日至9月30日)內，我們接獲共55宗投訴，經評估後，當中有48宗是可跟進投訴。於可跟進投訴中，71%來自於公眾，29%由其他監管機構轉介予財務匯報局。

儘管新制度的準備工作進行得如火如荼，但本局仍於九個月期間完成了12宗調查個案及3宗查訊個案，與2018年同期的數目相若。有關本局運作的進一步討論及分析載於本年報第46頁至第59頁「管理及運作回顧」一節。

DEPUTY CHIEF EXECUTIVE OFFICER'S REPORT (continued)

副行政總裁報告 (續)



Two briefings for audit firms that audit public listed entities on the proposed sanctions guidelines were held on 3 April and 9 April 2019. 於2019年4月3日及4月9日，就建議處分指引為審計上市實體的會計師事務所舉行兩次簡報會。

Opening new pages in regulatory cooperation

Externally, the FRC continued to foster relationship with local, Mainland and international regulators in 2019. Domestically, we worked seamlessly with other financial regulators and professional bodies including the Securities and Futures Commission, the Hong Kong Stock Exchanges and Clearing Limited and the HKICPA through regular liaison meetings, cross-referrals and sharing knowledge and information of common interest.

Our efforts in promoting cross-boundary auditor regulatory collaboration came to fruition as we signed a Memorandum of Understanding (the MOU) with the Supervision and Evaluation Bureau of the PRC's Ministry of Finance on 22 May 2019. The MOU facilitates our access to audit working papers located in the Mainland through an effective mechanism and clear procedures, thereby enhancing our effectiveness in discharging our duties in respect of inspection and investigation as an independent auditor regulator.

Under the new regime, the FRC has the statutory function of oversight of the HKICPA's performance in delivering its responsibilities of registration, setting continuing professional development requirements, and setting standards on professional ethics, auditing and assurance in relation to PIE auditors. To ensure effective oversight, a Statement of Protocol on Oversight Arrangements (the Statement of Protocol) with the HKICPA was signed on 27 September 2019, signifying a new page of collaboration between the two parties.

Enhancing international relation and collaboration

Riding on the successful experience in the past, we continued to solidify our relationship with international regulators and professional bodies in 2019 through meetings and activities. From 27 to 30 March 2019, we took part in the Regional IFRS Workshop for Regulators in Bangkok, Thailand whereby we had an in-depth discussion on the implementation and practical issues of IFRSs with other workshop participants. We also gave a presentation on the latest development of the FRC at the 7th ASEAN Audit Regulators Group (AARG) Inspection Workshop on 2 April in Singapore.

開啟監管合作新篇章

對外而言，財務匯報局於2019年繼續加強與本地、內地及國際監管機構的關係。對內而言，本局透過定期聯絡會議、互相轉介和分享共同關注的知識及資訊，與其他金融監管機構及專業團體合作無間，包括證券及期貨事務監察委員會、香港交易及結算所有限公司以及香港會計師公會。

本局於2019年5月22日與中國財政部監督評價局簽署備忘錄，使推動跨境核數師監管合作的努力取得豐碩成果。備忘錄讓本局根據有效的機制和清晰的程序獲取存放於內地的審計工作底稿，使本局作為獨立核數師監管機構履行查察和調查等職能時更有效率。

在新制度下，財務匯報局具有法定責任，須監督香港會計師公會履行對上市實體核數師的註冊、制定持續專業進修規定及制定專業道德、審計及核證準則的職能。為確保有效監督，本局已於2019年9月27日與香港會計師公會簽署《監督安排協議聲明》，標誌著雙方開展合作新一頁。

加強國際關係及合作

憑藉過往的成功經驗，本局於2019年透過會議及活動繼續鞏固與國際監管機構及專業團體的關係。於2019年3月27日至30日，我們參加了在泰國曼谷舉行的「監管機構地區國際財務報告準則研討會(Regional IFRS Workshop for Regulators)」，與其他與會者就國際財務報告準則的實施和應用進行了深入討論。我們亦於4月2日在新加坡舉行的「第7屆東盟審計監管機構查察研討會」發表演說，介紹財務匯報局的最新發展。



From 30 April to 2 May 2019, the FRC had the privilege of being invited as an observer to attend the Plenary Meeting of the International Forum of Independent Audit Regulators (IFIAR) held in Rhodes, Greece. The meeting provided us with an invaluable opportunity to build ties with IFIAR's members and understand more about the application procedures in relation to becoming an IFIAR member.

We also met with representatives from the International Auditing and Assurance Standards Board and the International Valuation Standards Council to discuss issues related to international best practice and standard-setting and brief them on our latest development.

The above initiatives are not simply about public relation. They are also the springboard for the FRC and Hong Kong to benchmark Hong Kong's audit practice against international standards and share valuable regulatory experience and findings with financial regulators worldwide. Most important of all, we will be able to contribute our part in enhancing audit quality and regulatory standards globally.



The FRC met with Sir David Tweedie (centre), Chair, International Valuation Standards Council (IVSC) Board of Trustees and Mr Nick Tablot (2nd from right), CEO of IVSC on 26 September 2019.

財務匯報局於2019年9月26日與國際估值準則委員會(IVSC)受託人董事會主席David Tweedie爵士(中)及IVSC行政總裁Nick Tablot先生(右二)會面。

Vote of thanks

I would like to express my gratitude to the Financial Services and the Treasury Bureau, Board Members, former Council Members, the Honorary Advisory Panel, and all other stakeholders of the FRC for their valuable insights, professional expertise and significant contribution. My sincere thanks also go to our staff who are unafraid of any daunting challenge and carry out their duties passionately and professionally all the time. With their continued support, the FRC is well-poised and fully confident to go forward and upward.

獨立審計監管機構國際論壇(IFIAR)於2019年4月30日至5月2日在希臘羅得島舉辦週年會議，本局很榮幸獲邀以觀察員身份出席會議。會議為本局提供寶貴機會，與IFIAR成員建立聯繫，並了解申請成為IFIAR成員相關程序的更多詳情。

我們亦與國際核數及核證準則委員會及國際估值準則委員會的代表會面，並討論與國際最佳做法以及制定準則有關的事宜，兼向彼等簡介本局的最新發展。

以上不僅是公關舉措，亦是財務匯報局及香港的跳板，將香港的審計慣例與國際標準接軌，並與世界各地的金融監管機構分享寶貴的監管經驗及結果。最重要的是，我們將能夠為提升全球審計質素及監管準則出一分力。



Ms Wincey Lam, Deputy CEO with other workshop participants at the 7th ASEAN Audit Regulators Group (AARG) Inspection Workshop on 2 April 2019 in Singapore.

於2019年4月2日在新加坡舉行的「第7屆東盟審計監管機構考察研討會」上，副行政總裁林穎志女士與其他與會者會面。

致謝

本人謹此就財經事務及庫務局、董事局成員、前任財務匯報局成員、名譽顧問團及所有其他財務匯報局持份者提供的寶貴見解、專業知識及重大貢獻表示衷心謝意。本人亦向我們無懼任何困難、時刻以熱誠與專業態度履行職責的員工致以真誠謝意。有了他們的不懈支持，本局對未來充滿信心，為再創佳績作好充分準備。

Ms Wincey Lam
林穎志女士
Deputy Chief Executive Officer
副行政總裁



Chairman 主席

1 Dr Kelvin Wong, JP
黃天祐博士，太平紳士

Members 成員

2 Mr Chan Tze Ching, BBS, JP
陳子政先生，銅紫荊星章，太平紳士

3 Mr Wilson Fung
馮英偉先生

4 Mr Eugene Fung, SC
馮庭碩先生，資深大律師

5 Mr Stephen Hung
熊運信先生

6 Ms Miranda Kwok
郭珮芳女士

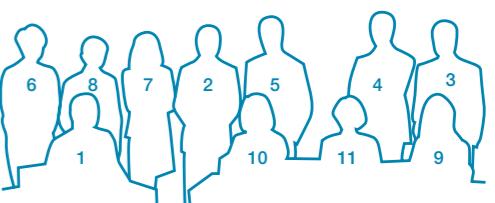
7 Ms Rosita Lee
李佩珊女士

8 Mr Wong Kai Man, BBS, JP
黃啟民先生，銅紫荊星章，太平紳士

9 Ms Eirene Yeung (Acting Chairman)
楊逸芝女士(署理主席)

10 Ms Ada Chung, JP (ex-officio)
鍾麗玲女士，太平紳士(當然成員)

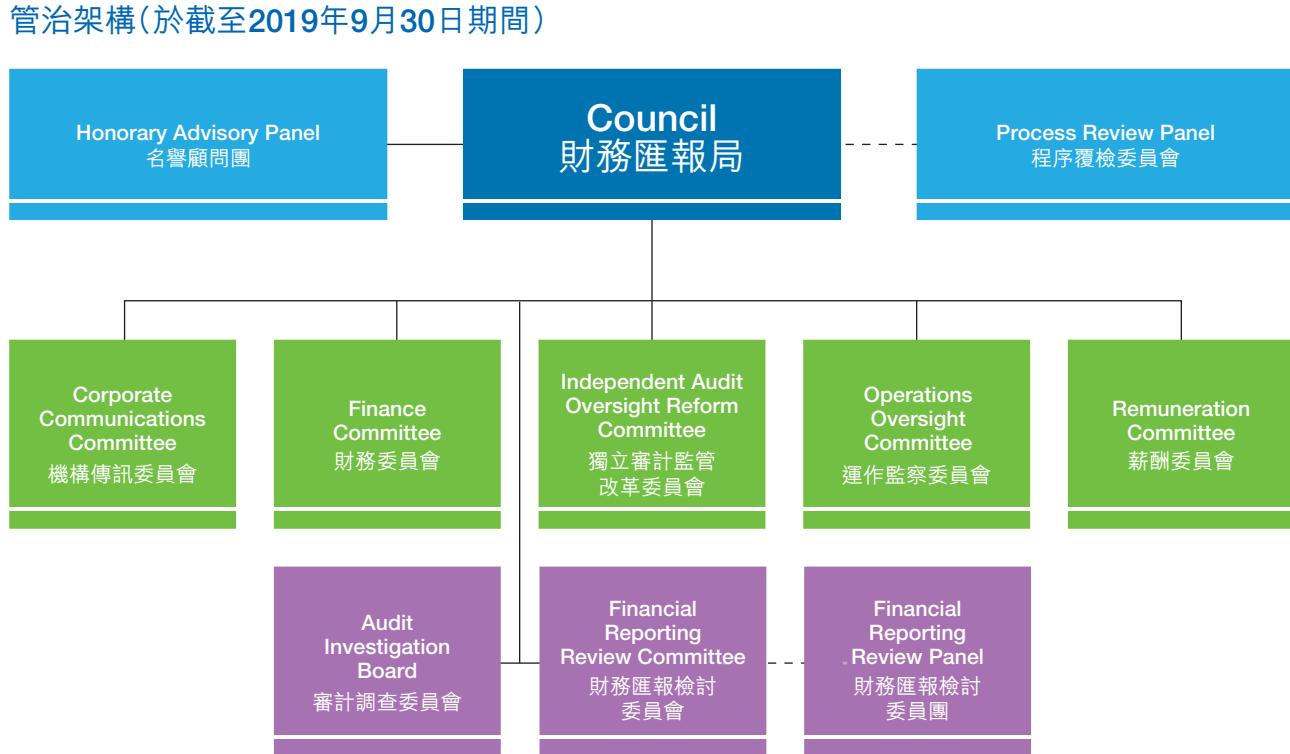
11 Ms Wincey Lam (ex-officio) (Acting CEO)
林穎志女士(當然成員)
(署理行政總裁)



CORPORATE GOVERNANCE

機構管治

Governance Structure (during the period ended 30 September 2019)



The mission of the FRC is to uphold the quality of financial reporting of listed entities in Hong Kong by exercising its statutory powers under the Financial Reporting Council Ordinance (FRCO).

The FRC is committed to high standards of corporate governance and operates within a comprehensive framework of values and guidelines that emphasises integrity, proficiency, independence and impartiality, accountability and transparency. To facilitate effective operations and management of the organisation, the FRC has adopted the best practices outlined by the International Federation of Accountants and has in place a clearly defined governing structure, high standards of conduct, reliable internal control procedures and appropriate checks and balances.

財務匯報局透過行使根據《財務匯報局條例》所賦予的法定權力，致力履行其維持香港上市實體的財務匯報質素的使命。

財務匯報局致力實行卓越的機構管治，於一套重視誠信、精湛才能、獨立、公平公正、承擔及具高透明度的框架內運作。為了達致有效運作及卓越管理，本局已採納國際會計師聯合會發表的最佳作業標準，並且已制定清晰明確的管治制度、嚴格的操守標準、可靠的內部控制程序及恰當的制衡措施。



The Council

Prior to the commencement of the new auditor regulatory regime (i.e. before 1 October 2019), the FRC was governed by its Members, who operated as a Council. A majority of Council Members, including the Chairman, were lay persons, i.e., non-accountants. All members were independent of the audit profession. This ensured the Council's independence in carrying out its functions.

The primary functions of the Council were set out in the FRCO and included:

- i. reviewing complaints concerning non-compliance with accounting requirements by listed entities as well as complaints concerning auditing or reporting irregularities by auditors of listed entities;
- ii. making enquiries into non-compliance and investigating auditing or reporting irregularities; and
- iii. approving and overseeing the policies and activities of boards and committees established by the Council.

The FRC's Chief Executive Officer (CEO) was appointed by the Chief Executive of the Hong Kong Special Administrative Region (HKSAR) on the recommendation of the Council. As at 30 September 2019, there were 11 Members on the Council. Three of these 11 members were nominated by Hong Kong Exchanges and Clearing Limited (HKEX), the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Securities and Futures Commission (SFC) respectively. The Registrar of Companies or her representative and the FRC's CEO were ex-officio members.

Council members were appointed for a two-year term which was renewable. Procedures were in place to ensure adequate rotation of members on an annual basis.

Council members came from a variety of backgrounds with diversified and relevant skills which included accountants, lawyers and members with extensive business experience. While there was no ruling on gender diversification, five of the eleven members were female. Not only did Council members attend meetings of the Council, but each member was involved in at least one of the underlying committees, thus ensuring they were involved extensively in the affairs of the Council.

Members of the Council were legally bound to declare any interests they might have in a case. Council Members present during deliberations or decision making by HKEX, the HKICPA or the SFC relating to cases to be referred to the FRC were considered as having an interest in that case. In accordance with the FRCO, Council Members having such an interest might not (a) be present during any deliberation by the Council, (b) take part in any decision of the Council, or (c) be given any documents related to the case.

財務匯報局成員

在2019年10月1日新核數師監管制度生效前，財務匯報局成員負責監管財務匯報局的運作。本局的大部分成員(包括主席)均為業外人士，即非會計師。本局的所有成員均獨立於審計業界，這確保本局能夠獨立履行職能。

根據《財務匯報局條例》，本局的主要職能包括：

- i. 審閱有關上市實體不遵從會計規定的投訴，以及有關上市實體的核數師在審計或匯報方面的不當行為的投訴；
- ii. 就有關不遵從事宜展開查訊及在審計或匯報方面的不當行為進行調查；及
- iii. 審批和監督由財務匯報局設立的委員會的政策及活動。

本局的行政總裁由香港特別行政區行政長官經本局推薦委任。截至2019年9月30日，財務匯報局成員共11人，其中三名成員分別由香港交易及結算所有限公司(港交所)、香港會計師公會以及證券及期貨事務監察委員會(證監會)提名委任。本局的兩名當然成員分別是公司註冊處處長或其代表，以及本局的行政總裁。

財務匯報局成員的委任期為兩年，其後可獲再度委任。本局已制定措施，以確保每年均有足夠成員輪流退任。

本局成員來自不同背景並具備各種相關技能，包括會計師、律師及從商經驗豐富的成員。雖然本局並無有關性別多元化的規定，但十一名成員中有五名為女性。除了出席財務匯報局成員會議，各成員亦會參與屬下最少一個委員會，從而確保他們全面參與本局事務。

財務匯報局成員如於個案中可能有任何利益關係，須依法申報。本局成員如在港交所、香港會計師公會或證監會審議是否轉介個案予本局時在場，又或曾經參與該機構的有關決策，一律被界定為在個案中有利益關係。根據《財務匯報局條例》，在個案中有利益關係的成員不能就有關個案(a)出席本局成員任何審議環節；(b)參與財務匯報局成員所作出的任何決定；或(c)獲得任何有關文件。

CORPORATE GOVERNANCE (continued)

機構管治(續)

The CEO and his staff managed the operations of the FRC, reporting to Council in accordance with the provisions of the procedural manual. Council, in turn, gave directives to the CEO and FRC staff and ensured that the organisation's statutory functions were being performed effectively. The roles of Chairman and CEO were separate and distinct.

Council Meetings

The Council met once every two months and held additional meetings as and when necessary. In addition to discussing specific agenda items, progress reports on all ongoing cases, management accounts and other operating statistics were submitted for review at each regular meeting. During the nine-month period ended 30 September 2019, the Council held five meetings, all of which were conducted in accordance with the provisions of the FRCO.

Membership and attendance at Council meetings during the nine-month period ended 30 September 2019, was as follows:

行政總裁及其員工負責財務匯報局的日常運作，並根據程序手冊的條文向本局匯報工作。本局會向行政總裁及員工發出指引，確保有效履行機構的法定職能。主席的角色獨立及有別於行政總裁的角色。

財務匯報局成員會議

財務匯報局成員每兩個月舉行一次會議，並會按需要召開額外會議。定期會議上，除了討論特定的議程項目之外，所有處理中的個案的進度報告、管理賬目及其他運作數據亦會被提呈審閱。截至2019年9月30日的九個月期間，本局成員共舉行了五次會議，所有會議均按照《財務匯報局條例》的條文進行。

截至2019年9月30日的九個月期間，財務匯報局的會議出席成員及出席率如下：

	Meetings attended/held	會議出席／舉行次數
Dr Kelvin Wong, JP	黃天祐博士，太平紳士	5/5
Mr Chan Tze Ching, BBS, JP	陳子政先生，銅紫荊星章，太平紳士	4/5
Mr Eugene Fung, SC	馮庭碩先生，資深大律師	4/5
Mr Wilson Fung	馮英偉先生	4/5
Mr Stephen Hung	熊運信先生	5/5
Ms Miranda Kwok	郭珮芳女士	4/5
Ms Rosita Lee	李佩珊女士	5/5
Mr Wong Kai Man, BBS, JP	黃啟民先生，銅紫荊星章，太平紳士	5/5
Ms Eirene Yeung	楊逸芝女士	4/5
Ms Ada Chung, JP (ex-officio)	鍾麗玲女士，太平紳士(當然成員)	5/5
Mr Paul F. Winkelmann ¹ (CEO) (ex-officio)	衛皓民先生 ¹ (行政總裁)(當然成員)	2/2
Ms Wincey Lam ² (Acting CEO) (ex-officio)	林穎志女士 ² (署理行政總裁)(當然成員)	3/3

The average attendance rate at meetings was 92%.

會議平均出席率為92%。

¹ Term expired on 31 March 2019.

¹ 任期於2019年3月31日屆滿。

² Appointed as Acting CEO with effect from 1 April 2019.

² 於2019年4月1日獲委任為署理行政總裁。



Pursuant to the FRCO, the Chief Executive of the HKSAR might appoint temporary members to the FRC to serve on a rotating basis with respect to cases whereby the Council was not able to meet the statutory quorum in relation to matters in which members had disclosed their interests. During 2019, the following persons were the temporary members of the FRC:

Mr Edward Kwan, MH
Mr Michael Scales
Ms Anna Wong

The in-house General Counsel attended all Council meetings and had been appointed as the Secretary of the meetings. Minutes of meetings were circulated to the Chairman for review and comment and then to all members for comment. All members had access to the General Counsel.

Council Committees

The Council had five committees, the responsibilities of which are described below. These committees met as necessary on a periodic basis. Each committee operated according to its own terms of reference. Information on the number of meetings held and attendance rates are set out in the tables below.

Each committee had a majority of Council members and at least one Honorary Adviser to ensure appropriate checks and balances across the operations of the FRC. The Operations Oversight Committee also had other members comprising lay persons, together with those with accounting and auditing experience. Where authority could be delegated under the FRCO, each committee was accountable to the Council for its decisions. Where delegation was not permissible, each committee was accountable for its recommendations to Council.

The terms of reference of each committee were reviewed from time to time in light of working needs.

根據《財務匯報局條例》，香港特別行政區行政長官可委任臨時成員，在任何現任委任成員因披露利益關係以致未能符合會議法定人數以執行成員職能時，以輪流方式替代該些成員。於2019年，下列人士為臨時成員：

關百忠先生，榮譽勳章
施米高先生
黃慧群女士

本局的內部法律顧問出席所有財務匯報局成員會議及被委任為會議秘書。會議紀錄須送呈主席以供審閱及評註，再向全體成員傳閱以徵求意見。各成員均可直接與法律顧問聯絡。

財務匯報局屬下委員會

財務匯報局下設五個委員會，其責任載述如下。該等委員會定期並於有需要時舉行會議。各委員會根據其職權範圍運作。有關會議舉行次數及出席率的資料載於下表。

各委員會的大部分成員均為財務匯報局成員，但也包括最少一位名譽顧問，以確保本局的運作有恰當的制衡措施。此外，運作監察委員會的成員包括具備會計及審計經驗的人士，亦包括業外人士。如《財務匯報局條例》准許本局將權力轉授予委員會，有關委員會須對其決策負責並向本局成員作出交代。如《財務匯報局條例》禁止轉授權力，有關委員會則負責向本局成員提出建議。

本局根據工作需要，不時檢討各委員會的職權範圍。

CORPORATE GOVERNANCE (continued)

機構管治(續)

Corporate Communications Committee (CCC)	機構傳訊委員會
Terms of reference	職權範圍
<ul style="list-style-type: none"> To formulate corporate communications policies and strategies to increase publicity about the work of the FRC. To oversee the implementation of corporate communications strategies approved by the Council, and to utilise appropriate communications tools, such as press statements, publications, electronic communications, and conferences, to reach the media and external parties. To recommend an annual promotion plan and budget to the Council. To oversee the review and updating of FRC website layouts and contents, printed brochures, promotional materials and other publications of the FRC. To oversee publicity campaigns launched from time to time by the FRC. To decide on matters which the Council delegates from time to time. 	<ul style="list-style-type: none"> 制定機構傳訊政策及策略，加強宣傳本局的工作。 監督本局成員核准的機構傳訊策略的執行，以及透過合適的渠道(如新聞稿、刊物、電子通訊及會議等)與傳媒和外部溝通。 向本局成員提交年度宣傳計劃及預算。 監督有關本局的網頁設計及內容、小冊子、宣傳資料及其他出版刊物的審閱和更新。 監督本局不時舉辦的宣傳活動。 就本局成員不時委託的事宜作出決定。
<i>Membership and attendance at CCC meetings during the nine-month period ended 30 September 2019, was as follows:</i>	<i>截至2019年9月30日的九個月期間，機構傳訊委員會的會議出席成員及出席率如下：</i>
Meetings attended/held	會議出席／舉行次數
Mr Chan Tze Ching, BBS, JP (Chairman)	陳子政先生，銅紫荊星章，太平紳士(主席) 3/3
Mr Clement Chan	陳錦榮先生 2/3
Ms Ada Chung, JP	鍾麗玲女士，太平紳士 3/3
Mr Eugene Fung, SC ¹	馮庭碩先生，資深大律師 ¹ 1/1
Ms Rosita Lee	李佩珊女士 3/3
Mr Keith Pogson	包凱先生 2/3
Mr Michael Scales	施米高先生 2/3
Mr Sin Chung Kai, SBS, JP	單仲偕先生，銀紫荊星章，太平紳士 3/3
Ms Eirene Yeung ²	楊逸芝女士 ² 2/2
Mr Paul F. Winkelmann ³ (CEO) (ex-officio)	衛皓民先生 ³ (行政總裁)(當然成員) 1/1
Ms Wincey Lam ⁴ (Acting CEO) (ex-officio)	林穎志女士 ⁴ (署理行政總裁)(當然成員) 2/2
Average attendance rate 91%	平均出席率91%
¹ Appointed with effect from 1 August 2019.	¹ 於2019年8月1日獲委任。
² Resigned with effect from 30 June 2019.	² 於2019年6月30日辭任。
³ Term expired on 31 March 2019.	³ 任期於2019年3月31日屆滿。
⁴ Appointed with effect from 1 April 2019.	⁴ 於2019年4月1日獲委任。



Finance Committee (FC)

Terms of reference

- To review the FRC's treasury, internal control, and financial and risk management policies and strategies.
- To approve tenders for procurement with an estimated value exceeding HK\$500,000 (other than legal services relating to the vetting of investigation or enquiry reports).
- To advise the FRC on the short, medium and long term financial implications of the Council's strategic plans.
- To review and make recommendations to the FRC on the Council's annual budget.
- To review the FRC's draft annual financial statements before submission to the Council.
- To provide advice on the future funding model of the FRC once the independent audit oversight reform proposal is finalised.
- To decide on matters which the Council delegates from time to time.

Membership and attendance at FC meetings during the nine-month period ended 30 September 2019, was as follows:

財務委員會

職權範圍

- 審閱本局的庫務、內部控制以及財務與風險管理政策及策略。
- 批准估計金額超過50萬港元的採購項目(有關審閱調查或查訊報告的法律費用除外)。
- 就本局策略性計劃的短期、中期及長期財務影響，向本局成員提供意見。
- 審閱本局的年度預算，以向本局成員提供意見。
- 審閱本局年度財務報表的草稿，以提交本局成員省覽。
- 於獨立審計監管改革建議方案落實時，提供對本局日後資金模式的意見。
- 就本局成員不時委託的事宜作出決定。

截至2019年9月30日的九個月期間，財務委員會的會議出席成員及出席率如下：

Meetings attended/held 會議出席／舉行次數		
Mr Wilson Fung (Chairman)	馮英偉先生(主席)	3/3
Mr Roger Best, JP	路沛翹先生，太平紳士	2/3
Mr Stephen Hung	熊運信先生	2/3
Dr PM Kam	甘博文博士	1/1
Ms Miranda Kwok	郭珮芳女士	1/3
Mr David Stannard	冼達能先生	3/3
Mr Paul F. Winkelmann ¹ (CEO) (ex-officio)	衛皓民先生 ¹ (行政總裁)(當然成員)	1/1
Ms Wincey Lam ² (Acting CEO) (ex-officio)	林穎志女士 ² (署理行政總裁)(當然成員)	2/2

Average attendance rate 83%

平均出席率83%

¹ Term expired on 31 March 2019.

¹ 任期於2019年3月31日屆滿。

² Appointed with effect from 1 April 2019.

² 於2019年4月1日獲委任。

CORPORATE GOVERNANCE (continued)

機構管治(續)

Independent Audit Oversight Reform Committee (IAORC)

Terms of reference

- To provide advice to the FRC and the staff on matters related to the reform of auditor oversight systems in Hong Kong (the Reform), including but not limited to the registration, inspection, investigation and sanction of auditors.
- To oversee the work of FRC staff in relation to the Reform, including but not limited to the assumption of statutory powers for the inspection of listed company auditors and the transition arrangements relating to audit inspection and related legislative amendments; and to ensure that the activities undertaken by the staff are in accordance with the directives of the Council and the agreed timeline.
- To receive and consider regular progress reports from the staff on the progress of the Reform.
- To undertake specific tasks related to the Reform as required by the Council.
- To decide on matters which the Council delegates from time to time.

Membership and attendance at IAORC meetings during the nine-month period ended 30 September 2019, was as follows:

獨立審計監管改革委員會

職權範圍

- 就香港審計監管制度改革(該改革)事宜，包括但不限於核數師的註冊、查察、調查及處分，向本局及其員工提供意見。
- 監督本局的員工就該改革所履行的工作，包括但不限於接管查察上市公司核數師的法定職能、審計查察的過渡安排及相關立法修訂，並且確保員工已遵照本局成員指引和議定的時間表進行工作。
- 接收及審議員工就該改革進度提交的定期進度報告。
- 按照本局成員的要求，執行該改革相關的指定工作。
- 就本局成員不時委託的事宜作出決定。

截至2019年9月30日的九個月期間，獨立審計監管改革委員會的會議出席成員及出席率如下：

Meetings attended/held

會議出席／舉行次數

Dr Kelvin Wong, JP (Chairman)	黃天祐博士，太平紳士	3/3
Mr Clement Chan	陳錦榮先生	3/3
Mr Chew Fook Aun	周福安先生	2/3
Ms Ada Chung, JP	鍾麗玲女士，太平紳士	3/3
Mr Eugene Fung, SC	馮庭碩先生，資深大律師	3/3
Mr David Stannard	冼達能先生	3/3
Mr Wong Kai Man, BBS, JP	黃啟民先生，銅紫荊星章，太平紳士	2/3
Ms Wincey Lam ¹ (Acting CEO) (ex-officio)	林穎志女士 ¹ (署理行政總裁)(當然成員)	3/3

Average attendance rate 92%

平均出席率92%

¹ Appointed with effect from 1 April 2019.

¹ 於2019年4月1日獲委任。



Operations Oversight Committee (OOC)

運作監察委員會

Terms of reference

- To formulate policies, strategies, guidelines and procedures for the operation of the FRC.
- To provide advice to the FRC and its operational staff on technical and business issues.
- To consider the progress of enquiries, investigations, complaints and reviews currently being dealt with by staff.
- To consider enquiry reports approved by the Financial Reporting Review Committees before submission to the Council.
- To consider investigation reports approved by the Audit Investigation Board before submission to the Council.
- To consider recommendations in the complaint/review assessment reports before submission to the Council, and to endorse those complaint/review assessment reports requiring no follow-up action.
- To consider and approve recommendations made in the review handling reports in relation to financial statements selected for review under the financial statements review programme.
- To decide on matters which the Council delegates from time to time.

Membership and attendance at OOC meetings during the nine-month period ended 30 September 2019, was as follows:

職權範圍

- 制定本局的運作政策、策略、指引和程序。
- 向本局及執行法定職責的員工提供技術性及業務性的意見。
- 審議員工現時處理的查訊、調查、投訴及審閱工作的進度。
- 審議經財務匯報檢討委員會批准的查訊報告，以提交本局成員省覽。
- 審議經審計調查委員會批准的調查報告，以提交本局成員省覽。
- 審議投訴／審閱評估報告所載的建議，以提交本局成員省覽。審批無需要採取跟進行動的投訴／審閱評估報告。
- 審議根據財務報表審閱計劃抽查的財務報表的審閱處理報告所載的建議。
- 就本局成員不時委託的事宜作出決定。

截至2019年9月30日的九個月期間，運作監察委員會的會議出席人員及出席率如下：

	Meetings attended/held	會議出席／舉行次數
Mr Wong Kai Man, BBS, JP (Chairman)	黃啟民先生，銅紫荊星章，太平紳士(主席)	4/5
Mr Jamie Allen ¹	艾哲明先生	2/3
Mr Chan Tze Ching, BBS, JP	陳子政先生，銅紫荊星章，太平紳士	3/5
Ms Wilson Fung	馮英偉先生	5/5
Mr Stephen Hung	熊運信先生	4/5
Ms Rosita Lee	李佩珊女士	3/5
Mr Anthony Leung	梁小東先生	5/5
Mr Kenneth Morrison ¹	文禮信先生	1/3
Mr Stephen Taylor	Stephen Taylor先生	5/5
Ms Eirene Yeung	楊逸芝女士	4/5
Mr Andy Wong	黃銓輝先生	2/2
Mr Paul F. Winkelmann ² (CEO) (ex-officio)	衛皓民先生 ² (行政總裁)(當然成員)	2/2
Ms Wincey Lam ³ (Acting CEO) (ex-officio)	林穎志女士 ³ (署理行政總裁)(當然成員)	3/3

Average attendance rate 82%

平均出席率82%

¹ Term expired on 31 May 2019.

² Term expired on 31 March 2019.

³ Appointed with effect from 1 April 2019.

¹ 任期於2019年5月31日屆滿。

² 任期於2019年3月31日屆滿。

³ 於2019年4月1日獲委任。

CORPORATE GOVERNANCE (continued)

機構管治(續)

Remuneration Committee (RC)	薪酬委員會
Terms of reference	職權範圍
<ul style="list-style-type: none"> To formulate remuneration policies, strategies, guidelines and procedures for the operation of the FRC in accordance with all applicable legal and regulatory requirements. To make recommendations to the FRC on staffing, remuneration and employment policies and strategies including salary structure, terms and conditions of employment, and staff fringe benefits. To make recommendations on the annual pay adjustment and the amount of variable compensation payable to individual staff members. To make recommendations on the amount of variable compensation payable to the CEO. To decide on matters which may be delegated by the Council from time to time. 	<ul style="list-style-type: none"> 根據所有適用法律及監管規定，制定有關本局運作的薪酬政策、策略、指引和程序。 就有關員工招聘、薪酬、聘用政策及策略，其中包括薪酬架構、聘用條款及條件和員工福利，向本局成員提供意見。 提供有關個別員工的年度薪酬調整和浮動薪酬金額的意見。 提供有關行政總裁的浮動薪酬金額的意見。 就本局成員不時委託的事宜作出決定。
<p><i>Membership and attendance at RC meetings during the nine-month period ended 30 September 2019, was as follows:</i></p>	
Meetings attended/held	會議出席／舉行次數
Dr Kelvin Wong, JP (Chairman)	黃天祐博士，太平紳士(主席) 4/4
Mr Roger Best, JP	路沛翹先生，太平紳士 4/4
Ms Miranda Kwok	郭珮芳女士 3/4
Mr Nicholas Sallnow-Smith ¹	蘇兆明先生 1/1
Ms Eirene Yeung	楊逸芝女士 3/4
Mr Paul F. Winkelmann ² (CEO) (ex-officio)	衛皓民先生 ² (行政總裁)(當然成員) 1/1
Ms Wincey Lam ³ (Acting CEO) (ex-officio)	林穎志女士 ³ (署理行政總裁)(當然成員) 3/3
Average attendance rate 93%	平均出席率93%
¹ Resigned with effect from 15 March 2019.	¹ 於2019年3月15日辭任。
² Term expired on 31 March 2019.	² 任期於2019年3月31日屆滿。
³ Appointed with effect from 1 April 2019.	³ 於2019年4月1日獲委任。



Operations

Enquiry – Financial Reporting Review Panel and Committee

In cases where the FRC believed there might be non-compliance with accounting requirements by a listed entity, the Council might appoint a Financial Reporting Review Committee (FRRC) to conduct an enquiry. The committee consisted of a Panel Convenor as Chairman and at least four other members of the Financial Reporting Review Panel (FRRP).

Under the powers vested in it under section 43 of the FRCO, the FRRC may require relevant persons to produce records and documents and provide information and explanations for the purpose of an enquiry.

Members of the FRRP were appointed by the Chief Executive of the HKSAR in consultation with the Council. As at 30 September 2019, the FRRP had 45 members, including 9 Convenors. They were appointed based on their experience in accounting, auditing, finance, banking, law, administration, or management. A list of FRRP members can be found in the section “Membership of Board and Panels” of this annual report.

During the reporting period, the FRC dealt with 3 enquiry cases brought forward from previous years and 1 case initiated during the period. 3 enquiry cases were completed.

Investigation – Audit Investigation Board (AIB)

The Council might direct the AIB to conduct investigations into possible auditing or reporting irregularities by auditors of listed entities. Under the powers vested in it under sections 25, 26, 27 and 28 of the FRCO, the AIB may require relevant persons to produce records and documents, supply information and provide explanations for the purpose of the investigation.

The CEO of the FRC was the ex-officio Chairman of the AIB. Other members of the AIB, who were normally staff members of the FRC, were appointed by the Council. A list of AIB members can be found in the section “Membership of Board and Panels” of this annual report.

During the reporting period, the AIB dealt with 43 investigation cases brought forward from previous years and 11 cases initiated during the period. It completed 12 investigation cases.

運作

查詢 – 財務匯報檢討委員團及委員會

倘財務匯報局認為有上市實體可能不遵從會計規定的事宜，本局成員可委任一個財務匯報檢討委員會展開查訊。財務匯報檢討委員會包括一名財務匯報檢討委員團召集人擔任主席，以及最少四名來自財務匯報檢討委員團的其他成員。

財務匯報檢討委員會可根據《財務匯報局條例》第43條所賦予的權力，要求有關人士出示記錄及文件、提供資料及解釋，以進行查訊工作。

財務匯報檢討委員團成員由香港特別行政區行政長官經諮詢本局後委任。於2019年9月30日，財務匯報檢討委員團共有45名成員，當中九名為召集人。成員均由於其會計、審計、金融、銀行、法律、行政或管理經驗而獲委任。財務匯報檢討委員團成員的名單載於本年報「委員會及委員團成員」一節。

財務匯報局於匯報期內處理3宗於過去年度展開的查訊個案及1宗於期內展開的查訊個案，並完成3宗查訊個案。

調查 – 審計調查委員會

本局可指示審計調查委員會就有關核數師可能在對上市實體的審計或匯報方面的不當行為展開調查。審計調查委員會可根據《財務匯報局條例》第25、26、27及28條所賦予的權力，要求有關人士出示記錄和文件、提供資料及作出解釋，以進行調查工作。

財務匯報局行政總裁是審計調查委員會的當然主席，而審計調查委員會的其他成員則由本局成員委任，通常是本局員工。審計調查委員會成員的名單載於本年報「委員會及委員團成員」一節。

審計調查委員會於匯報期內處理於過去年度仍在調查的43宗個案以及於期內展開的11宗個案，並完成了12宗調查個案。

CORPORATE GOVERNANCE (continued)

機構管治(續)

Internal Controls

The FRC maintains an effective internal control system that includes a clear organisational structure, well-defined levels of authority, and proper segregation of duties. The FRC assigns a director to take charge of each case from the moment investigations/enquiries commence.

The FRC regularly reviews all its policies and guidelines relating to personnel administration, procurement, authorisation of transactions, and the safeguarding of its assets.

Specific forms were completed by Council members, committee members and staff in respect of each case to ensure conflicts had been declared and identified. Once declared, all papers issued reflected any such conflicts.

Code of Conduct

FRC staff members are required to adhere to our code of conduct when carrying out any role on behalf of the FRC. Our code of conduct specifies standards to be followed in areas that may involve conflicts of interest, confidentiality of information, personal investments and data protection. This includes the need for staff members to make regular declarations of their own and their spouse's investments, and to notify any changes in their portfolio.

The FRC's code of conduct is reviewed and updated on a regular basis to ensure that it remains consistent with the best practices currently being applied across the areas in which the FRC operates.

Communications with Stakeholders

The FRC actively communicates with stakeholders, including its funding parties, the accounting and auditing profession, its regulatory counterparts, and the general investing public.

The FRC publishes annual reports and eNews to keep the public informed about the progress of its work and its development. Operations statistics and press releases about completed cases are regularly posted on the FRC website (www.frc.org.hk) to provide the public with a user-friendly way to search for updated information.

The FRC has also set up official pages on certain social media channels to enable interested parties to connect with the FRC in a more interactive manner.

內部控制

本局制定了有效的內部控制系統，包括清晰的組織架構、分明的權責以及恰當的職責分工。從展開每宗調查／查訊個案開始，本局會委派一名總監負責處理。

本局定期檢討內部的人事管理、採購、交易審批及資產保護的政策及指引。

本局成員、委員會成員及員工須就每宗個案填妥特定表格，確保已申報及確認所有利益衝突。一經申報，所有文件均會反映有關衝突。

操守準則

本局員工在代表本局履行職責時，必須嚴格遵守本局的操守準則。這套操守準則清楚界定了潛在利益衝突、資料保密、個人投資及資料保護等各方面的操守標準。其中包括要求員工定期呈報個人及其配偶的投資狀況及有關投資項目的變更。

財務匯報局定期檢討及更新操守準則，確保符合本局運作範疇內的最佳作業標準。

與持份者溝通

本局積極與持份者進行溝通，包括其撥款機構、會計及審計業界、其他監管機構及投資者。

財務匯報局透過刊發年報及電子簡訊，讓公眾了解本局的工作進度及發展。本局亦在網站(www.frc.org.hk)定期公佈有關運作的統計數據以及已完成的調查個案的新聞稿，讓大眾能以便捷的方式搜尋最新資訊。

本局亦已在若干社交媒體設立官方網頁，讓有興趣人士能夠以更加互動的方式與本局聯繫。



Checks and Balances

Accountability and Audit

The FRC has adopted a strict audit process. The FRC's annual budget must be endorsed by the Council. The Secretary for Financial Services and the Treasury then reviews and approves the FRC's annual estimates of income and expenditure.

The financial statements of the FRC are audited by the Government's Director of Audit; annual reports are submitted to the Secretary for Financial Services and the Treasury and tabled at the Legislative Council. The FRC attends a meeting of the Legislative Council Panel on Financial Affairs and presents a progress report annually.

Process Review Panel (PRP)

The FRC has its work scrutinised by a PRP, the aim of which is to ensure that individual cases have been dealt with consistently, and that all actions and decisions taken are in line with internal procedures and guidelines. The PRP issues an annual report containing the conclusions of its review, together with suggestions for improvements, if any. Appointments to the PRP are approved by the Chief Executive of the HKSAR.

Ombudsman

The Ombudsman also indirectly oversees the work of the FRC by dealing with any public complaints regarding alleged maladministration made against the FRC and its staff. The FRC did not receive any enquiries from the Ombudsman in 2019.

Best Practice

While the FRC is not obliged to comply with any particular corporate governance codes, it voluntarily complies with various principles and code provisions where considered relevant.

制衡措施

問責及審計

本局採納嚴謹的審計程序。本局的年度預算須由本局成員批核。財經事務及庫務局局長其後會審批本局的年度收支估計。

本局的財務報表由政府審計署署長審核，而年報向財經事務及庫務局局長呈交後，便會提交立法會省覽。本局每年於立法會財經事務委員會會議報告工作進展。

程序覆檢委員會

本局的工作乃受程序覆檢委員會嚴格監察，以確保本局以一致方式處理每宗個案，並在採取行動及作出決策時遵守內部程序和指引。程序覆檢委員會的年報會載列覆檢結果及改善建議(如有)。程序覆檢委員會成員由香港特別行政區行政長官委任。

申訴專員

申訴專員亦透過處理針對本局及其員工管理不善的任何公眾投訴，間接監管本局的工作。本局於2019年並無收到來自申訴專員的任何查詢。

最佳作業標準

雖然法例並無規定本局須遵守任何特定的企業管治守則，但本局自發遵從各項相關原則及守則條文。

MANAGEMENT AND OPERATIONS REVIEW

管理及運作回顧

Key Operations Statistics

As the Financial Reporting Council (Amendment) Ordinance took effect on 1 October 2019, marking the commencement of the new auditor regulatory regime, the cut-off date of the key operations statistics of the FRC in 2019 was 30 September 2019. The statistics presented for 2019 in this section covers a nine-month period from 1 January to 30 September 2019.

主要運作數據

《財務匯報局(修訂)條例》於2019年10月1日生效，標誌著新核數師監管制度的開始。因此，財務匯報局於2019年的主要運作數據以2019年9月30日為截止日期。本章節所示的2019年統計數據涵蓋了由2019年1月1日起至9月30日止的9個月期間。

	2015	2016	2017	2018	Sept/9月 2019
Pursuable complaints received 接獲的可跟進投訴	46*	118*	126*	85*	48
Investigations initiated 期/年內展開調查的個案	11	18	14	19	11
Investigations completed 完成調查的個案	9	11	11	16	12
Enquiries initiated 期/年內展開查訊的個案	1	1	–	2	1
Enquiries completed 完成查訊的個案	–	1	–	1	3

* Includes 50, 101, 97 and 22 complaints in 2018, 2017, 2016 and 2015 respectively, which appear to have come from the same source and were directed at a single audit firm.

* 包括分別於2018年、2017年、2016年及2015年接獲疑來自同一來源並針對同一間會計師行的50宗、101宗、97宗及22宗投訴。



Review of Complaints

Every complaint received is carefully evaluated prior to determining whether to close the case or initiate an investigation and/or an enquiry.

As at 30 September 2019, the FRC received 48 pursuable complaints. Of these, 1 related to auditing or reporting irregularities and 1 related to non-compliance with accounting requirements. A further 46 complaints involved both auditing or reporting irregularities and non-compliance with accounting requirements.

審閱投訴

本局謹慎審閱所接獲的每宗投訴，以決定是否結束案件或展開調查及/或查訊。

截至2019年9月30日，本局共接獲48宗可跟進投訴。當中，一宗涉及審計或匯報不當行為，一宗涉及不遵從會計規定事宜。另外46宗同時涉及審計或匯報不當行為及不遵從會計規定事宜。

	Sept/9月 2019	2018
Complaints from:		
The Public	投訴來自： 公眾 34	68
HKEX	港交所 10	12
HKICPA	香港會計師公會 3	3
SFC	證監會 1	1
Companies Registry	公司註冊處 0	1
Total	總計 48	85

The FRC handled the 11 complaints brought forward from the previous year, along with the 48 pursuable complaints received during the period. As at 30 September 2019, 23 complaints were still being evaluated.

本局於期內共處理11宗於上一年度接獲的投訴，以及48宗於本年接獲的可跟進投訴。截至2019年9月30日，本局仍在審閱23宗投訴。

The FRC targets to complete its evaluation of complaints within 90 working days from receipt. At 30 September 2019, this target has substantially been met.

本局致力於在接獲投訴的90個工作日的目標期限內完成對投訴的審閱。截至2019年9月30日，此目標已大致上達成。

	Sept/9月 2019	2018
Brought forward	期/年初審閱中的個案 11	14
Pursuable complaints received	接獲的可跟進投訴 48	85
Handled during the period/year	期/年內處理的個案 59	99
Completed with no follow-up action	已完成而無需要跟進的個案 (29)	(43)
Referred to specified enforcement agencies	轉介予特定執行機構的個案 (1)	(36)
Initiated investigation and/or enquiry	展開調查及/或查詢的個案 (6)	(9)
In progress at end of the period/year	期/年末仍在審閱中的個案 23	11

MANAGEMENT AND OPERATIONS REVIEW (continued) 管理及運作回顧(續)

Diagram 1 圖1

Review of complaints 審閱投訴

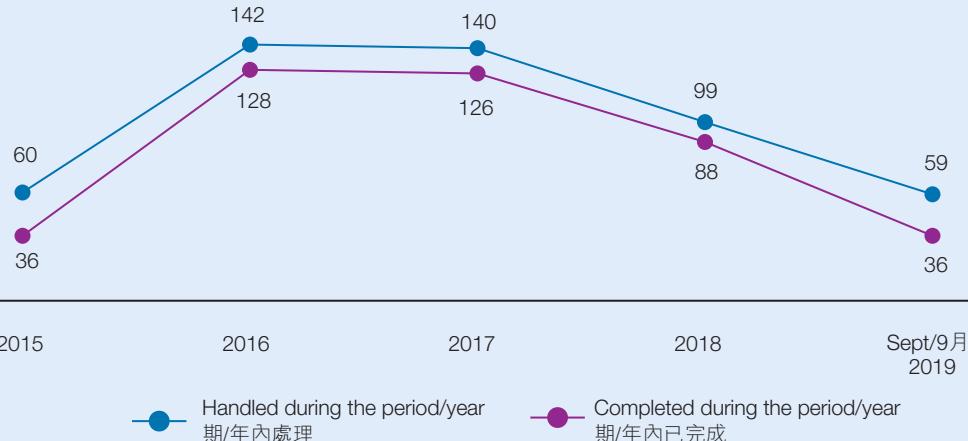
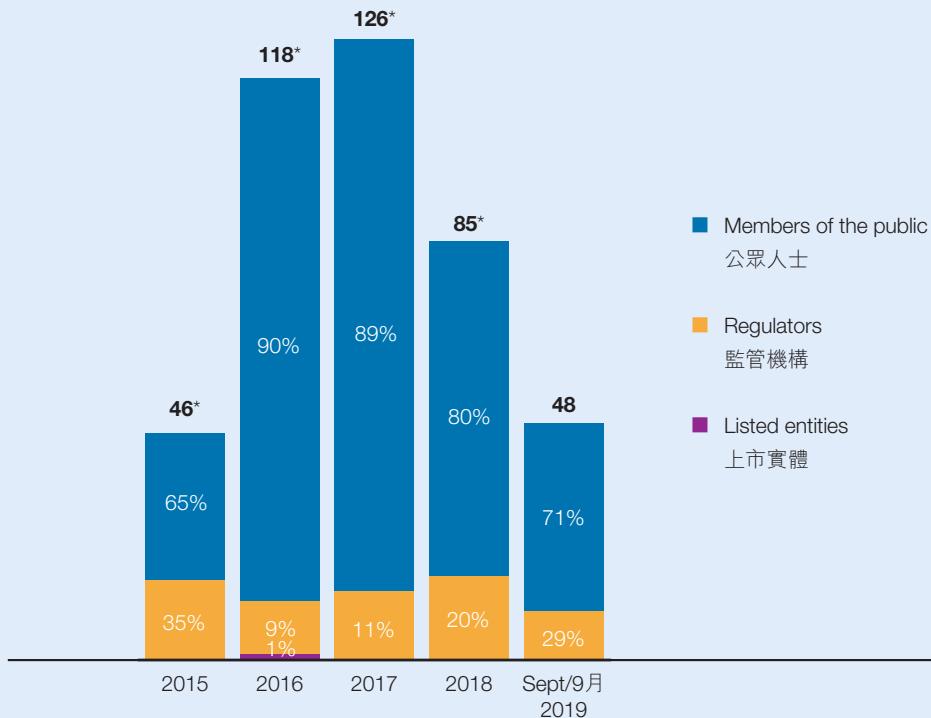


Diagram 2 圖2

Source of pursuable complaints 可跟進投訴的來源



* Includes 50, 101, 97 and 22 complaints in 2018, 2017, 2016 and 2015 respectively, which appear to have come from the same source and were directed at a single audit firm.

* 包括分別於2018年、2017年、2016年及2015年接獲
疑來自同一來源並針對同一間會計師行的50宗、101
宗、97宗及22宗投訴。

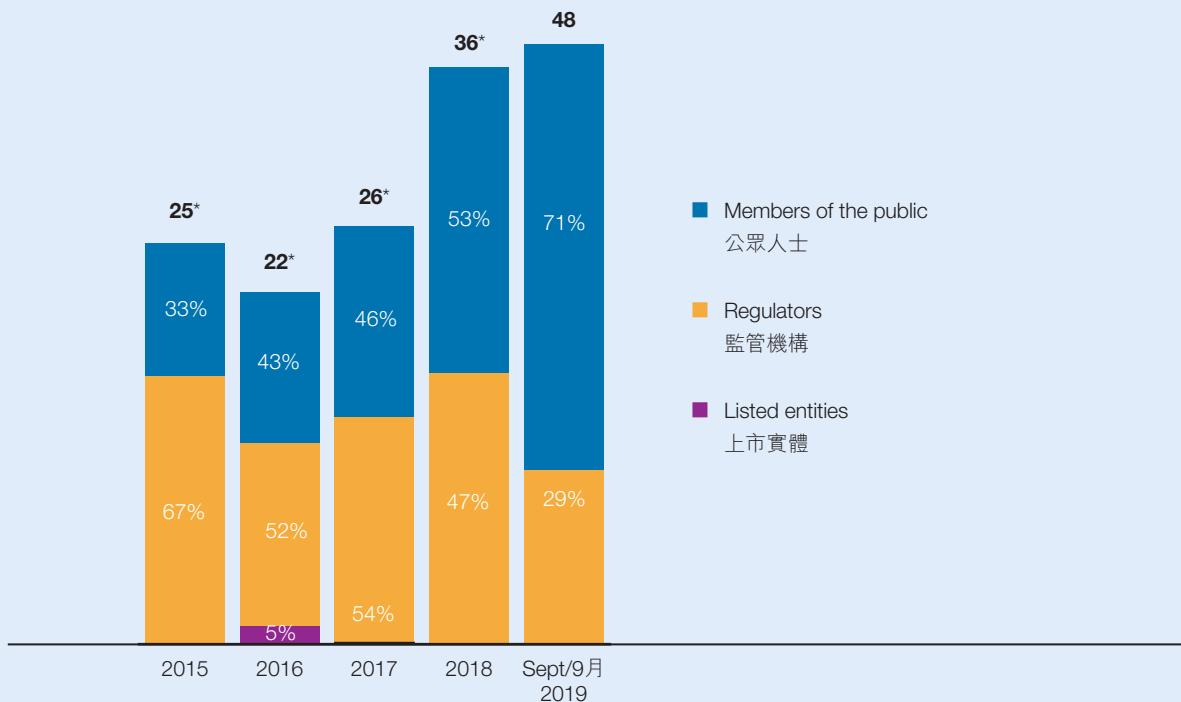


By eliminating the anomalies created in 2015, 2016, 2017 and 2018 mentioned in diagram 2 on source of pursuable complaints, a different picture emerges.

撇除於圖2－可跟進投訴的來源中提到的於2015年、2016年、2017年及2018年產生的異常情況，可跟進投訴來源的分佈有所分別。

Diagram 3 圖3

Source of pursuable complaints 可跟進投訴的來源



* The 50, 101, 97 and 22 complaints as mentioned in the note to diagram 2 are treated as a single complaint in each of the relevant years.

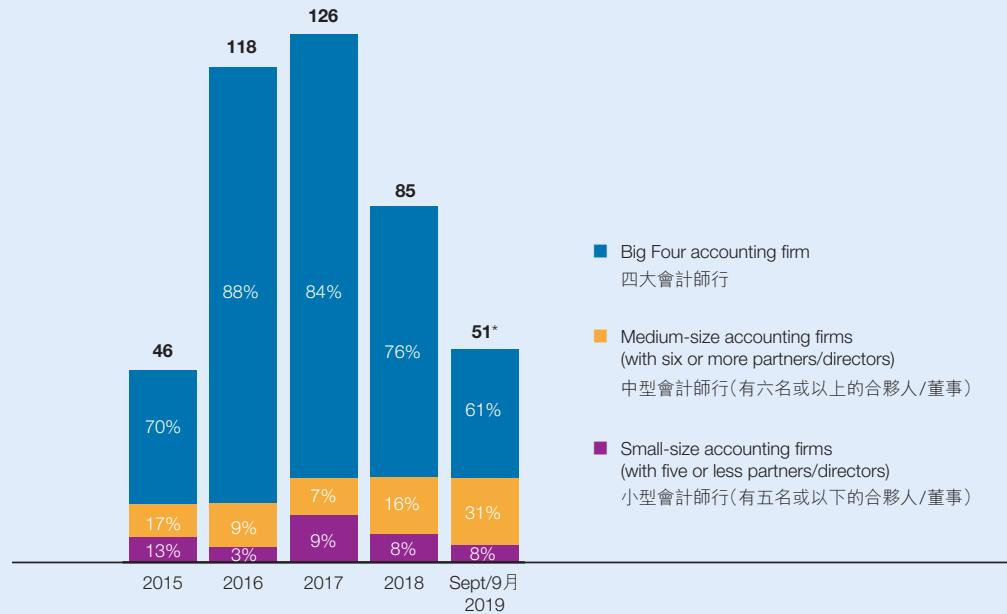
* 圖2附註中提及的50、101、97及22宗投訴在相關年份中被視為1宗投訴。

MANAGEMENT AND OPERATIONS REVIEW (continued)

管理及運作回顧(續)

Diagram 4 圖4

Size of accounting firms involved in complaints 涉及投訴的會計師行的規模



* 3 complaints involve more than one auditor

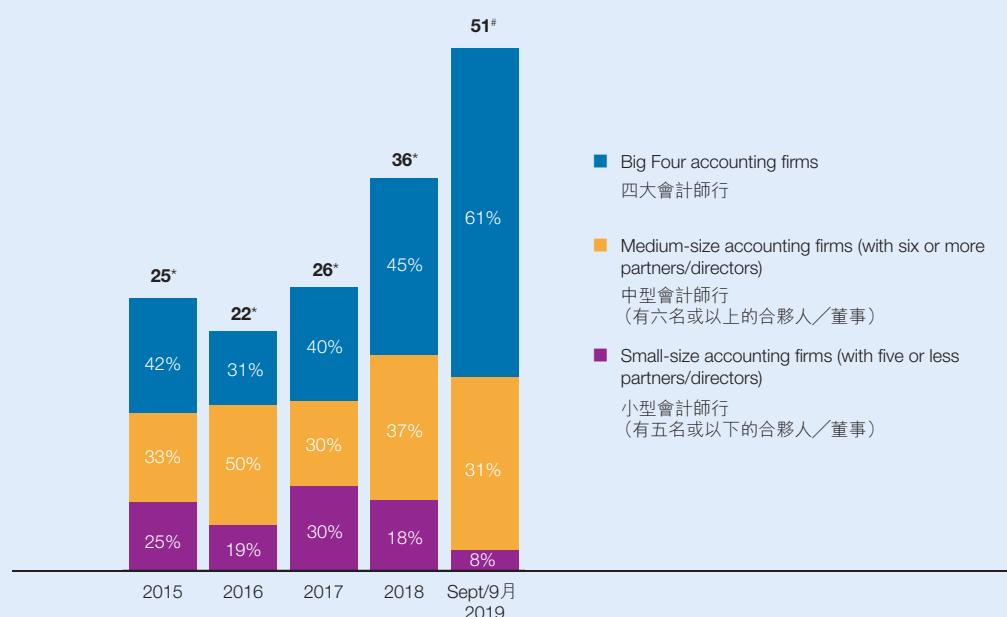
* 三宗投訴涉及多於一位核數師

By also eliminating the anomalies created in 2015, 2016, 2017 and 2018 mentioned in diagram 2 on source of pursuable complaints, once again a different picture emerges.

撇除於圖2－可跟進投訴的來源中提到的於2015年、2016年、2017年及2018年產生的異常情況，涉及投訴的會計師行的規模的分佈有所分別。

Diagram 5 圖5

Size of accounting firms involved in complaints 涉及投訴的會計師行的規模



* The 50, 101, 97 and 22 complaints as mentioned in the note to diagram 2 are treated as a single complaint in each of the relevant years.

* 圖2附註中提及的50、101、97及22宗投訴在相關年份中被視為1宗投訴。

3 complaints involve more than one auditor

三宗投訴涉及多於一位核數師



Investigations

During the reporting period, the FRC handled 43 investigations brought forward from 2018 and initiated 11 investigations in 2019. In total, 12 investigations were completed and the investigation reports have been referred to the HKICPA who will determine whether any disciplinary or other action is warranted. A summary of the findings from the investigations completed in 2019 can be found on pages 54-59 of this annual report.

During the period, the HKICPA's disciplinary committees took disciplinary action in response to 7 investigations completed and referred from the FRC in earlier years. The certified public accountants and practice units involved in these cases were reprimanded and ordered to pay penalties and costs. In one case, it was ordered that no practising certificate shall be issued to the engagement partner for 2 years.

As at 30 September 2019, there were 42 investigations in progress. In 2019, we continued to focus our effort on finalising the longer outstanding cases which are complex and involved multiple years' audits and multiple auditors. At 30 September 2019, only two cases originated from prior to 2016 were outstanding which are expected to be completed in the first half of 2020.

The outstanding investigations include those involving audit working papers located in the Mainland. Further to the signing of the Memorandum of Understanding (MoU) with the PRC's Ministry of Finance (MoF), we have started dialogue with the MoF to kick off the mechanism in gaining access to audit working papers under the MoU.

調查

本局於2019年處理在2018年已展開的43宗調查個案並展開11宗調查個案。本局總共完成12宗調查個案，並已將該等調查報告轉介香港會計師公會，以決定是否需要進行任何紀律處分或其他行動。2019年完成的調查個案結果的摘要載於本年報第54-59頁。

匯報期內，香港會計師公會的紀律委員會就本局於較早年度完成及向其轉介的7宗調查個案採取紀律處分。該等個案涉及的執業會計師及執業單位被譴責及勒令支付罰款及費用。在一宗個案中，審計項目合夥人被裁定在兩年內不會獲發執業證書。

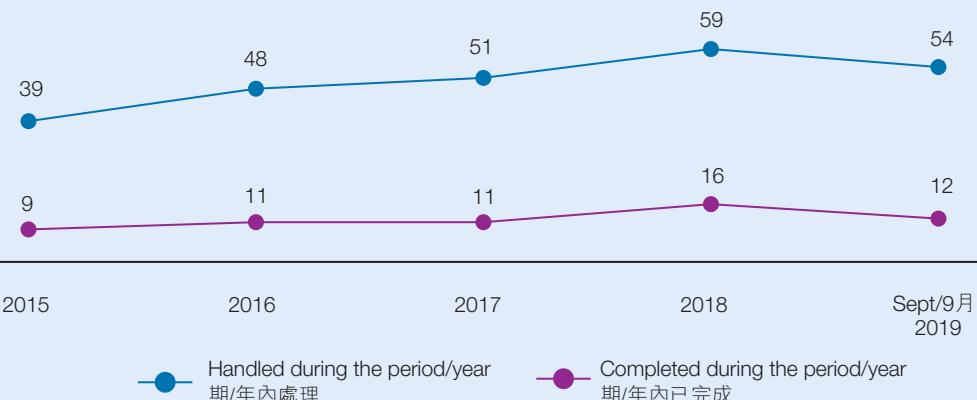
截至2019年9月30日，本局有42宗調查個案尚待完成。於2019年，本局繼續專注於積存較久的個案，這些都是涉及多年審計及多名核數師的複雜個案。於2019年9月30日，僅剩兩宗於2016之前產生的個案仍在調查，預期將於2020年上半年完成。

仍在調查中的個案包括涉及存放於內地的審計工作底稿的個案。本局與國家財政部簽署備忘錄後，已開始與財政部溝通，以啟動機制獲取有關審計工作底稿。

	Sept/9月2019	2018
In progress at the beginning of the period/year Initiated in the period/year	期/年初調查中的個案 期/年內展開調查的個案	43 11
Handled during the period/year Completed	期/年內處理的個案 已完成	54 (12)
In progress at end of the period/year	期/年末仍在調查中的個案	42
		43

Diagram 6 圖6

Progress of investigation cases 調查個案的進展



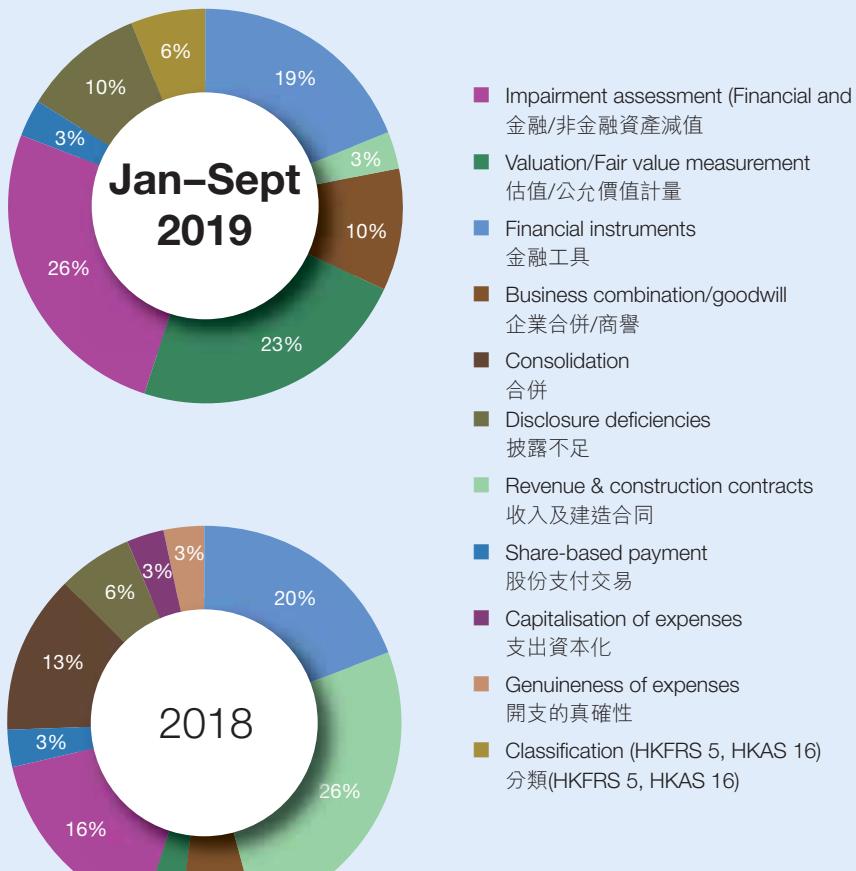
Key issues and findings in completed investigations

Our investigations identified concerns regarding the application of professional scepticism and judgement in challenging management's financial reporting treatments, fair value measurement and impairment assessment. The findings of our investigations related to the follow areas:

已完成調查個案的主要問題及發現

我們的調查發現，在應用專業懷疑和判斷去質疑管理層對財務匯報處理、公允價值計量及資產減值方面，有需要關注的地方。我們的調查發現與下列範疇相關：

Diagram 7 圖7





Enquiries

The FRC brought forward three enquiries from last year and one enquiry initiated during the reporting period. Three cases were completed and one case was in progress at 30 September 2019.

Each enquiry is handled by a Financial Reporting Review Committee with support from staff of the FRC. The time taken to complete an enquiry depends on the circumstances and complexity of individual cases.

查訊

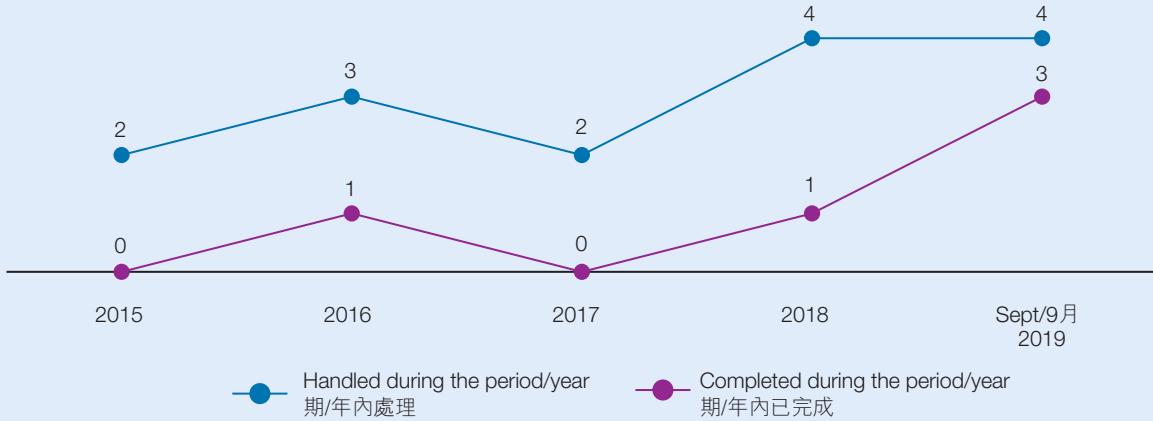
本局處理於上年末仍在查訊的三宗查訊個案，及於期內展開的一宗查訊個案。截至2019年9月30日，本局已完成三宗個案，有一宗個案仍在進行。

每宗查訊個案由財務匯報檢討委員會及本局員工一同處理。完成一宗查訊個案所需要的時間視乎每宗個案的情況及複雜性而定。

		Sept/9月 2019	2018
In progress at the beginning of the period/year Initiated in the period/year	期/年初查訊中的個案 期/年內展開查訊的個案	3 1	2 2
Handled during the period/year Completed	期/年內處理的個案 完成查訊的個案	4 (3)	4 (1)
In progress at end of the period/year	期/年末仍在查訊中的個案	1	3

Diagram 8 圖8

Progress of enquiry cases 查訊個案的進展



MANAGEMENT AND OPERATIONS REVIEW (continued)

管理及運作回顧(續)

Summary of Cases

During the period from January to September of 2019, we completed 3 enquiries and 12 investigations. A summary of findings is set out below:

Multiple auditing irregularities

We received complaints on a listed entity's financial statements in relation to potential auditing irregularities on a number of financial statement areas. As a result of our investigation, we identified the following auditing irregularities:

- a. In relation to the listed entity's available-for-sale investment, there were changes in the original terms of the acquisition and the business model of the investee in response to certain decisions of an overseas investment authority. The investigation revealed that the auditor failed to properly plan and perform the audit in relation to the effects of the changes and the impairment assessment of the available-for-sale investment. The future cash flows arising from the investment were substantially based on management estimations and assumptions of which the auditor failed to question their reasonableness and to obtain sufficient corroborative evidence. The auditor also failed to identify that the disclosures relating to the investment in the relevant financial statements were incorrect and incomplete.
- b. Following the changes of the acquisition terms of the above available-for-sale investment, certain convertible notes and conversion shares previously approved by independent shareholders for the original acquisition were used as consideration for management services to be provided to the investee in future periods. The investigation found that the auditor failed to perform procedures in relation to the change in use of the financial instruments and to assess whether HKFRS 2 *Share-based Payment* had been properly applied in the relevant financial statements.
- c. The net asset of the group at the year-end, substantially represented by the interests in subsidiaries, was significantly less than that of the company level and the group incurred loss during the year. The investigation found no evidence that the auditor had performed audit procedures during the audit in relation to the impairment assessment of the listed entity's interests in its subsidiaries.
- d. The investigation also revealed that the auditor failed to alert that the impairment losses of trade receivables were related to the sales recognised in the immediate preceding financial year and design and perform audit procedures to evaluate whether the revenue recognition in prior year was in compliance with the relevant financial reporting standard.

個案摘要

由2019年1月至9月期間，本局完成了3宗查訊及12宗調查。以下是調查結果的摘要：

多類審計不當行為

我們收到有關一間上市實體財務報表的投訴，涉及多個財務報表領域潛在審計失當行為。經本局調查後，我們發現了以下審計失當行為：

- a. 就上市實體的可供出售投資而言，因應海外投資監管機構的某些決定，被投資方的原有收購條款及業務模式有所改變。調查顯示，核數師沒有就上述變更的影響和可供出售投資的減值評估適當地作出規劃和執行審計。用作評估可供出售投資減值的未來現金流量主要基於管理層的估計和假設，而核數師並沒有質疑其合理性及獲取充分的佐證證據。核數師也未能識別在相關財務報表中就有關投資的披露是不正確和不完整的。
- b. 隨上述可供出售投資的收購條款變更後，先前由獨立股東就原收購事項批准的若干可換股票據及轉換股份被用作向被投資方於未來提供管理服務的代價。調查發現，核數師沒有就有關金融工具的使用變更執行程序，及評估在相關財務報表中就有關交易是否適當應用香港財務報告準則第2號。
- c. 截至年末，該集團的淨資產遠低於公司的淨資產(主要由附屬公司的權益組成)及集團於年內出現虧損。調查發現，沒有證據證明核數師就上市實體對附屬公司的權益之減值評估執行了審計程序。
- d. 調查還顯示，核數師沒有注意到應收賬款的減值損失與上一財政年度確認的銷售額有關，並設計和執行審計程序以評估上一年度的收入確認是否遵從相關財務報告準則。



In another investigation, the listed entity retrospectively restated a number of financial statement items. We carried out an investigation into two sets of prior years' financial statements of the listed entity and found the following auditing irregularities:

- a. The listed entity proposed to distribute its equity interest in a wholly-owned subsidiary to its shareholders and the distribution was subject to certain precedent conditions and independent shareholders' approval. Despite the conditions and the shareholders' approval had not been fulfilled and obtained respectively by the year end. the listed entity classified the related assets and liabilities as disposal group held for distribution in the statement of financial position and presented the related operation in the statement of profit or loss as discontinued operation. The investigation found that the auditor relied on management's representation and failed to obtain corroborative evidence, and properly consider and identify that the relevant accounting treatment was a non-compliance with accounting requirement.
- b. There were significant decline in fair values of certain listed equity investments which were classified as available-for-sale investment in accordance with HKAS 39. The listed entity recognised the decline in fair values in other comprehensive income. The investigation found that the Auditor failed to properly consider the significant decline in fair values of the equity investments below their costs which was an objective evidence of impairment and the cumulative losses should have been reclassified from equity to profit or loss.
- c. The listed entity recognised the equity component of a convertible note by deducting the fair value of the liability component from the issue proceeds rather than from the fair value of the convertible note as a whole on the issuance date. The listed entity also failed to properly determine the discount rate in arriving at the fair value of the liability component of the convertible note. The auditor failed to perform adequate audit procedures to evaluate the work of the valuer, assess the appropriateness of the discount rate adopted and identify that the initial and subsequent measurement of the convertible note was not in compliance with HKAS 32 *Financial Instruments: Presentation*.
- d. The investigation also found that the auditor failed to obtain sufficient appropriate audit evidence to support the impairment assessment of certain loans and accounts receivables and finance leases receivable despite that numerous internal control weaknesses had been identified and other evidence indicated that the financial assets might be impaired.

在另一調查中，上市實體追溯重列多個財務報表項目。我們對上市實體兩份以前年度的財務報表進行調查，發現以下審計失當行為：

- a. 上市實體將會向其股東分派在全資附屬公司的權益，而有關分派須待若干先決條件達成及獨立股東批准後方可進行。儘管在年末仍未尚未達成條件及取得股東批准，上市實體在財務狀況表將相關資產及負債分類為持作分派的出售組別，並在損益表中呈列相關業務為已終止經營業務。調查發現，核數師依賴管理層的陳述，並沒有獲取佐證、適當考慮及識別相關會計處理方法並不符合會計要求。
- b. 分類為可供出售投資的若干上市權益投資的公允價值出現根據香港會計準則第39號的顯著下跌。上市實體確認公允價值下跌為年度其他全面收益。調查發現，核數師沒有適當考慮權益投資公允價值顯著下跌至低於其成本為減值的客觀證據，而累計虧損應自權益重新分類至損益。
- c. 上市實體根據可換股票據所得款項而非整個可換股票據於發行日期的公允價值，扣除負債部分的公允價值，從而確認可換股票據的權益部分。上市實體亦沒有適當釐定貼現率，以得出可換股票據負債部分的公允價值。核數師沒有執行足夠審計程序以評價估值師的工作、評估所採納貼現率的適當性以及識別可換股票據的初始及後續計量並無遵從香港會計準則第32號金融工具：呈報的規定。
- d. 調查亦發現，儘管核數師發現許多內部控制缺陷，且其他證據顯示金融資產可能出現減值，惟核數師仍沒有取得足夠適當的審計證據以支持上市實體對若干貸款及應收賬款以及應收融資租賃的減值評估。

MANAGEMENT AND OPERATIONS REVIEW (continued)

管理及運作回顧(續)

Impairment assessment	減值評估
1. In an investigation relating to an impairment assessment of goodwill in the year of acquisition, we found that the auditor did not sufficiently challenge and evaluate the reasonableness of certain key assumptions and estimates used in the cash flow projections of the acquired business that was in the early stage of development and failed to obtain adequate audit evidence in this respect in accordance with applicable auditing standards. In the subsequent year, the development of the acquired business was further delayed. The investigation found that, the auditor's procedures were principally limited to enquiries with management or technician and failed to (a) critically assess the status of the business development, (b) question the reliability of the key estimates and assumptions applied in the valuation including the expected business growth rate and the consideration of other market conditions, and (c) obtain further evidence to corroborate with management's representation.	1. 本局在有關收購年度商譽減值評估的調查中發現，就收購業務於初期發展階段的現金流量預測中所使用的某些關鍵假設和估計，核數師沒有充分質疑和評估其合理性，及沒有根據適用的審計準則獲取充分的審計證據。於隨後一年，所收購業務的發展進一步推遲。調查發現，核數師所執行的程序主要限於向管理層或技術員的查詢，且沒有(a)審慎評估業務發展狀況；(b)質疑應用於估值的關鍵估計及假設的可靠性，包括預期業務增長率及考慮其他市況；及(c)取得進一步證據佐證管理層的陳述。
2. In another case, the annual report clearly stated that due to the prolonged unfavourable economic and market conditions, the listed entity had suspended certain of its production plants and construction project, and the Group incurred a gross loss. The investigation revealed that the auditor (a) failed to properly assess the risks of material misstatement in respect of the impairment assessment of the production plants; (b) substantially relied on management's representation and failed to critically evaluate and question the assumptions and estimates used in the profit forecasts provided by the management in arriving at the recoverable amounts of the relevant assets at the year end; and (c) failed to evaluate the work of the auditor's expert in respect of the discount rate adopted in the profit forecasts.	2. 在另一宗個案中，年報清晰指出，由於長期不利的經濟及市場情況，上市實體已暫停其若干生產工廠及建設項目，導致集團出現毛損。調查顯示，核數師(a)沒有就生產工廠的減值評估適當評估重大錯報的風險；(b)在很大程度上依賴管理層的陳述，且未能審慎評估及質疑管理層所提供之盈利預測的假設及估計，以得出相關資產在年末的可收回金額；(c)沒有評估核數師所聘用的專家就盈利預測採納的貼現率進行的工作。
3. When valuation provides a range of significantly different estimates, auditor should understand the reasons for the differences and evaluate the appropriateness of the key assumptions and estimates as well as the method selected. In an investigation of an audit relating to impairment assessment of certain intangible assets and exploration and evaluation assets, it was found that the auditor concurred with management, without critically evaluate the reasonableness of adopting the high end of the range of valuations in determining the recoverable amounts of the assets. Had a lower range of estimates been adopted, a significant impairment loss would have been recognised. The investigation further revealed that the auditor failed to challenge management and valuer on a number of key assumptions including the estimation of the production and sales volume, future prices and discount rate used in the valuation.	3. 當估值顯示明顯的不同估計時，核數師應了解產生差異的原因，並評估關鍵假設及估計以及所選方法的適當性。在進行有關若干無形資產以及勘探及評估資產的減值評估審計調查時，我們發現，核數師同意管理層的估計，惟沒有審慎評估在釐定資產的可收回金額時採用較高估值的合理性。倘上市實體採納較低的估值，則會確認重大減值虧損。調查進一步顯示，核數師沒有在多個關鍵假設上對管理層及估值師提出質疑，包括估值所使用的產量及銷量、未來價格及貼現率的估計。
4. In another case, despite the auditor assessed certain biological assets, land lease payments and energy production technology as "high risk" matters, the investigation found that the auditor failed to design and perform audit procedures to address the assessed risks. In relation to the determination of the fair value or recoverable amount of these assets, the investigation further revealed that the auditor failed to adequately perform procedures on the key assumptions and discount rate applied, and the source data used in the valuations. The auditor also failed to obtain reliable evidence in relation to the ownership of the biological assets.	4. 在另一宗個案中，儘管核數師評估若干生物資產、土地租賃付款及能源生產技術的審計為「高風險」，調查發現，核數師沒有設計及執行審計程序以應對所評估的風險。就釐定該等資產的公允價值或可收回金額而言，調查進一步顯示核數師沒有就所應用關鍵假設及貼現率以及估值所依據的數據充分進行相關程序。核數師亦沒有就生物資產所有權取得可靠證據。



Business combinations

企業合併

<p>1. In an investigation, we noted that the listed entity completed a “very substantial acquisition” in relation to the acquisition of a hotel business. Before and after the acquisition, the operations of the hotel were licensed to a hotel management company which operated, managed and maintained the hotel and received all the revenue generating from the hotel operations, while the listed entity received a monthly income consisted substantially of a fixed amount and a variable royalty fee from the hotel management company. The hotel was accounted for as an owner-managed hotel under HKAS 16 <i>Property, Plant and Equipment</i>. The investigation found that the auditor failed to (a) properly plan and assess risks of material misstatement in relation to the accounting of the acquisition; and (b) perform or adequately perform procedures in relation to the fair value measurement of the identifiable assets acquired and the recognition of a gain on bargain purchase arising from the acquisition. The auditor also failed to properly consider the substance of the licensing arrangement and evaluate whether the accounting treatment of the acquired hotel in the relevant financial statements was appropriate.</p> <p>2. In another investigation that involved a “very substantial acquisition”, the listed entity acquired a business involving the development of products relating to telecommunication and information technology. In the annual financial statements, significant amounts of intangible assets were recognised and a substantial part of these intangible assets was determined to have indefinite useful life. The investigation found that the auditor failed to perform or adequately perform audit procedures on the acquisition-date fair value measurement of the intangible assets acquired in the acquisition. Specifically, in evaluating the external valuation, the auditor failed to consider the valuation method, assess and question the reasonableness of the assumptions and estimations used in the profit forecast provided by management despite the fact that the business was in infant stage and subject to various uncertainties and risks. The auditor also failed to properly consider the reasonableness of the useful lives of the intangible assets and evaluate the recoverable amount of the intangible assets for the purpose of impairment assessment at the year end. The investigation also revealed that the auditor failed to properly evaluate the classification and measurement of the contingent consideration in the acquisition in accordance with the applicable accounting standards.</p>	<p>1. 在另一項調查中，我們注意到上市實體完成了一項與酒店業務有關的「非常重大的收購」。在收購前和後，酒店的經營權授予一家酒店管理公司，負責營運、管理和維護酒店並從中獲得所有收入。上市實體則每月從管理公司收取收入，當中大部分為固定費用，及可變金額的特許權利費。根據香港會計準則第16號物業、廠房及設備，該酒店屬於業主管理酒店。調查發現，核數師沒有(a)妥善計劃和評估與收購的會計處理方法有關的重大錯報風險；(b)就收購可識別資產的公允價值計量及確認收購之議價購買收益進行或充分進行相關程序。核數師也沒有適當考慮授權安排的實質內容，並評估相關財務報表中所收購酒店的會計處理方法是否合適。</p> <p>2. 在另一項涉及「非常重大收購事項」的調查中，上市實體收購有關電信及資訊科技的產品發展業務。在年度財務報表中，已確認大量無形資產且釐定大部分該等無形資產有無限可使用年期。調查發現，核數師沒有就收購所獲得的無形資產於收購日公允價值之計量進行或充分進行審計程序。具體而言，在評估外部估值時，儘管該業務處於起步階段，且面臨各種不確定性及風險，惟核數師並無考慮估值方法、評估及質疑管理層所提供之盈利預測的假設及估計的合理性。核數師亦沒有適當考慮無形資產可使用年期的合理性，及評估年末用於減值評估的無形資產可收回金額。調查亦顯示，核數師沒有根據適用的會計準則適當評估收購事項中或然代價的分類及計量。</p>
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MANAGEMENT AND OPERATIONS REVIEW (continued)

管理及運作回顧(續)

Financial instruments	金融工具
1. A listed entity recognised an option granted by a subscriber to issue convertible bonds within a year as a financial asset at fair value through profit or loss and measured the option based on an external valuation. Our investigation found that the auditor relied on the valuation provided by the management's expert as part of their audit evidence. However the auditor failed to (a) obtain an understanding of the rationale for the subscription arrangement and the relationship between the subscriber and the listed entity; (b) adequately evaluate the work of the external valuer in respect of the assumptions used, including the credit risk and other non-performance risks of the subscriber and the future volatility of the share price, in the fair value measurement of the option; and (c) identify the omissions of disclosures in relation to financial risks and fair value measurement relevant to the option which was significant to the relevant financial statements.	1. 上市實體將認購人所授予在一年內發行可轉換債券的期權，確認為以公允價值計量且其變動計入損益的金融資產，並根據外部估值計量期權。我們的調查發現，核數師依靠管理層專家所提供的估值作為其審計證據的一部分。然而，核數師沒有(a)了解作這認購安排的理據以及認購人與上市實體之間的關係；(b)充分評估外部估值師就計量期權的公允價值所用的假設之工作，包括信用風險及認購人的其他違約風險及股價的未來波動性；(c)識別與期權相關的金融風險和公允價值計量的披露存在遺漏，而有關披露對相關財務報表存在重大影響。
2. In another case similar to the above, an option to issue convertible bond was granted by a substantial shareholder of a listed entity. The investigation found that the auditor failed to (a) properly assess the risks of material misstatement including the rationale of the arrangement; (b) obtain and assess evidence on the fair value measurement of the option at its initial recognition; (c) adequately evaluate the assumptions applied on the valuation of the option at the year end; and (d) identify the omission of required disclosures in relation to the option in the financial statements.	2. 在與上述類似的另一宗個案中，上市實體的主要股東授予發行可換股債券的期權。調查發現，核數師沒有(a)適當評估重大錯報的風險，包括該安排的理由；(b)取得及評估有關期權在初始確認時的公允價值計量的證據；(c)充分評估年末應用於期權估值的假設；及(d)識別於財務報表中就期權所須的披露存在遺漏。
3. HKAS 32 <i>Financial Instruments: Presentation</i> requires issuer of financial instrument, on initial recognition, to classify the instrument or its component parts as a financial liability, a financial asset or an equity instrument based on the substance of the contractual arrangement and their definitions. Investigations were initiated on two sets of financial statements of a listed entity which issued convertible note with mandatory conversion feature but subject to contingent cash settlement provisions upon the occurrence of certain events which were beyond the control of the listed entity and the holder of the convertible note.	3. 香港會計準則第32號金融工具：列報要求金融工具的發行人在初始確認時，按照合約安排的實質及其定義，將工具或其組成部分分類為金融負債、金融資產或權益工具。本局就上市實體的兩份財務報表進行了調查。該上市實體發行的可換股票據存在強制換股條款，但於發生某些在上市實體和可換投票據持有人的控制範圍外的事件時，並不適用，上市實體在該情況下需贖回有關票據。



Our investigations found that (a) the auditor in the year of issuance of the convertible note failed to critically consider all the relevant terms of the convertible note and exercise proper professional judgment to evaluate the management's accounting treatment of the convertible note; and (b) the successive auditor failed to perform relevant procedures on the opening balances in relation to the convertible note including review and consideration of the prior year's financial statements, the terms of the convertible notes and the relevant provisions of HKAS 32 to evaluate the appropriateness of the accounting treatment of the convertible note. The listed entity subsequently corrected the non-compliance with accounting requirements by retrospectively restated prior year financial statements in the year when the convertible note was matured.

我們的調查發現：(a)於可換股票據發行當年，核數師沒有批判性地考慮可換股票據的所有相關條款，並運用適當的專業判斷以評估管理層對可換股票據的會計處理方法；(b)繼任核數師未有就可換股票據的期初結餘進行有關程序，包括審閱及考慮上一年度的財務報表、可換股票據的條款及香港會計準則第32號的有關條文，以評估可換股票據的會計處理方法之適當性。上市實體隨後在可換股票據到期年度，經追溯重述法糾正以前年度財務報表之不遵從會計規定事宜。

Engagement quality control review

In each of the above completed investigations, we continuously found that there were deficiencies in relation to the engagement quality control review. In particular, there was a lack of evidence that key matters were considered by the engagement quality control reviewer (EQCR) and how the EQCR concluded on the reasonableness of the significant judgments reached by the engagement team during the respective audits.

項目質量控制覆核

在上述每項調查中，我們發現項目質量控制覆核持續出現不足之處。具體而言，沒有證據顯示項目質量控制覆核人員已考慮關鍵問題，以及項目質量控制覆核人員如何就項目團隊在審計中所作出的重大判斷的合理性得出結論。

REPORT OF THE DIRECTOR OF AUDIT

審計署署長報告



香港特別行政區政府
審計署

Independent Auditor's Report To the Financial Reporting Council

Opinion

I have audited the financial statements of the Financial Reporting Council set out on pages 63 to 82, which comprise the statement of financial position as at 30 September 2019, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the period from 1 January 2019 to 30 September 2019, and notes to the financial statements, including significant accounting policies.

In my opinion, the financial statements give a true and fair view of the state of affairs of the Financial Reporting Council as at 30 September 2019, and of its results of operations and cash flows for the period from 1 January 2019 to 30 September 2019 in accordance with International Financial Reporting Standards and have been properly prepared in accordance with section 18(2) of the Financial Reporting Council Ordinance (Cap. 588).

Basis for opinion

I conducted my audit in accordance with section 19(1) of the Financial Reporting Council Ordinance and the Audit Commission auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of the Financial Reporting Council in accordance with those standards, and I have fulfilled my other ethical responsibilities in accordance with those standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Financial Reporting Council is responsible for the other information. The other information comprises all the information included in the Financial Reporting Council's 2019 Annual Report, other than the financial statements and my auditor's report thereon.

獨立審計師報告 致財務匯報局

意見

我已審計列載於第63至82頁的財務匯報局財務報表，該等財務報表包括於2019年9月30日的財務狀況表與2019年1月1日至2019年9月30日期間的綜合收入表、資金變動表和現金流量表，以及財務報表的附註，包括主要會計政策。

我認為，該等財務報表已按照國際財務報告準則真實而中肯地反映財務匯報局於2019年9月30日的事務狀況及2019年1月1日至2019年9月30日期間的業績和現金流量，並已按照《財務匯報局條例》(第588章)第18(2)條妥為擬備。

意見的基礎

我已按照《財務匯報局條例》第19(1)條及審計署的審計準則進行審計。我根據該等準則而須承擔的責任，詳載於本報告「審計師就財務報表審計而須承擔的責任」部分。根據該等準則，我獨立於財務匯報局，並已按照該等準則履行其他道德責任。我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

其他資料

財務匯報局須對其他資料負責。其他資料包括財務匯報局2019年年報內的所有資料，但不包括財務報表及我的審計師報告。



My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Financial Reporting Council for the financial statements

The Financial Reporting Council is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and section 18(2) of the Financial Reporting Council Ordinance, and for such internal control as the Financial Reporting Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Financial Reporting Council is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

The Financial Reporting Council is assisted by its Finance Committee in discharging its responsibilities for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Audit Commission auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

我對財務報表的意見並不涵蓋其他資料，我亦不對其他資料發表任何形式的鑒證結論。

就財務報表審計而言，我有責任閱讀其他資料，從而考慮其他資料是否與財務報表或我在審計過程中得悉的情況有重大矛盾，或者似乎存有重大錯誤陳述。基於我已執行的工作，如果我認為其他資料存有重大錯誤陳述，我需要報告該事實。在這方面，我沒有任何報告。

財務匯報局就財務報表而須承擔的責任

財務匯報局須負責按照國際財務報告準則及《財務匯報局條例》第18(2)條擬備真實而中肯的財務報表，及落實其認為必要的內部控制，使財務報表不存有因欺詐或錯誤而導致的重大錯誤陳述。

在擬備財務報表時，財務匯報局須負責評估其持續經營的能力，以及在適用情況下披露與持續經營有關的事項，並以持續經營作為會計基礎。

財務匯報局下設的財務委員會協助其履行監督財務報告過程的責任。

審計師就財務報表審計而須承擔的責任

我的目標是就整體財務報表是否不存有任何因欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我意見的審計師報告。合理保證是高水平的保證，但不能確保按審計署審計準則進行的審計定能發現所存有的任何重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或匯總起來可能影響財務報表使用者所作出的經濟決定，則會被視作重大錯誤陳述。

REPORT OF THE DIRECTOR OF AUDIT (continued)

審計署署長報告 (續)

As part of an audit in accordance with the Audit Commission auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Financial Reporting Council's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Financial Reporting Council;
- conclude on the appropriateness of the Financial Reporting Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Financial Reporting Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Financial Reporting Council to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Hildy Chan
Assistant Director of Audit (Acting)
for Director of Audit

10 March 2020

Audit Commission
26th Floor
Immigration Tower
7 Gloucester Road
Wanchai, Hong Kong

在根據審計署審計準則進行審計的過程中，我會運用專業判斷並秉持專業懷疑態度。我亦會：

- 識別和評估因欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險；設計及執行審計程序以應對這些風險；以及取得充足和適當的審計憑證，作為我意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕內部控制的情況，因此未能發現因欺詐而導致重大錯誤陳述的風險，較未能發現因錯誤而導致者為高；
- 了解與審計相關的內部控制，以設計適當的審計程序。然而，此舉並非旨在對財務匯報局內部控制的有效性發表意見；
- 評價財務匯報局所採用的會計政策是否恰當，以及其作出的會計估計和相關資料披露是否合理；
- 判定財務匯報局以持續經營作為會計基礎的做法是否恰當，並根據所得的審計憑證，判定是否存在與事件或情況有關，而且可能對財務匯報局持續經營的能力構成重大疑慮的重大不確定性。如果我認為存在重大不確定性，則有必要在審計師報告中請使用者留意財務報表中的相關資料披露。假若所披露的相關資料不足，我便須發出非無保留意見的審計師報告。我的結論是基於截至審計師報告日止所取得的審計憑證。然而，未來事件或情況可能導致財務匯報局不能繼續持續經營；及
- 評價財務報表的整體列報方式、結構和內容，包括披露資料，以及財務報表是否公允反映交易和事項。

除其他事項外，我與負責管治的人士溝通了計劃的審計範圍、時間安排和重大審計發現，包括我在審計中識別出內部控制的任何重大缺陷。

審計署署長
署理審計署助理署長
陳瑞蘭代行

2020年3月10日

審計署
香港灣仔
告士打道7號
入境事務大樓26樓

FINANCIAL STATEMENTS

財務報表



STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 January 2019 to 30 September 2019

(Amounts expressed in Hong Kong dollars)

綜合收入表

2019年1月1日至2019年9月30日期間

(金額以港元列示)

Note	附註	Nine months ended 30 September 2019		Twelve months ended 31 December 2018
		截至2019年9月30日止九個月	截至2018年12月31日止十二個月	截至2018年12月31日止十二個月
Income	收入			
Annual contribution	每年投入資金	4	33,985,556	32,367,196
Interest income	利息收入	5	1,959,414	787,030
Recovery of costs of investigations	調查成本收回	5	549,044	742,951
Grant income	資助收入	6	1,083,099	–
			37,577,113	33,897,177
Expenditure	支出			
Staff costs	員工成本	7	(25,729,807)	(31,829,961)
Audit oversight research and related expenses	審計監管研究及相關支出		–	(103,990)
Premises expenses	物業支出	8	(228,964)	–
Corporate communications expenses	機構傳訊支出	9	(474,061)	(1,204,681)
Legal and professional fees	法律及專業費用		(565,971)	(895,023)
Project expenses	項目支出	10	(1,869,000)	–
Interest on lease liability	租賃負債利息	14	(167,458)	–
Depreciation charge	折舊支出			
– Property, plant and equipment	–物業、設備及器材	13	(214,781)	(349,574)
– Right-of-use asset	–使用權資產	14	(686,342)	–
Other operating expenses	其他營運支出	11	(813,562)	(814,474)
			(30,749,946)	(35,197,703)
Surplus/(deficit) and total comprehensive income for the period/year	期內／年內盈餘／(虧赤)及總綜合收入			
			6,827,167	(1,300,526)

The notes on pages 67 to 82 form part of these financial statements.

第67頁至82頁的附註為本財務報表的一部分。

FINANCIAL STATEMENTS (continued)

財務報表(續)

STATEMENT OF FINANCIAL POSITION

As at 30 September 2019

(Amounts expressed in Hong Kong dollars)

財務狀況表

於2019年9月30日

(金額以港元列示)

	Note 附註	30 September 2019 2019年9月30日	31 December 2018 2018年12月31日
Non-current assets			
Property, plant and equipment	13	2,590,578	680,176
Right-of-use asset	14	48,730,316	—
Intangible asset	15	882,000	—
Total non-current assets		52,202,894	680,176
Current assets			
Deposits, receivables and prepayments	16	5,005,590	833,120
Time deposits with original maturities over three months	17	330,000,000	38,000,000
Cash and cash equivalents	18	113,169,429	6,586,060
Total current assets		448,175,019	45,419,180
Current liabilities			
Accounts payable, accruals and other liabilities	19	(3,810,768)	(4,113,047)
Deferred income	6	(81,302,000)	—
Lease liability	14	(5,536,908)	—
Total current liabilities		(90,649,676)	(4,113,047)
Net current assets		357,525,343	41,306,133
Non-current liabilities			
Deferred income	6	(317,614,901)	—
Lease liability	14	(39,609,860)	—
Provision for reinstatement cost	20	(3,690,000)	—
Total non-current liabilities		(360,914,761)	—
Net assets		48,813,476	41,986,309
Funds			
General fund	21	48,813,476	21,986,309
Reserve fund	21	—	20,000,000
Total funds		48,813,476	41,986,309

Approved and authorised for issue by the Board on 10 March 2020

於2020年3月10日獲董事局批准及授權刊發



Dr. Kelvin Wong, JP 黃天祐博士，太平紳士

Chairman 主席

The notes on pages 67 to 82 form part of these financial statements.



Ms Florence Wong 王蕙涓女士

Acting Chief Executive Officer 署理行政總裁

第67頁至82頁的附註為本財務報表的一部分。



STATEMENT OF CHANGES IN FUNDS

For the period from 1 January 2019 to 30 September 2019

(Amounts expressed in Hong Kong dollars)

資金變動表

2019年1月1日至2019年9月30日期間

(金額以港元列示)

		Note 附註	General fund 一般資金	Reserve fund 儲備金	Total funds 總資金
At 1 January 2018	於2018年1月1日		23,286,835	20,000,000	43,286,835
Deficit and total comprehensive income for 2018	2018年虧絀及總綜合收入		(1,300,526)	—	(1,300,526)
At 31 December 2018	於2018年12月31日		21,986,309	20,000,000	41,986,309
At 1 January 2019	於2019年1月1日		21,986,309	20,000,000	41,986,309
Surplus and total comprehensive income for 2019	2019年盈餘及總綜合收入		6,827,167	—	6,827,167
Transfer to general fund	轉移至一般資金	21	20,000,000	(20,000,000)	—
At 30 September 2019	於2019年9月30日		48,813,476	—	48,813,476

The notes on pages 67 to 82 form part of these financial statements.

第67頁至82頁的附註為本財務報表的一部分。

FINANCIAL STATEMENTS (continued)

財務報表(續)

STATEMENT OF CASH FLOWS

For the period from 1 January 2019 to 30 September 2019
(Amounts expressed in Hong Kong dollars)

	Note	附註	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Cash flows from operating activities				
Surplus/(deficit) for the period/year			6,827,167	(1,300,526)
Adjustments for:				
Depreciation charge			901,123	349,574
Interest income			(1,959,414)	(787,030)
Interest on lease liability			167,458	—
Loss on disposal of property, plant and equipment			—	7,242
			5,936,334	(1,730,740)
Changes in working capital:				
Increase in deposits, receivables and prepayments			(3,218,533)	(93,251)
(Decrease)/increase in accounts payable, accruals and other liabilities			(890,279)	772,234
Increase in deferred income			398,916,901	—
Net cash inflow/(outflow) from operating activities			400,744,423	(1,051,757)
Cash flows from investing activities				
Payment for the purchase of property, plant and equipment			(2,125,183)	(757,346)
Payment for the purchase of intangible asset			(294,000)	—
Interest received			1,005,477	641,916
Increase in time deposits with original maturities over three months			(292,000,000)	—
Net cash outflow from investing activities			(293,413,706)	(115,430)
Cash flows from financing activities				
Lease payments			(747,348)	—
Net cash outflow from financing activities			(747,348)	—
Net increase/(decrease) in cash and cash equivalents			106,583,369	(1,167,187)
Cash and cash equivalents at 1 January			6,586,060	7,753,247
Cash and cash equivalents at 30 September/31 December	18		113,169,429	6,586,060

The notes on pages 67 to 82 form part of these financial statements.

現金流量表

2019年1月1日至2019年9月30日期間
(金額以港元列示)

			Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
經營活動產生的現金流量				
期內／年內盈餘／(虧損)			6,827,167	(1,300,526)
調整項目：				
折舊支出			901,123	349,574
利息收入			(1,959,414)	(787,030)
租賃負債利息			167,458	—
處置物業、設備及器材虧損			—	7,242
			5,936,334	(1,730,740)
營運資金變動：				
按金、應收賬款及預付 款項增加			(3,218,533)	(93,251)
應付賬款、應計費用 及其他負債(減少)／增加			(890,279)	772,234
遞延收入增加			398,916,901	—
經營活動產生的現金流入／(流出)淨額			400,744,423	(1,051,757)
投資活動產生的現金流量				
購買物業、設備及器材款項			(2,125,183)	(757,346)
購買無形資產款項			(294,000)	—
已收利息			1,005,477	641,916
原到期日多於三個月的定期存款增加			(292,000,000)	—
投資活動產生的現金流出淨額			(293,413,706)	(115,430)
融資活動產生的現金流量				
租賃付款			(747,348)	—
融資活動產生的現金流出淨額			(747,348)	—
現金及現金等價物增加／(減少)淨額			106,583,369	(1,167,187)
於1月1日的現金及現金等價物			6,586,060	7,753,247
於9月30日／12月31日的現金及現金等價物	18		113,169,429	6,586,060

第67頁至82頁的附註為本財務報表的一部分。



NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January to 30 September 2019

(Amounts expressed in Hong Kong dollars)

1. General Information

The Financial Reporting Council (FRC) was established in Hong Kong in 2006 under the Financial Reporting Council Ordinance (Cap. 588) (FRCO). Its office address is 24th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

The Legislative Council enacted the FRC (Amendment) Ordinance 2019 (the "Amendment Ordinance") on 30 January 2019, which has changed the role of the FRC with expanded functions effective from 1 October 2019 (the "New Regime"). As stipulated under the Amendment Ordinance, the financial year end of the FRC has been changed from 31 December to 31 March and the first financial period under the Amendment Ordinance would be for the period from 1 October 2019 to 31 March 2021.

The current financial reporting period covers the 9 months from 1 January to 30 September 2019 and the comparative figures cover 12-month period from 1 January to 31 December 2018.

2. Principal Activities

As set out in the FRCO, the FRC is empowered to conduct investigations concerning auditing and reporting irregularities by auditors of entities listed in Hong Kong, and to make enquiries into non-compliance with accounting requirements by listed entities in Hong Kong. Under the Amendment Ordinance, the FRC is a full-fledged independent oversight body and is responsible for the inspection, investigation and disciplinary functions with regard to public interest entities ("PIE") auditors, recognition of overseas auditors and the oversight of the HKICPA's performance of registration, setting of standards on professional ethics, auditing and assurance, and setting of continuing professional development requirements in relation to PIE auditors. Its power to make enquiries into non-compliance with accounting requirements by listed entities in Hong Kong continues.

財務報表附註

2019年1月1日至9月30日期間

(金額以港元列示)

1. 一般資料

財務匯報局於2006年根據《財務匯報局條例》(第588章)在香港設立。其辦事處地址為香港皇后大道東183號合和中心24樓。

立法會於2019年1月30日通過《2019年財務匯報局(修訂)條例》(「修訂條例」)，隨2019年10月1日生效起職能擴大，改變了財務匯報局的職能(「新制度」)。根據修訂條例的規定，財務匯報局的財政年度由12月31日變更為3月31日終結，而根據修訂條例的首個財政期間將為2019年10月1日至2021年3月31日期間。

本財政報告期涵蓋2019年1月1日至9月30日止九個月，而比較數字則涵蓋2018年1月1日至12月31日止十二個月期間。

2. 主要活動

如《財務匯報局條例》所列明，財務匯報局獲賦予權力就香港上市實體的核數師在審計及匯報方面的不當行為進行調查，以及就香港上市實體不遵從會計規定的事宜展開查訊。根據修訂條例，財務匯報局為完全獨立監察機構，負責對公眾利益實體核數師進行查察、調查和紀律處分、認可境外核數師及監察香港會計師公會執行有關註冊、就專業道德、核數及核證執業準則設定標準，以及就公眾利益實體核數師的持續專業發展設定要求的職能。其繼續有就香港上市實體不遵從會計規定的事宜展開查訊的權力。

3. Statement of Compliance and Basis of Preparation of Financial Statements

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention and are presented in Hong Kong dollars, which is the functional currency of the FRC.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. There are no critical accounting judgements involved in the application of IFRSs by the FRC. There are also no key assumptions concerning the future, or other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next year.

3. 合規聲明及財務報表編製基準

(a) 合規聲明

本財務報表乃按國際財務報告準則編製而成。

(b) 編製基準

本財務報表已根據持續經營基礎及歷史成本法編製，並以財務匯報局的功能貨幣港元列示。

管理層在編製符合國際財務報告準則的財務報表時，須對應用會計政策構成的影響，以及對資產、負債、收入和支出的報告金額構成的影響，作出判斷、估計和假設。這些估計和相關假設是根據以往經驗和多項當時情況認為合理的其他因素而作出，而所得結果乃用作判斷目前顯然無法直接通過其他來源獲得的資產和負債賬面值的基準。實際結果可能有別於該等估計。

財務匯報局會不斷檢討各項估計和相關假設。財務匯報局應用國際財務報告準則時不涉及任何關鍵的會計判斷。在報告日期，也沒有足以構成導致資產和負債的賬面金額在來年大幅修訂的重大風險的有關未來的關鍵假設以及各項主要的估計不確定因素。



3. Statement of Compliance and Basis of Preparation of Financial Statements (continued)

(c) Adoption of new/revised IFRSs

The following IFRS became effective in 2019 and has been adopted by the FRC:

IFRS 16 Leases

On adoption of IFRS 16, a lease is recognised in the statement of financial position as a right-of-use asset with a corresponding liability recognised at the date at which the leased asset is available for use by the FRC. The lease liability is measured at the present value of the remaining lease payments, discounted using the FRC's incremental borrowing rate as of the date of recognition. The incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. The lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the lease term on a straight-line basis. The extension option is included in the lease term if it is reasonably certain that the lease will be extended.

The FRC has not applied any new or revised IFRSs that are not yet effective for the current accounting period. Based on the assessment undertaken to date, their adoption will not have any significant financial impact on the FRC's financial statements.

4. Annual Contribution

The annual contribution is the principal source of revenue, which is unconditional and non-refundable. It is measured at the fair value of consideration received or receivable and is recognised when it becomes receivable.

The Companies Registry Trading Fund (CRTF), the Hong Kong Institute of Certified Public Accountants (HKICPA), the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEX) signed a Memorandum of Understanding (MoU) regarding the funding arrangements of the FRC up to and including the 2019 financial year. Each party agreed to contribute an annual amount of \$8.5 million to the FRC in 2019 (2018: \$8.1 million) for the recurring expenditure.

3. 合規聲明及財務報表編製基準

(續)

(c) 採納新訂／經修訂國際財務報告準則

以下國際財務報告準則於2019年生效並被財務匯報局採納：

國際財務報告準則第16號租賃

於採納國際財務報告準則第16號後，租賃於財務狀況表確認為使用權資產，以及於租賃資產可供財務匯報局使用之日確認的相應負債。租賃負債按餘下租賃付款的現值計量，並以截至確認日期財務匯報局的增量借款利率貼現。增量借款利率是指可按相若條款及條件自獨立金融機構取得類似借款的利率。租賃款項會分配至有關負債與財務成本。融資成本於租期內自綜合收入表中扣除，以就每個期間的負債餘額計算固定週期利率。使用權資產於租期內按直線法折舊。倘能合理確定將延長租賃期限，則於租賃條款內包含延期選擇權。

財務匯報局沒有應用任何當前會計期間尚未生效的新訂或經修訂的國際財務報告準則。根據目前已作出的評估，採納該等準則對財務匯報局的財務報表並無任何重大財務影響。

4. 每年投入資金

每年投入資金乃主要收入來源，為無條件及不可退還。每年投入資金以其已收或應收代價的公允價值計量，並於可收取時確認。

公司註冊處營運基金、香港會計師公會、證券及期貨事務監察委員會(證監會)及香港交易及結算所有限公司(港交所)已就財務匯報局直至及包括2019年財政年度的資金安排簽署諒解備忘錄。各機構同意於2019年向財務匯報局投入850萬元(2018年：810萬元)年度資金，以應付經常性營運支出。

FINANCIAL STATEMENTS (continued)

財務報表(續)

5. Interest Income and Recovery of Costs of Investigations

Interest income was earned from time deposits and savings account. Interest income is recognised on an accruals basis using the effective interest method.

Recovery of costs of investigations is recognised once the HKICPA's disciplinary decision becomes finalised.

6. Grant Income

In August 2019, the FRC received a grant of HK\$400 million from the Government to be utilised, during the period of migration to the New Regime, to cushion the FRC against short-term fluctuations in the levy income, to fund one-off capital and non-recurrent expenses, to allow the FRC to gradually expand its manpower taking into account its actual operational needs, and to provide a buffer for other exigencies of circumstances. There were no unfulfilled conditions or other contingencies attaching to the grant.

The grant is recognised as deferred income in the statement of financial position initially and is recognised as income on a systematic basis in the statement of comprehensive income over the periods in which the FRC recognises as expenses the related costs, including depreciation on capital expenditure, for which the grant is intended to compensate.

Deferred income

At 1 January 2019

Grant received from the Government of the HKSAR
Recognised as income in the period

At 30 September 2019

Less: Amount estimated to be recognised as income within one year

Amount classified under non-current liabilities

Representing:
Current
Non-current

代表：
流動
非流動

5. 利息收入及調查成本收回

利息收入來自定期存款及儲蓄存款。利息收入採用實際利率法按應計基準確認。

香港會計師公會的紀律處分決定一經確定，調查成本收回就會被確認。

6. 資助收入

於2019年8月，財務匯報局於過渡至新制度期間自政府收取一筆可動用的4億元資助，以緩衝財務匯報局徵收收入的短期波動、撥付一次性資金及非經常性支出、讓財務匯報局在考慮其實際營運需要後逐步增加人手及為其他緊急情況提供緩衝。該筆資助並無附帶未達成條件或其他或然事項。

該筆資助於財務狀況表初步確認為遞延收入，並於財務匯報局將相關成本(包括資本支出折舊)確認為支出的期間內在綜合收入表按系統基準確認為收入，而該筆資助旨在補償有關支出。

遞延收入

於2019年1月1日	—
自香港特區政府收取資助	400,000,000
確認為期內收入	(1,083,099)

於2019年9月30日 398,916,901

減：估計將於一年內
確認為收入的金額 (81,302,000)

分類為非流動負債金額 317,614,901

30 September

2019

2019年9月30日

81,302,000
317,614,901

398,916,901

Before the commencement of the New Regime on 1 October 2019, part of the grant was utilised for the establishment of the new office and the amount of the related cost incurred was recognised as income in September 2019 to match the grant with the expenses incurred.

在新制度於2019年10月1日開始運作前，部分資助已用作設立新辦公室，而所產生的相關成本金額已於2019年9月確認為收入，以使資助配合所產生的支出。



7. Staff Costs

7. 員工成本

	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Salaries, variable pay and bonuses	薪酬、浮動酬金及花紅	29,521,212
MPF contributions	強制性公積金供款	1,221,854
Staff recruitment expenses	招募員工支出	53,050
Medical and life insurance	醫療及人壽保險	631,764
Staff training and development	員工培訓及技能發展	195,881
Others	其他	206,200
	25,729,807	31,829,961

Salaries, variable pay, bonuses and paid annual leave are accrued in the period in which the employees rendered the associated services. Bonuses are recognised when the FRC has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate can be made.

Contributions to the Mandatory Provident Fund (MPF) scheme are recognised as an expense when employees have rendered services entitling them to the contributions. Contributions are made based on 5 percent of the employees' gross salaries, except for the Chief Executive Officer (CEO) for whom only mandatory contributions are made. The assets of the MPF scheme are held separately from those of the FRC in an independently administered fund. The employer contributions vest fully with the employees when contributed into the MPF scheme, except for the employer additional voluntary contributions, which are refunded to the FRC if an employee leaves employment prior to the contributions vesting fully.

薪酬、浮動酬金、花紅及有薪年假於僱員提供相關服務期內確認。倘財務匯報局因過去事項而承擔了現時發放花紅的法律或推定責任，以及所涉金額能夠可靠地估計時，會確認花紅費用。

當僱員提供服務而享有強制性公積金計劃供款時，供款在僱員提供相關服務時確認為支出。除了僅為其作出強制性供款的行政總裁外，供款乃按僱員總薪酬的百分之五計算。強制性公積金計劃的資產與財務匯報局的資產分開持有，並由獨立管理的基金保管。僱主供款於支付予強制性公積金計劃後即全數成為僱員的既得利益，惟僱主的額外自願性質供款，在僱員未能享有全數既得利益前離職的情況下，可退回財務匯報局。

FINANCIAL STATEMENTS (continued)

財務報表(續)

7. Staff Costs (continued)

Except for the CEO, Council members are not remunerated. The above staff costs included the emoluments of the CEO as stated below:

Nine months ended 30 September 2019 截至2019年9月30日止九個月		
Salary and variable pay	MPF contributions	Total
薪酬及 浮動酬金	強制性 公積金供款	總額
Paul F. Winkelmann ¹	衛皓民 ¹	1,029,000 4,500 1,033,500

Twelve months ended 31 December 2018 截至2018年12月31日止十二個月		
Salaries and variable pay	MPF contributions	Total
薪酬及 浮動酬金	強制性 公積金供款	總額
Paul F. Winkelmann	衛皓民	4,158,000 18,000 4,176,000

¹ Retired on 31 March 2019

7. 員工成本(續)

除行政總裁外，財務匯報局成員並無酬金。

以上員工成本已包括下述的行政總裁酬金：

8. Premises Expenses

8. 物業支出

	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Rates, management fees and air-conditioning charge	差餉、管理費及空調費	—
Others	其他	—
	158,242	—
	70,722	—
	228,964	—

FRC entered into a lease agreement in July 2019 for its new office. The lease term is from 1 September 2019 to 31 August 2023 with an option to renew for a further term of two years and all the lease payments are fixed.

Prior to relocation in December 2019, the office premises of the FRC were provided by the CRTF at a nominal rent of \$1 per annum. All the related utility and sewage charges, outgoings, costs and expenses incurred in repairing, maintaining and managing the office premises were borne by the CRTF.

財務匯報局就其新辦公室於2019年7月訂立租賃協議。租期由2019年9月1日起至2023年8月31日，並可選擇再重續兩年，而所有租賃付款均為固定付款。

於2019年12月搬遷前，財務匯報局的辦公室由公司註冊處營運基金提供，每年象徵式收取一元租金。所有相關設施及污水費用、其他開銷、維修、保養及管理辦公室的成本及支出均由公司註冊處營運基金承擔。



9. Corporate Communications Expenses

	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Promotion and public education	推廣及公共教育	92,228
Events	活動	247,085
Publications	出版刊物	132,348
Others	其他	2,400
		474,061
		841,568
		33,111
		151,907
		178,095
		1,204,681

10. Project Expenses

Project expenses represent the consultant fee for conducting a study on remuneration and benefits for the FRC.

11. Other Operating Expenses

Conferences and duty visits	會議及差旅費用
Professional liability insurance	專業責任保險
Office equipment and furniture expensed	辦公室設備及傢具開支
Printing, stationery and office expenses	打印、文具及辦公室開支

In accordance with section 19 of the FRCO, the financial statements of the FRC are audited by the Director of Audit. No fee is charged for this service.

12. Taxation

Pursuant to section 16 of the FRCO, the FRC is exempt from taxation under the Inland Revenue Ordinance (Cap. 112).

9. 機構傳訊支出

	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Promotion and public education	推廣及公共教育	92,228
Events	活動	247,085
Publications	出版刊物	132,348
Others	其他	2,400
		474,061
		841,568
		33,111
		151,907
		178,095
		1,204,681

10. 項目支出

項目支出指為財務匯報局就進行薪酬及福利研究的顧問費用。

11. 其他營運支出

	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月	Twelve months ended 31 December 2018 截至2018年 12月31日 止十二個月
Conferences and duty visits	會議及差旅費用	271,476
Professional liability insurance	專業責任保險	16,272
Office equipment and furniture expensed	辦公室設備及傢具開支	76,156
Printing, stationery and office expenses	打印、文具及辦公室開支	449,658
		813,562
		107,900
		25,155
		74,936
		606,483
		814,474

根據《財務匯報局條例》第19條，財務匯報局的財務報表由審計署署長負責審核，當中並無收取任何服務費用。

12. 稅項

根據《財務匯報局條例》第16條，財務匯報局獲豁免而無須根據《稅務條例》(第112章)繳稅。

FINANCIAL STATEMENTS (continued)

財務報表(續)

13. Property, Plant and Equipment

13. 物業、設備及器材

		Office furniture and fixtures	Computers	Other office equipment	Leasehold improvements	Total
		辦公室 傢具及裝置	電腦	其他 辦公室設備	租賃物業裝修	總額
Cost	成本					
At 1 January 2018	於2018年1月1日	600,374	662,210	149,141	–	1,411,725
Additions	購入	–	687,356	69,990	–	757,346
Disposal	處置	–	–	(55,300)	–	(55,300)
At 31 December 2018	於2018年12月31日	600,374	1,349,566	163,831	–	2,113,771
At 1 January 2019	於2019年1月1日	600,374	1,349,566	163,831	–	2,113,771
Additions	購入	–	–	255,319	1,869,864	2,125,183
At 30 September 2019	於2019年9月30日	600,374	1,349,566	419,150	1,869,864	4,238,954
Accumulated depreciation	累計折舊					
At 1 January 2018	於2018年1月1日	(469,197)	(571,134)	(91,748)	–	(1,132,079)
Charge for the year	年內支出	(125,182)	(205,779)	(18,613)	–	(349,574)
Written back on disposal	處置時撥回	–	–	48,058	–	48,058
At 31 December 2018	於2018年12月31日	(594,379)	(776,913)	(62,303)	–	(1,433,595)
At 1 January 2019	於2019年1月1日	(594,379)	(776,913)	(62,303)	–	(1,433,595)
Charge for the period	期內支出	(1,740)	(197,756)	(15,285)	–	(214,781)
At 30 September 2019	於2019年9月30日	(596,119)	(974,669)	(77,588)	–	(1,648,376)
Net book value	賬面淨值					
At 30 September 2019	於2019年9月30日	4,255	374,897	341,562	1,869,864	2,590,578
At 31 December 2018	於2018年12月31日	5,995	572,653	101,528	–	680,176



13. Property, Plant and Equipment (continued)

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except that items costing less than \$5,000 are expensed when incurred. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to the location and condition necessary for its intended use.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment over its estimated useful life after considering its estimated residual value. The respective useful lives are as follows:

Office furniture and fixtures	1 to 10 years
Computers	3 years
Other office equipment	7 years
Leasehold improvements	Over the remaining lease term

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at least at the reporting date.

Other office equipment and leasehold improvements consist of expenditure of capital projects in the amounts of \$240,000 and \$1,869,864 respectively, which were not completed and hence were not subject to depreciation as at 30 September 2019. They will be subject to depreciation upon completion of the projects.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the relevant asset, and is recognised in surplus or deficit in the period in which the asset is derecognised.

At the reporting date, the FRC assesses whether there is any indication that an item of property, plant and equipment may be impaired or a previously recognised impairment loss no longer exists or may have decreased. Following this year's review, no impairment loss has been recognised (2018: nil).

13. 物業、設備及器材(續)

物業、設備及器材按成本減累計折舊及減值損失(如有)列賬，惟成本低於5,000元的項目則於產生時支銷。物業、設備及器材項目的成本，包括其購買價格及將資產運抵指定地點並使其達到預定的方式進行運作所必需的狀態而產生的任何直接可歸屬成本。

折舊乃按個別物業、設備及器材項目之估計可使用壽命並考慮其估計殘值後，以直線法攤銷其成本計算得出。各項目的可使用壽命如下：

辦公室傢具及裝置	1至10年
電腦	3年
其他辦公室設備	7年
租賃物業裝修	於餘下租期內

殘值、可使用壽命及折舊方法至少於報告日期已進行檢討，及作出適當調整。

其他辦公室設備及租賃物業裝修包括資本項目支出分別為240,000元及1,869,864元，由於該等項目尚未完成，故於2019年9月30日並未計提折舊。有關金額將於該等項目完成後計提折舊。

物業、設備及器材項目於處置或預期通過使用該資產不能產生未來經濟利益時終止確認。終止確認該資產產生的任何利得或損失(按處置相關資產所得款項淨額(如有)及賬面金額間的差額釐定)，於該資產終止確認期間計入盈餘或虧損。

於報告日期，財務匯報局評估是否出現任何跡象顯示物業、設備及器材項目出現減值，或過往確認的減值損失是否不再存在或已經減少。經本年度審閱後，未有確認任何減值損失(2018年：無)。

FINANCIAL STATEMENTS (continued)

財務報表(續)

14. Lease

The lease for the new office (note 8) is recognised as a right-of-use asset with a corresponding liability recognised at the date at which the leased asset is available for use.

The lease liability was measured at the present value of the remaining lease payments, discounted using the FRC's incremental borrowing rate as of 1 September 2019. The incremental borrowing rate applied to the lease liability on 1 September 2019 was 4.625%. The lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the lease term (estimated at 6 years) on a straight-line basis. The extension option (2 years extension) is included in the lease term as it is reasonably certain that the lease will be extended.

14. 租賃

新辦公室的租約(附註8)於租賃資產可供使用當日起獲確認為使用權資產，並確認其相應負債。

租賃負債按餘下租賃款項的現值計量，並按截至2019年9月1日財務匯報局的增量借貸利率貼現。於2019年9月1日應用於有關租賃負債的增量借貸利率為4.625%。租賃款項會分配至有關負債與財務成本。財務成本於租期內自綜合收入表扣除，以計算各期間負債結餘的固定週期利率。使用權資產於估計為6年的租期按直線法計提折舊。由於可合理確定將延長租賃，為期2年的延期選擇權已包括於租期之內。

Right-of-use asset	使用權資產	Buildings 樓宇
Cost	成本	
At 1 January 2019	於2019年1月1日	–
Additions	購入	49,416,658
At 30 September 2019	於2019年9月30日	49,416,658
Accumulated depreciation	累計折舊	
At 1 January 2019	於2019年1月1日	–
Charge for the period	期內支出	(686,342)
At 30 September 2019	於2019年9月30日	(686,342)
Net book value	賬面淨值	
At 30 September 2019	於2019年9月30日	48,730,316



14. Lease (continued)

14. 租賃(續)

		30 September 2019 2019年9月30日
Lease liability	租賃負債	
Current	流動	5,536,908
Non-current	非流動	39,609,860
		45,146,768
Maturity profile of lease liability (contractual undiscounted cash flows):	租賃負債(合約的未貼現現金流量)的 到期狀況：	30 September 2019 2019年9月30日
– Within 12 months	– 12個月內	7,473,480
– After 12 months but within 24 months	– 12個月後但不超過24個月	8,968,176
– After 24 months but within 60 months	– 24個月後但不超過60個月	26,904,528
– After 60 months	– 60個月後	8,220,828
		51,567,012
Rent free period has been taken into account in the maturity profile of the lease liability.	免租期已經計入租賃負債的到期狀況。	
Interest on lease liability	租賃負債利息	Nine months ended 30 September 2019 截至2019年 9月30日 止九個月
		(167,458)

FINANCIAL STATEMENTS (continued)

財務報表(續)

15. Intangible Asset

15. 無形資產

		Computer software 電腦軟件
Cost	成本	
At 1 January 2019	於2019年1月1日	–
Additions	購入	882,000
At 30 September 2019	於2019年9月30日	882,000
Net book value	賬面淨值	
At 30 September 2019	於2019年9月30日	882,000

This represents the development cost of the case management system, which was not completed as at 30 September 2019.

Intangible asset is stated at cost less accumulated amortisation and impairment loss, if any. Amortisation is calculated on the straight-line basis to write off the cost of the case management system over its estimated useful life of 5 years after considering its estimated residual value. Amortisation commences when the case management system is available for use.

Residual value, useful life and amortisation method are reviewed, and adjusted if appropriate, at least at the reporting date.

其指案件管理系統的開發成本，有關開發工作於2019年9月30日尚未完成。

無形資產按成本減累計攤銷及減值損失(如有)列賬。攤銷乃按管理系統5年的可使用壽命並考慮其估計殘值後，以直線法攤銷其成本計算得出。攤銷自案件管理系統可使用時起計。

殘值、可使用壽命及攤銷方法至少於報告日已進行檢討，及作出適當調整。

16. Deposits, Receivables and Prepayments

16. 按金、應收賬款及預付款項

	30 September 2019 2019年9月30日	31 December 2018 2018年12月31日
Deposits	按金	2,806,970
Accounts receivable	應收賬款	41,360
Interest receivable	應收利息	1,218,556
Prepayments	預付款項	
– Medical and life insurance	– 醫療及人壽保險	622,211
– Staff benefits	– 員工福利	1,050
– Professional liability insurance	– 專業責任保險	–
– Others	– 其他	315,443
		5,005,590
		833,120

The accounts receivable is due within 30 days. Due to the short-term nature of the balance, the carrying amount is considered to be the same as its fair value. We do not provide an ageing analysis of accounts receivable as there was no material overdue balance as at 30 September 2019.

Deposits as at 30 September 2019 mainly represent rental deposit.

應收賬款於30日內到期。由於結餘的性質屬短期，有關賬面金額被認為與其公允價值一致。由於在2019年9月30日概無重大逾期結餘，故我們並無提供應收賬款的賬齡分析。

於2019年9月30日的按金主要為租金按金。



17. Time Deposits with Original Maturities Over Three Months

Time deposits with original maturities over three months carried fixed interest rates ranging from 2.11% to 2.23% (2018: 2.06% to 2.40%) per annum. The balances outstanding at 30 September 2019 and 31 December 2018 had maturities less than 12 months from the reporting date.

18. Cash and Cash Equivalents

Cash on hand	手頭現金	2,752	4,899
Current accounts	支票活期存款	305,792	487,315
Savings account	儲蓄存款	3,710,885	6,093,846
Time deposits with original maturities within three months	原到期日不超過三個月的定期存款	109,150,000	–
		113,169,429	6,586,060

17. 原到期日多於三個月的定期存款

原到期日多於三個月的定期存款，按固定年利率由2.11厘至2.23厘計息(2018年：2.06厘至2.40厘)。於2019年9月30日及2018年12月31日的結餘於報告日期12個月內到期。

18. 現金及現金等價物

30 September 2019	31 December 2018
2019年9月30日	2018年12月31日
2,752	4,899
305,792	487,315
3,710,885	6,093,846
109,150,000	–
113,169,429	6,586,060

19. Accounts payable, accruals and other liabilities

Accounts payable and accruals	應付賬款及應計費用	3,810,018	4,113,047
Receipts in advance	預收款項	750	–
		3,810,768	4,113,047

19. 應付賬款、應計費用及其他負債

Receipts in advance represent the application fee income received in advance for the recognition of overseas auditors of PIE under the New Regime.

The balance will be recognised as revenue in the next reporting period when the New Regime commences. Under the New Regime, the application fee income is recognised as revenue when the service is transferred.

預收款項指於新制度下就認可公眾利益實體境外核數師而預收的申請費用收入。

新制度實施時，有關結餘將於下一個報告期獲確認為收入。在新制度下，申請費用收入於轉移服務時確認為收入。

FINANCIAL STATEMENTS (continued)

財務報表(續)

20. Provision for Reinstatement Cost

In accordance with the lease agreement, the FRC is required to restore the office premises to the original condition at the end of the lease term. A provision has been recognised of the estimated expenditure. The cost has been capitalised as part of the cost of right-of-use asset which is depreciated over the lease term.

21. Funds

General fund represents the operating surplus of the FRC's recurrent funding.

Reserve fund represented the non-recurrent contributions received from the CRTF, the HKICPA, the SFC and the HKEX at the establishment of the FRC according to the MoU. Each party contributed a lump-sum amount of \$5 million which is not refundable. The reserve fund was to be deployed to meet any inadequacies of the recurrent funding and other exigencies of circumstances. The reserve fund was transferred to general fund immediately before the commencement of the New Regime.

22. Financial Instruments

The carrying amounts of financial instruments by category are as follows:

20. 復原工程成本撥備

根據租賃協議，財務匯報局須於租期完結時將辦公室復原至原本的狀況，並已就其估計支出作出撥備。有關成本已作為使用權資產成本的一部分撥充資本，並於租期內計提折舊。

21. 資金

一般資金乃指財務匯報局經常性資金的經營盈餘。

儲備金指公司註冊處營運基金、香港會計師公會、證監會及港交所根據諒解備忘錄於設立財務匯報局時所投入的非經常性資金。各機構投入一筆不可發還，為數500萬元的資金。儲備金可於經常性資金不足及其他緊急情況下動用。緊隨新制度實施前，儲備金已轉移至一般資金。

22. 金融工具

各類金融工具的賬面金額如下：

	30 September 2019 2019年9月30日	31 December 2018 2018年12月31日
Financial assets		
Deposits, accounts receivable and interest receivable	按金、應收賬款及應收利息	4,066,886
Time deposits with original maturities over three months	原到期日多於三個月的定期存款	330,000,000
Cash and cash equivalents	現金及現金等價物	113,169,429
		447,236,315
Financial liabilities		
Accounts payable and accruals	應付賬款及應計費用	3,810,018
Lease liability	租賃負債	5,536,908
– Current	– 流動	39,609,860
– Non-current	– 非流動	
		48,956,786
		4,113,047



22. Financial Instruments (continued)

The carrying amounts of the FRC's financial assets and financial liabilities approximate their fair values as at 30 September 2019 and 31 December 2018.

Financial assets and financial liabilities are recognised in the statement of financial position when the FRC becomes a party to the contractual provisions of an instrument. They are initially measured at fair value and thereafter stated at amortised cost using the effective interest method. No transaction costs have been incurred.

Financial assets

The objective of holding financial assets is to collect contractual cash flows, which are solely payments of principal and interest on the principal amount outstanding. The recognition of a loss allowance for expected credit losses on a financial asset measured at amortised cost is based on the probability of default upon initial recognition and on-going assessment of whether there has been a significant increase in credit risk. No impairment loss has been recognised in 2019 (2018: nil).

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the FRC has transferred substantially all the risks and rewards of ownership of the asset.

Financial liabilities

A financial liability is derecognised when the relevant obligation is discharged, is cancelled or expires.

23. Financial Risks

(a) Credit risk

The FRC's credit risk is primarily attributable to accounts receivable, time deposits and other bank balances.

The recovery of the investigation costs is closely monitored by the Council. Receivables from recovery of investigation costs are assessed for recoverability on an individual basis based on the probability of default upon initial recognition. On-going assessment is performed to determine whether there has been a significant increase in credit risk. The FRC does not hold any collateral or other credit enhancements over these balances.

The Council approved an investment policy which, subject to other limits, only allows the FRC to place deposits with licensed banks in Hong Kong having regard to their credit rating. Those funds are deposited with banks that have an "A" grade credit rating or higher as designated by Moody's or their equivalents. The policy also limits the amount placed with each bank and the maximum duration the deposit is placed in order to manage its credit risk.

22. 金融工具(續)

於2019年9月30日及2018年12月31日，財務匯報局的金融資產及金融負債的賬面金額接近其公允價值。

金融資產及金融負債會於財務匯報局成為一項金融工具合同條款的訂約方時，於財務狀況表中確認。這些金融工具最初以公允價值計量，其後則採用實際利率法按攤銷成本列賬。未有產生交易成本。

金融資產

持有金融資產的目的是收取合同現金流量，該等現金流量僅為償付本金及未償本金的利息。根據對信用風險是否顯著增加的初始確認及持續評估得出的違約可能性，就金融資產以攤銷成本計量的預期信貸虧損確認虧損撥備。2019年並無確認減值損失(2018年：無)。

倘從資產獲收現金流量的權利已到期或財務匯報局已將資產所有權內幾乎全部的風險和回報轉讓，該金融資產會被終止確認。

金融負債

金融負債於相關的義務解除、取消或到期時終止確認。

23. 金融風險

(a) 信用風險

財務匯報局所承擔的信用風險主要涉及應收賬款、定期存款及其他銀行結餘。

財務匯報局密切監察調查費用的收回情況。收回調查費用的應收款項是根據初始確認得出的違約可能性按個別基礎對可回收性進行評估。會進行持續評估以確認信用風險是否顯著增加。財務匯報局並無就該等結餘持有任何抵押品或採取其他改善信貸條件的措施。

根據財務匯報局成員已通過的投資政策，財務匯報局僅可在符合其他限制規定下，根據信用評級於香港持牌銀行設立存款。該等資金存放於獲穆迪評為「A」級或更高信用等級的銀行或其同級銀行。有關政策亦規定了每間銀行的存款上限和定期存款的最長存款期，以便管理信用風險。

FINANCIAL STATEMENTS (continued)

財務報表(續)

23. Financial Risks (continued)

(a) Credit risk (continued)

The portfolio of deposits is managed and monitored to ensure it meets the investment policy with monthly reports submitted to the Finance Committee and bi-monthly reports to the Council. As a result, the FRC is not exposed to significant credit risk. The maximum exposure to credit risk is represented by the carrying amount of the financial assets as set out in the statement of financial position.

While other financial assets are subject to the impairment requirements, their expected credit losses were minimal.

(b) Liquidity risk

The FRC has a strong cash position and therefore has a very low level of liquidity risk. The FRC maintains sufficient levels of cash and cash equivalents and manages its working capital by carefully reviewing forecasts on a regular basis. All financial liabilities except lease liability were due to be repaid within three months (2018: three months) from the reporting date. The maturity profile of the lease liability is disclosed in note 14.

(c) Market risk

Currency risk

The FRC receives its funding and settles its expenses in Hong Kong dollars. Its financial assets and financial liabilities are all denominated in Hong Kong dollars. Hence, the FRC is not exposed to any currency risk.

Interest rate risk

The FRC's interest bearing assets mainly comprise funds placed in time deposits with fixed interest rates. The FRC is subject to interest rate risk where a volatile market exists. This risk is managed by having several short term deposits.

24. Capital Commitments

Capital commitments outstanding at 30 September 2019 not provided for in the financial statements were as follows:

Contracted for	已訂約
Authorised but not contracted for	已獲授權但未訂約

23. 金融風險(續)

(a) 信用風險(續)

財務匯報局管理和監察存款組合，確保符合投資政策，並且每月向財務委員會及每兩個月向財務匯報局成員提交報告。鑑於上述措施，財務匯報局並無重大信用風險。財務狀況表中載列的金融資產賬面金額代表所承擔的最高信用風險。

儘管其他金融資產須符合減值規定，其預期信貸虧損微乎其微。

(b) 流動資金風險

財務匯報局的現金狀況充裕，因此流動性風險相當低。財務匯報局維持充足水平的現金及現金等價物，並透過定期審慎檢討預測以管理其營運資金。除租賃負債以外的所有金融負債於報告日期起三個月內(2018年：三個月)到期償還。有關租賃負債的到期狀況於附註14披露。

(c) 市場風險

貨幣風險

財務匯報局資金收入及支出均為港元，而所有金融資產及金融負債均以港元為單位。因此財務匯報局並無承擔任何貨幣風險。

利率風險

財務匯報局的有利息資產主要為固定利率的定期存款。當市場出現波動，財務匯報局將面臨利率風險。財務匯報局透過擁有若干短期存款以管理該風險。

24. 資本承擔

於2019年9月30日，未於財務報表內作出撥備的未償資本承擔如下：

30 September 2019 2019年9月30日	31 December 2018 2018年12月31日
11,051,227	–
4,516,909	–
15,568,136	–

MEMBERSHIP OF BOARD AND PANELS

委員會及委員團成員



Honorary Advisory Panel

名譽顧問團

The function of the Honorary Advisers is to advise the FRC, including its committees and staff, with respect to any matter referred to the Honorary Advisers by the FRC. The panel comprises highly respected individuals with a wide spectrum of professional expertise who provide their advice and contributions to the FRC at the committee level. By leveraging on their wealth of experience, the FRC has been able to discharge our statutory duties as an effective independent auditor regulator of Hong Kong.

名譽顧問負責就任何由財務匯報局轉介的事項，向財務匯報局(包括其委員會及員工)提供意見。名譽顧問團由擁有廣泛專業知識的社會賢達組成。憑藉他們豐富的經驗，財務匯報局可以有效地履行我們作為香港的獨立核數師監管機構的法定職能。

Panel Members during the nine-month period ended 30 September 2019 於截至2019年9月30日期間的顧問團成員



Mr Roger Best, JP

Mr Best was a partner of Deloitte Touche Tohmatsu and is a former president of the Hong Kong Institute of Certified Public Accountants (HKICPA). He has chaired the HKICPA Financial Reporting Standards Committee and has also been a member of the IFRS Advisory Council.

路沛翹先生，太平紳士

路沛翹先生曾任德勤•關黃陳方會計師行的合夥人，並且是前香港會計師公會會長，曾擔任其財務報告準則委員會主席，亦曾任國際財務報告準則顧問委員會的成員。

*Retired with effect from
2019-10-01 when appointed
as Board Member*
於2019年10月1日獲委任
為董事局成員時卸任



Ms Melissa Brown

Ms Brown is a Partner at Daobridge Capital, a private investment advisory firm, where she focuses on opportunities linked to sustainable investments in Asian markets. She also works as a specialist consultant with the Institute for Energy Economics and Financial Analysis and the Asian Corporate Governance Association. She is a member of the SFC Takeovers Panel and the HKEX Listing Review Committee. She has previously served as a member of the HKEX Listing Committee, as a government-appointed lay council member of the Hong Kong Institute of Certified Public Accountants, and on the UN PRI Advisory Council.

Melissa Brown女士

Brown女士是一家私人投資諮詢公司Daobridge Capital的合夥人，專注於與亞洲市場可持續投資相關的機會。她還擔任能源經濟與金融分析研究所和亞洲公司管治協會的專業顧問。她是證監會收購及合併委員會和香港交易所上市覆核委員會成員。她曾擔任香港交易所上市委員會成員、香港會計師公會政府任命的理事會業外成員以及聯合國PRI顧問委員會成員。

*From: 2019-10-01
Current appointment expires
on 2021-09-30*
任期始於：2019-10-01
任期屆滿：2021-09-30



Mr Clement Chan, MH

Mr Chan is the Managing Director – Assurance of BDO Limited and is a former president of the Hong Kong Institute of Certified Public Accountants. He has actively participated in standard-setting and governance activities both in Hong Kong and at international level. Mr Chan is also a former Chair of the Asian-Oceanian Standard Setters Group.

陳錦榮先生，榮譽勳章

陳先生為香港立信德豪會計師事務所有限公司審計部董事總經理。他同時為前香港會計師公會會長，並積極參與香港及國際性的制定準則及管治活動。他也曾擔任亞洲及大洋洲會計準則制定機構組主席。

*From 2015-12-11
Current appointment expires
on 2021-09-30*
任期始於：2015-12-11
任期屆滿：2021-09-30

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Dr Eva Chan

Dr Chan is the Head of Investor Relations of C C Land Holdings Limited. She is an Independent Non-Executive Director of Capital Environment Holdings Limited and an Adjunct Professor in the School of Accounting and Finance of the Hong Kong Polytechnic University. She is the Founding Chairman of Hong Kong Investor Relations Association, a fellow member of the Hong Kong Institute of Chartered Secretaries (HKICS) and the Institute of Chartered Secretaries and Administrators. She is also the Chairman of the Education Committee of HKICS. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

陳綺華博士

陳博士為中渝置地控股有限公司投資者關係主管。她是首都環境控股有限公司的獨立非執行董事，也是香港理工大學會計及金融學院的兼職教授。她是香港投資者關係協會的創始主席，香港特許秘書公會 (HKICS) 和特許秘書及行政人員學會的資深會員。她亦是 HKICS 教育委員會的主席。她是香港會計師公會和特許公認會計師公會的資深會員。



Mr Andrew Chen

Mr Chen is the Executive Partner of ZHONGHUI ANDA CPA Ltd and is the former President of The Society of Chinese Accountants and Auditors in 2018 and continues to be the council member of the Society.

陳志興先生

陳先生為中匯安達會計師事務所有限公司執行合夥人。他於 2018 年出任香港華人會計師公會會長，現擔任該會理事。



Mr Michael Cheng

Mr Cheng is Head of Government Affairs & Public Relations, APAC of Invesco Hong Kong Limited. He was previously MSCI Hong Kong Limited's Executive Director of ESG Research and led their APAC corporate governance research. He has also held senior positions at Hong Kong Exchanges & Clearing Limited, Securities and Futures Commission, China International Capital Corporation and the Asian Corporate Governance Association. He is a fellow member of the Hong Kong Securities and Investment Institute and a member of the Law Society of Hong Kong.

鄭孟揚先生

鄭先生是景順投資管理有限公司亞太區政府事務及公共關係主管。他曾任 MSCI ESG 研究部執行董事，及港交所、證監會、中金公司和 ACGA 的重要職位。他是香港證券及投資學會的資深會員，也是香港律師會律師。



From 2015-12-11
Current appointment expires
on 2021-09-30

任期始於：2015-12-11
任期屆滿：2021-09-30

Mr Chew Fook Aun

Mr Chew has over 30 years of experience in accounting, auditing and finance in the United Kingdom and Hong Kong. He is currently the Deputy Chairman and Executive Director of Lai Sun Garment (International) Limited and Lai Sun Development Company Limited, the Executive Director of eSun Holdings Limited, and the Chairman and Executive Director of Lai Fung Holdings Limited.

周福安先生

周先生在英國和香港擁有逾 30 年的會計、審計及金融經驗，現為麗新製衣國際有限公司及麗新發展有限公司的副主席兼執行董事、豐德麗控股有限公司的執行董事及麗豐控股有限公司的主席兼執行董事。



From 2019-05-01
Current appointment expires
on 2021-04-30

任期始於：2019-05-01
任期屆滿：2021-04-30

Mr Nicholas Debnam

Mr Debnam was an audit partner at KPMG until his retirement on 31 March 2017. He is an Independent Non-Executive Director of Wing On Company International Limited and an Executive Committee Member and Honorary Treasurer of the Hong Kong Society for the Prevention of Cruelty to Animals.

Nicholas Debnam先生

Debnam 先生曾是畢馬威會計師事務所的審計合夥人，於 2017 年 3 月 31 日退任。他現任永安國際有限公司的獨立非執行董事及香港愛護動物協會的執行委員會成員及名譽司庫。



From 2019-04-01
Current appointment expires
on 2021-03-31

任期始於：2019-04-01
任期屆滿：2021-03-31

Mr Addison Everett

Mr Everett has over 30 years of professional experience with PwC in China – Beijing and Hong Kong SAR – and other countries/regions. He is currently PwC Risk, Quality and Compliance Leader and also serves as the Senior Partner for a large PwC audit client in the financial services sector. Previously, he provided a range of auditing, advisory and capital markets services to a number of PwC's largest clients. He also has experience leading business and functional units within PwC.

安迪生先生

安迪生先生在羅兵咸永道中國擁有超過 30 年的專業服務經驗，工作的地域包括北京和香港特別行政區，以及其他國家或地區。目前，安迪生先生擔任羅兵咸永道的風險、質量管理及合規事務主管合夥人，並同時擔任一家大型金融服務行業審計客戶的首席合夥人。安迪生先生曾經為羅兵咸永道多家大型客戶提供各種審計、諮詢和資本市場等服務，並擁有豐富的羅兵咸永道內部業務和職能部門的領導經驗。



From 2013-04-01
Appointment expired on
2019-03-31

任期始於：2013-04-01
任期屆滿：2019-03-31

Dr PM Kam, BBS

Dr Kam is a certified public accountant. He is a former CEO of the FRC. Prior to joining the FRC, he was the Group Financial Controller of Jardine Matheson Limited.

甘博文博士，銅紫荊星章

甘博士是一名會計師。他曾任財務匯報局的行政總裁。於加入財務匯報局之前，他曾任怡和管理有限公司集團財務總監。

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Ms Ashley Khoo

Ms Khoo, CFA, CPA, is an asset management and investment banking professional with comprehensive buy-side and sell-side experience, inclusive of portfolio management, fundamental/quantitative/pre-deal research covering Asian and China markets, multi-asset class investment, and Big 4 financial advisory with financial institutions in Hong Kong and New York. She is a Board Member of The Hong Kong Society of Financial Analysts and CFA Institute's Presidents Council Governance Committee Member. Ms Khoo served as the President of The Hong Kong Society of Financial Analysts from 2016 to 2018.

丘培煥女士

丘女士為資產管理及投資銀行專業人士，擁有全面的買方及賣方經驗，涵蓋投資組合管理、亞洲及中國市場的基礎、量化、首次公開招股前研究、多元資產類別投資及商務諮詢。現為香港財經分析師學會董事局成員及CFA協會全球 Presidents Council 管治委員會委員。於 2016 年至 2018 年期間出任香港財經分析師學會會長。



Mr Edward Kwan, MH

Mr Kwan was formerly the Chief Executive Officer of HSBC Broking Services (Asia) Limited.

關百忠先生，榮譽勳章

關先生曾任匯豐金融服務（亞洲）有限公司行政總裁。

From 2012-12-11

Appointment expired on

2019-12-10

任期始於 : 2012-12-11

任期屆滿 : 2019-12-10



Mr Clement Kwok

Mr Kwok is the Managing Director and Chief Executive Officer of the Hongkong and Shanghai Hotels, Limited. He has served on the Listing Committee of The Stock Exchange Hong Kong Limited (SEHK), the Takeovers and Mergers Panel, the Securities and Futures Appeals Tribunal, the Hang Seng Index Advisory Committee and the Harbourfront Commission, as well as the Interpretations Committee of the International Accounting Standards Board in London.

郭敬文先生

郭先生為香港上海大酒店有限公司之董事總經理兼行政總裁。他曾任香港聯合交易所有限公司（聯交所）的上市委員會、收購及合併委員會、證券及期貨事務上訴審裁處、恆生指數顧問委員會、海濱事務委員會，以及位於倫敦的國際會計準則理事會的闡釋委員會。

From 2017-01-15

Current appointment expires

on 2021-01-14

任期始於 : 2017-01-15

任期屆滿 : 2021-01-14



From 2018-03-01
Current appointment expires
on 2021-09-30

任期始於：2018-03-01
任期屆滿：2021-09-30

Mr Anthony Leung

Mr Leung is the Assurance Leader of Ernst & Young member firms for Hong Kong and Macau. He is a former member of the Listing Committee of The Stock Exchange of Hong Kong Limited from 2009 and completed the six-year term in 2015. He had previously served on the Professional Conduct Committee of the Hong Kong Institute of Certified Public Accountants. He is a member of both the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in Australia.

梁小東先生

梁先生現任安永香港及澳門審計服務主管合夥人，曾任香港聯合交易所有限公司上市委員會委員（在2009至2015年度完成六年任期）。他亦曾任香港會計師公會專業行為委員會委員。梁先生是香港會計師公會會員及澳洲特許會計師公會會員。



From 2013-01-10
Appointment expired on
2019-01-09

任期始於：2013-01-10
任期屆滿：2019-01-09

Dr Eric Li, GBS, JP

Dr Li is a the Honorary Chairman of ShineWing (HK) CPA Limited and an independent Non-Executive Director of a number of listed companies in Hong Kong. He is also a member of the 13th National Committee of the Chinese People's Political Consultative Conference.

李家祥博士，金紫荊星章，太平紳士

李博士為信永中和（香港）會計師事務所有限公司榮譽主席，亦是香港多家上市公司的獨立非執行董事。他也是中國人民政治協商會議第13屆全國委員會委員。



From 2019-10-01
Current appointment expires
on 2021-09-30

任期始於：2019-10-01
任期屆滿：2021-09-30

Mr Keith Lui

Mr Lui was the Executive Director (August 2006 – August 2019) of the Supervision of Markets Division of the Securities and Futures Commission (SFC). During his service at the SFC, he was the Chairman of the Investor Compensation Fund Committee, and the Securities Compensation Fund Committee, and member of the Advisory Committee, Investment Committee, and SFC (HKEx Listing) Committee. He was also a member of the Statutory Risk Management Committee of Hong Kong Exchanges and Clearing Limited. He had worked for various financial institutions in the US and Hong Kong in the areas of deposit taking and lending, asset management and investment banking.

雷祺光先生

雷先生曾任證券及期貨事務監察委員會（證監會）市場監察部執行總監（2006年8月至2019年8月）。在證監會任職期間，他曾擔任投資者賠償基金委員會和證券賠償基金委員會主席，以及諮詢委員會、投資委員會和證監會（香港交易所上市）委員會成員。他亦為香港交易及結算所有限公司法定風險管理委員會成員。他曾在美國和香港的多家金融機構工作，負責存款和貸款、資產管理和投資銀行業務。

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Ms Teresa Ma

Ms Ma is an experienced lawyer and a mediator. She is a board member of and adviser to several civil society organisations. She was a partner and a member of the International Board of Linklaters.

馬嘉明女士

馬女士為資深律師及認可調解員。她在數家公民社會機構擔任董事局成員及顧問。她曾是年利達律師事務所的合夥人及其國際監治會成員。

From 2015-01-15
Current appointment expires
on 2021-01-14

任期始於：2015-01-15
任期屆滿：2021-01-14



Mr Stephen Mercer

Mr Mercer is a partner with KPMG in Hong Kong and currently Deputy Head of Audit for KPMG China.

麥尚雅先生

麥尚雅先生是畢馬威香港合夥人，目前還擔任畢馬威中國審計服務副主管合夥人。

From 2015-12-11
Current appointment expires
on 2021-09-30

任期始於：2015-12-11
任期屆滿：2021-09-30



Mr Francis Mok

Mr Mok is currently the Group HR Advisor of Hutchison Port Holdings Limited. He worked with a wide range of corporations and companies, transforming HR practices and building leadership pipelines for business sustainability. He is a Past President of the Hong Kong Institute of Human Resources Management (HKIHRM), and a Past President of the Asia Pacific Federation of Human Resource Management (APFHRM).

莫家麟先生

莫先生現任和記港口集團有限公司人力資源顧問，曾任職多家大型企業，致力推動優良人力資源管理實務。他是香港人力資源管理學會 (HKIHRM) 前會長及亞太人力資源管理聯合會 (APFHRM) 前會長。

From 2019-10-01
Current appointment expires
on 2021-09-30

任期始於：2019-10-01
任期屆滿：2021-09-30



Mr Kenneth Morrison

Mr Morrison is a Senior Advisor of Mazars Hong Kong. He has served on several committees of the Hong Kong Institute of Certified Public Accountants including Accounting Standards, Practice Review and Ethics. Currently, he serves on the Disciplinary Committee and the Audit Profession Reform Working Group.

文禮信先生

文禮信先生現職為中審眾環（香港）辦公室資深顧問。他曾參與多個香港會計師公會小組，包括會計準則、執業審核及專業操守委員會。他現為紀律委員會和審計專業改革專責小組之成員。

From 2015-12-11
Current appointment expires on 2019-12-10
任期始於：2015-12-11
任期屆滿：2019-12-10



Keith Pogson

Mr Pogson is the Global Assurance Leader for Banking & Capital Markets at Ernst & Young (EY), and the Founder and former Regional Managing Partner of the Asia Pacific Financial Services Practice of EY. He is the EY representative on the Bank Working Group of the Global Public Policy Committee of the Big 4 + 2 firms. He is a former President of the Hong Kong Institute of Certified Public Accountants (HKICPA) in 2012, and continues to be a member of the Regulatory Oversight Board, the Audit Committee and the Disciplinary Panel of the HKICPA and was previously the Chair of the Ethical Standard Setting Committee and the Assurance Standards Setting Committees of the HKICPA. He is a member of the Listing Committee of The Stock Exchange of Hong Kong Limited and a member of the Standing Committee on Company Law Reform of the HKSAR Government. Mr Pogson is a Fellow and Practicing Member of the HKICPA, a Fellow of the Institute of Chartered Accountants in England & Wales, a Member of the Hong Kong Securities and Investment Institute as well as Member of Hong Kong Academy of Finance.

包凱先生

包凱先生建立及領導安永亞太區金融服務業務，現任該行的銀行及資本市場環球審計業務主管。他為全球六大大會計師事務所組成之公共政策委員會銀行工作小組的安永代表。他於2012年出任香港會計師公會會長，現任其專業監管監督委員會、審核委員會及紀律小組的成員，並曾擔任該會專業操守準則制訂委員會及鑒證準則制訂委員會的主席。他是香港聯交所上市委員會以及香港特別行政區政府公司法改革常務委員會的成員。他為香港會計師公會的資深執業會員、英格蘭及威爾士特許會計師公會的資深會員、香港證券及投資學會會員及香港金融學院會員。



Mr Nicholas Sallnow-Smith

Mr Sallnow-Smith has over 40 years of experience in the finance and treasury field in the United Kingdom and Asia, and has extensive knowledge of the property investment/management industry in Hong Kong. He was Chairman of The Lion Rock Institute of Hong Kong from April 2016 until March 2019. He was previously Chairman of the Board of the REIT Manager Link Asset Management Limited (2007-2016) and prior to that he was Chief Executive of Hongkong Land Limited (2000-2007). He has also been actively involved in public service.

蘇兆明先生

蘇兆明先生於英國及亞洲的金融及財資領域擁有逾40年經驗，並在香港的物業投資／管理行業擁有廣博知識。他於2016年4月至2019年3月擔任香港獅子山學會主席。他曾於2007年至2016年間擔任領展管理有限公司的董事會主席。此前，他於2000年至2007年間曾擔任香港置地集團公司的行政總裁。他亦一直積極參與公共服務。

From 2018-12-11
Resigned with effect from 2019-03-15
任期始於：2018-12-11
辭任：2019-03-15

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Mr Michael Scales

Mr Scales was previously Corporation Secretary of The Hongkong and Shanghai Banking Corporation Limited. He also served as a member of the Standing Committee on Company Law Reform, SFC Share Registrars Disciplinary Committee and SFC Dual Filing Advisory Group.

施米高先生

施米高先生曾任香港上海滙豐銀行有限公司的公司秘書。他也曾出任公司法改革常務委員會、證券及期貨事務監察委員會股份登記機構紀律委員會和證券及期貨事務監察委員會雙重存檔事宜顧問小組成員。

From 2012-12-11
Appointment expired on
2019-12-10

任期始於：2012-12-11
任期屆滿：2019-12-10



Mr Sin Chung-kai, SBS, JP

Mr Sin was a former Council Member of the Financial Reporting Council (2012-2018). He was a Legislative Councillor representing the geographical constituency of Hong Kong Island (2012-2016). He has served on several boards and NGOs including the West Kowloon Cultural District Authority (2008-2014) and the Hong Kong Tourism Board (2008-2014). He also served as a member of the Council for Sustainable Development (2009-2013) and the Operations Review Committee and Witness Protection Review Board Panel of the Independent Commission Against Corruption (2006-2012). He served as a member of the Housing Authority (2001-2009) and was a board director of the Hong Kong Mortgage Corporation Limited (1999-2009).

單仲偕先生，銀紫荊星章，太平紳士

單先生是財務匯報局前成員 (2012-2018)。他曾於 2012 年至 2016 年為代表香港島地方選區的立法會議員，並曾就任多個機構的董事會及志願團體，包括於 2008 年至 2014 年為西九文化區管理局董事局成員。單先生曾於 2008 年至 2014 年擔任香港旅遊發展局成員，2009 年至 2013 年擔任可持續發展委員會成員，以及於 2006 年至 2012 年擔任廉政公署審查貪污舉報諮詢委員會及保護證人覆核委員會委員。他曾於 2001 年至 2009 年擔任房屋委員會委員，及於 1999 年至 2009 年擔任香港按揭證券有限公司董事局成員。

From 2018-12-11
Current appointment expires
on 2020-12-10

任期始於：2018-12-11
任期屆滿：2020-12-10



Mr David Stannard

Mr Stannard is a corporate lawyer based in Hong Kong. He was Executive Director in charge of the Corporate Finance Division of the Securities and Futures Commission (1999-2001), a member of the Listing Committees of the Main Board and the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (2003-2008) and a member of the Standing Committee on Company Law Reform (2003-2010).

冼達能先生

冼達能先生為常駐香港的公司律師。他於 1999 年至 2001 年出任證券及期貨事務監察委員會企業融資部執行董事，2003 年至 2008 年為香港聯合交易所有限公司主板和創業板上市委員會成員，2003 年至 2010 年為公司法改革常務委員會成員。

From 2018-12-11
Current appointment expires
on 2021-09-30

任期始於：2018-12-11
任期屆滿：2021-09-30



From 2012-12-11
Appointment expired on
2019-12-10

任期始於：2012-12-11
任期屆滿：2019-12-10

Mr Stephen Taylor

Mr Taylor is a retired senior partner of Deloitte China where he was the national audit and assurance technical department head and also led the Deloitte Asia Pacific IFRS centre of excellence based in Hong Kong. He is currently Chairman of the Hong Kong Stock Exchange Listing Review Committee prior to which he was Chairman of The Hong Kong Stock Exchange Listing Committee. He was also a former member of the International Accounting Standards Board IFRS Advisory Council.

Stephen Taylor先生

Stephen Taylor先生為德勤中國榮休資深合夥人，曾擔任全國審計和監證業務專業技術部主管，同時為德勤亞太區國際財務報告準則卓越中心駐香港主管。他目前是香港聯合交易所上市覆核委員會主席，先前則為香港聯合交易所上市委員會主席。他亦是國際會計準則理事會國際財務報告準則顧問委員會的前成員。



From 2019-10-01
Current appointment expires
on 2021-09-30

任期始於：2019-10-01
任期屆滿：2021-09-30

Mr Richard Tsang

Mr Tsang is the founder and Chairman of Strategic Public Relations Group. He is also a member of the Advisory Council on Food and Environmental Hygiene; member of the Hong Kong Council on Smoking and Health; Member, Telecommunications Users and Consumers Advisory Committee, Office of the Communications Authority; Deputy Chairman of The Hong Kong Institute of Directors and Council Member of Hong Kong Q Mark Council.

曾立基先生

曾先生是縱橫公共關係顧問集團的創辦人兼主席，亦是食物與環境衛生諮詢委員會、香港吸煙與健康委員會、通信管理局辦公室－電訊服務用戶及消費者諮詢委員會之委員，以及香港董事學會副主席和香港優質標誌局委員會委員。



From 2019-10-01
Current appointment expires
on 2021-09-30

任期始於：2019-10-01
任期屆滿：2021-09-30

Ms Nancy Tse, JP

Ms Tse is an Independent Non-Executive Director of Wheelock and Company Limited, Link Asset Management Limited (Manager of the Link REIT); DBS Bank (Hong Kong) Limited as well as HSBC Provident Fund Trustee (Hong Kong) Limited. She is a member of the Board of Governors of the Prince Philip Dental Hospital and is an Adjunct Professor of The Jockey Club School of Public Health and Primary Care of the Chinese University of Hong Kong. She is the Deputy Chairman of the Governance Committee of the Hong Kong Institute of Certified Public Accountants. Ms Tse holds a Bachelor of Arts (Honours) degree in Mathematics and a Master of Business Administration in Finance/Accounting from the University of California, Los Angeles, the United States. She is a chartered accountant qualified in Canada, a fellow of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Hong Kong Institute of Directors.

謝秀玲女士，太平紳士

謝女士為會德豐有限公司、領展資產管理有限公司（領展房地產投資信託基金的經理）；星展銀行（香港）有限公司以及匯豐公積金受託人（香港）有限公司的獨立非執行董事。她是菲臘牙科醫院的董事局成員，並且是香港中文大學賽馬會公共衛生及基層醫療學院的客座教授。她是香港會計師公會管治委員會的副主席。謝女士持有美國洛杉磯加州大學數學榮譽文學士學位及金融／會計工商管理碩士學位。她是加拿大特許會計師、香港會計師公會資深會員及香港董事學會的資深會員。

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Mr Andy Wong

Mr Wong is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He has approximately 28 years of professional experience in assurance and business advisory services. Currently, he is the IPO leader of ShineWing (HK) CPA Limited and a member partner of the firm's Risk Management Committee.

黃銓輝先生

黃先生是香港會計師公會及特許公認會計師公會會員。他在審計及商業諮詢服務方面擁有接近 28 年專業經驗。目前，他是信永中和（香港）會計師事務所有限公司的上市服務主管合夥人及該行風險管理委員會成員合夥人。

From 2019-04-01
Current appointment expires
on 2021-03-31

任期始於：2019-04-01
任期屆滿：2021-03-31



Mr Huen Wong, BBS, JP

Mr Wong is the Principal of Fried Frank, Hong Kong office. He is the former President of the Inter-Pacific Bar Association and the Law Society of Hong Kong. He is also the past Chairman of the Hong Kong International Arbitration Centre.

王桂壇先生，銅紫荊星章，太平紳士

王先生是法朗克律師行香港分行主理人。他是前任環太平洋律師會會長及香港律師會會長，亦是香港國際仲裁中心前主席。

From 2015-12-11
Current appointment expires
on 2021-09-30

任期始於：2015-12-11
任期屆滿：2021-09-30



Mr Stephen Wong

Mr Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants. He joined RSM Hong Kong in 1988 and was made partner in 1991. He is currently the Managing Partner and Head of Audit and Assurance Services of RSM Hong Kong. Mr Wong is also a member of the Transnational Audit Services Executive Committee of RSM Global which oversees the audit quality of all RSM member firms over the world.

王德文先生

王先生是香港資深會計師，1988 年加入羅申美會計師事務所，現為該所主管合伙人及審計部主管合伙人。他是羅申美「國際審計質量監察委員會」成員，專責審議及監察全球成員所審計質量。

From 2019-10-01
Current appointment expires
on 2021-09-30

任期始於：2019-10-01
任期屆滿：2021-09-30



From 2019-10-01
Current appointment expires
on 2021-09-30
任期始於：2019-10-01
任期屆滿：2021-09-30

Mr Jackson Woo

Mr Woo is the CEO of Challenge Capital Management Limited, a consultant of Guantao & Chow Solicitors and Notaries and a director of Kailey and Fong Fun Group of Companies. He is also an Independent Non-executive Director of Henderson Land Development Co. Ltd. He is a member of the Public Shareholders Group, the Takeovers and Mergers Panel and the Takeovers Appeal Committee of the Securities and Futures Commission of Hong Kong. He is also a member of the Main Board and GEM Listing Review Committees of The Stock Exchange of Hong Kong Limited. He is a Qualified Solicitor in Australia, Hong Kong and England and Wales and is a Practising Solicitor Member of the Solicitors' Disciplinary Tribunal Panel in Hong Kong.

胡家驃先生

胡先生是信溢投資策劃有限公司的行政總裁、觀韜律師事務所的顧問及駢利企業及芳芬集團的董事。他也是恒基兆業地產有限公司的獨立非執行董事。他是香港證券及期貨事務監察委員會公眾股東權益小組、收購及合併委員會及收購上訴委員會成員。他亦為香港聯合交易所有限公司之主板及GEM上市覆核委員會成員。他在澳洲、香港、英國和威爾士擁有專業事務律師資格，也是香港律師紀律審裁團執業律師成員。



From 2018-03-01
Current appointment expires
on 2020-02-29
任期始於：2018-03-01
任期屆滿：2020-02-29

Mr Elton Yeung

Mr Yeung is the Vice-Chairman of PwC. He has extensive audit and business advisory experiences, and has led numerous complex restructuring and listing engagements, including initial public offerings of PRC state-owned and private-owned enterprises seeking listing in the US, HK and Mainland China markets. He has in-depth understanding of relevant regulatory environment and financial reporting requirements for listed companies.

楊偉志先生

楊先生現任羅兵咸永道會計師事務所副主席，多年來一直專注於審計和商業諮詢方面的專業工作，曾牽頭參與多家中國大型國營和民營企業的股份制改造和上市審計項目，對美國、香港以及中國內地證券市場的監管環境和財務報告要求具有深入的了解。

Panel Members appointed after 1 October 2019

於2019年10月1日後獲委任的顧問團成員



From 2019-12-11
Current appointment expires
on 2021-09-30
任期始於：2019-12-11
任期屆滿：2021-09-30

Prof Zabihollah Rezaee

Prof Rezaee is the Thompson-Hill Chair of Excellence and Professor of Accountancy at the University of Memphis and has served a two-year term on the Standing Advisory Group of the Public Company Accounting Oversight Board (PCAOB). He holds ten certifications including Certified Public Accountant (CPA). He is currently the editor of the Journal of Forensic Accounting Research (JFAR). Professor Rezaee has published over 225 articles and made more than 250 presentations, written 14 books and served as expert witness.

Zabihollah Rezaee教授

Rezaee 教授是曼菲斯大學 Thompson-Hill 傑出講座教授及會計系教授。他曾在美國上市公司會計監督委員會 (PCAOB) 的常設諮詢小組服務兩年。他擁有十項認證資格，包括註冊會計師資格。他現任《法務會計研究雜誌》(Journal of Forensic Accounting Research) 的編輯。Rezaee 教授發表了 225 篇文章及 250 多次演講及撰寫了 14 本書，並曾擔任專家證人。

MEMBERSHIP OF BOARD AND PANELS (continued)

委員會及委員團成員(續)



Mr Paul Smith

Mr Smith is an independent corporate director. He served as President and CEO of CFA Institute from January 2015 to September 2019. Previously he owned and ran Asia Alternative Asset Partners, a Hong Kong Hedge Fund Group. He first came to Hong Kong in 1996 to run the Bank of Bermuda's securities servicing business and on sale to HSBC acted as Global Head of HSBC's alternative funds servicing business. From 1984 to 1995 he worked for Ermitage International a European fund manager spending the last seven years as CEO. He is a Fellow of the Chartered Accountants of England and Wales, a Chartered Financial Analyst and holds a Master of Arts degree from Oxford University.

Paul Smith先生

Smith先生是獨立公司董事。他於2015年1月至2019年9月擔任特許金融分析師學會主席兼行政總裁。此前，他擁有及經營香港對沖基金集團Asia Alternative Asset Partners。他於1996年首次來到香港，經營百慕達銀行的證券服務業務，並出售予匯豐銀行，隨後擔任匯豐銀行另類基金服務業務的全球負責人。從1984年到1995年，他在Ermitage International擔任歐洲基金經理，在最後的7年中擔任首席執行官。他是英格蘭和威爾斯特許會計師的資深成員、特許金融分析師，並持有牛津大學的文學碩士學位。

From 2020-02-05
Current appointment expires
on 2022-02-04

任期始於：2020-02-05
任期屆滿：2022-02-04



Mr Eric Tong

Mr Tong is an Audit & Assurance Partner of Deloitte China's Financial Services Industry Group and a Board Member of Deloitte China. He brings with him over 30 years of experience in auditing and advising international and local banks and securities companies. He is the chairman for Deloitte INED Club and was the leader for Financial Services Industry for Southern China. He is a fellow member of the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Institute of Chartered Accountants in England and Wales. He was the HKICPA President in 2018 and was the Chair for Audit and Assurance Standards Committee, Securities Regulatory Advisory Panel and Branding and Communication Advisory Panel and led a digitalisation project for the HKICPA. He received the HKSAR Chief Executive's Commendation for Community Service in July 2018 and is currently an independent member of Task Force for Review on Enhancement of Lump Sum Grant Subvention System, Labour and Welfare. He was a member of Policy Research Committee of Financial Services Development Council between 2017 and 2019.

唐業銓先生

唐先生為德勤中國金融服務業審計及鑒證合夥人及董事局成員。唐先生在跨國及本地銀行、證券公司提供審計及諮詢服務方面擁有超過30年經驗，現任德勤獨立非執行董事會主席，亦曾擔任中國華南區全球金融服務業領導人。他是香港會計師公會及英格蘭及威爾斯特許會計師公會資深會員，於2018年出任香港會計師公會會長，過往亦曾擔任公會審計與鑒證準則委員會及證券事務監管顧問小組主席，並負責領導推廣及傳訊顧問小組以及數碼化項目。他於2018年7月獲頒行政長官社區服務獎狀，在2017年至2019年期間擔任香港金融發展局政策研究小組成員。目前是勞工及福利局優化整筆撥款津助制度檢討專責小組獨立成員。

From 2020-02-05
Current appointment expires
on 2022-02-04

任期始於：2020-02-05
任期屆滿：2022-02-04



Prof Wayne Yu

Prof Yu is a professor at the City University of Hong Kong. His teaching and research areas include corporate governance, corporate finance, and capital markets. In addition, he has been serving as a non-executive, independent director for a number of listed companies. He is also a Chartered Financial Analyst.

俞偉峰教授

俞教授是香港城市大學的教授。他的教學和研究領域包括公司治理，公司財務和資本市場。此外，他還擔任多家上市公司的非執行獨立董事。他也是特許金融分析師。

From 2019-12-11
Current appointment expires
on 2021-09-30

任期始於：2019-12-11
任期屆滿：2021-09-30



Financial Reporting Review Panel

Panel Convenors

Mr Ian Farrar¹
Mr Mark Johnson
Dr PM Kam, BBS
Mr Carmelo Lee, JP
Mrs Catherine Morley²
Mr Paul Shieh, SC
Mr Tang Kwai Chang
Mr Wong Kim Man¹
Ms Priscilla Wong, BBS, JP
Mrs Betty Yuen, JP

Members

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Mr Edmund Chan
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Mr William Lim²
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Mr Christopher Morley
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阮蘇少湄女士，太平紳士

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Gary Biddle教授²
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鄭振興教授
鄭炳熙先生¹
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鄭蕙心女士，資深大律師
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Ms Shelley So¹

Mr Gary Stevenson¹

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Ms Wendy Yung²

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王德文先生²

黃汝霆先生²

袁妙齡女士

容韻儀女士²

張國昌教授

¹ Appointed with effect from 16 July 2019

² Term expired on 15 July 2019

¹ 於2019年7月16日獲委任

² 任期於2019年7月15日屆滿

Audit Investigation Board during 2019

Chairman

Mr Paul F. Winkelmann (ex-officio) (until 31 March 2019)

Ms Wincey Lam (ex-officio) (from 1 April to 30 September 2019)

Members

Mr TS Chan

Mr Andes Kwok

Ms Anna Lau

Ms Florence Wong

Ms Joyce Woo

2019年審計調查委員會名單

主席

衛皓民先生(當然主席)(至2019年3月31日)

林穎志女士(當然主席)(由2019年4月1日至9月30日)

成員

陳德成先生

郭志峰先生

劉惠玲女士

王蕙涓女士

胡珮茵女士

Process Review Panel

Chairman

Mr Anthony Chow, SBS, JP

程序覆檢委員會

主席

周永健，銀紫荊星章，太平紳士

Members

Ms Florence Chan

Prof Low Chee Keong

Ms Edith Shih

Mr Tse Kam Keung

Dr Kelvin Wong, JP (ex-officio)

成員

陳苑芬女士

劉殖強教授

施熙德女士

謝錦強先生

黃天祐博士，太平紳士(當然成員)



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