

Managing Accountability in the Public Sector

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- Executive Director and a Deputy Managing Director of COSCO SHIPPING Ports Limited
- Independent Non-Executive Director of two listed companies in Hong Kong
- Member of the Operations Review Committee of ICAC (2017-2022)
- Non-Executive Director of Securities and Futures Commission (2012-2018)
- Chairman of Investor and Financial Education Council (2017-2018)
- Chairman of The Hong Kong Institute of Directors (2009- 2014)
- Member of Standing Committee on Company Law Reform (2010-2016)
- Member of Main Board and GEM Listing Committees of The Stock Exchange of Hong Kong Limited (2007-2013)
- Master of Business Administration degree from Andrews University in Michigan, USA
- Doctor of Business Administration degree from The Hong Kong Polytechnic University.

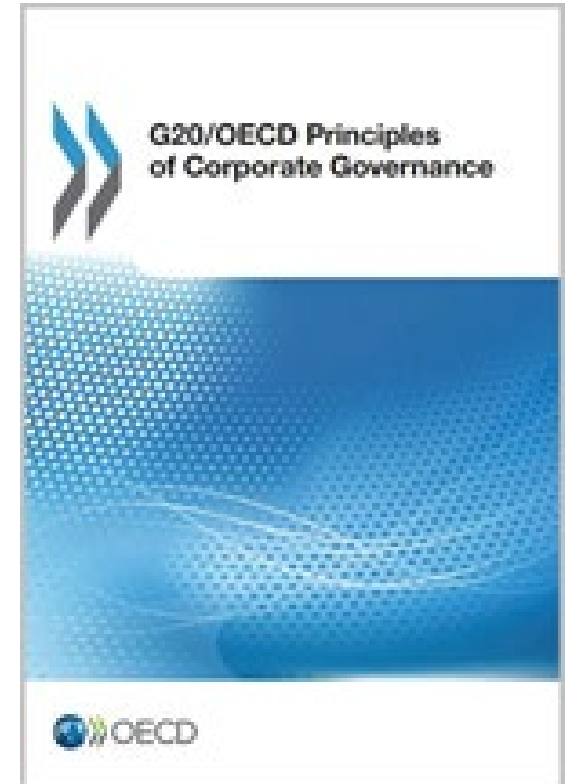


Our Mission

- What is an effective regulator?
 - Defender of law
 - Promotor of good corporate governance
 - Trusted and reliable
- How to become an effective regulator?
 - Efficient regulatory process (timely)
 - Effective regulatory outcome (impact)
 - A learning organization (consistency)

OECD Principles of Corporate Governance

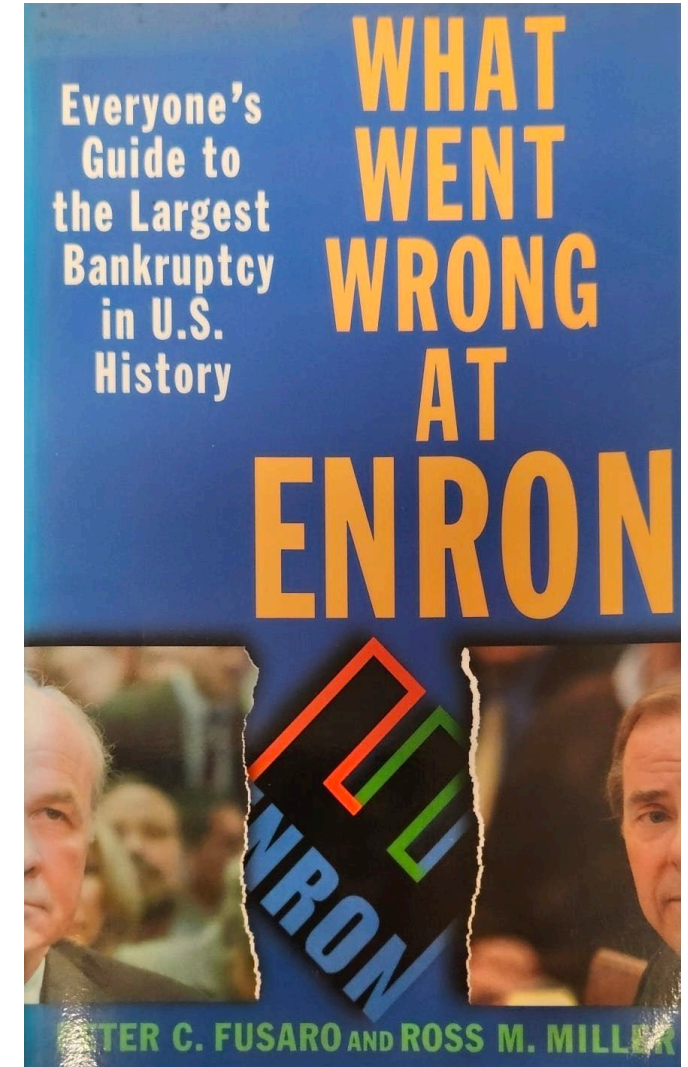
- Fairness
- Transparency
- Accountability
- Responsibility



Our History

Road to Reforms

Time	Milestone
13 Jul 2006	Enactment of the FRC Ordinance
1 Dec 2006	Establishment of the FRC
16 Jul 2007	Commencement of full operation – Investigation & Enquiry
24 Jan 2018	Introduction of the FRC (Amendment) Bill 2018 at the Legislative Council
30 Jan 2019	Passage of the FRC Amendment Bill 2018
1 Oct 2019	Commencement of New Auditor Regulatory Regime
Oct 2021	Government plans to introduce the Further Reform proposal into Legco by October 2021



Our Values

Independence and impartiality

We operate independently by performing our functions fairly, impartially and consistently, free from interference by the auditing profession and listed entities, and from political pressure.



獨立及公正

本局是獨立運作的。本局公平公正及貫徹地執行工作，不受審計業界和上市實體的干預，也免於政治壓力。

Accountability and transparency

As the regulator of the listed entity auditors, we should be accountable and transparent. We publish operational statistics, information on investigations and enquiries, and other reports. This allows the public and the profession to understand our operations and facilitates their understanding on our performance.



有承擔及具高透明度

作為上市實體核數師的監管機構，本局應有承擔及具高透明度。本局發表運作統計數據、調查和查訊的資料及其他報告，讓公眾及業界了解本局的運作及工作表現。

Integrity

Given the nature of our work, Board Members and staff must be of the highest integrity. We adhere to high ethical standards in conducting our activities.



誠信

基於工作性質，董事局成員及員工必須具備最高水平的誠信。本局於執行職務時須遵循最嚴格的道德標準。

Proficiency

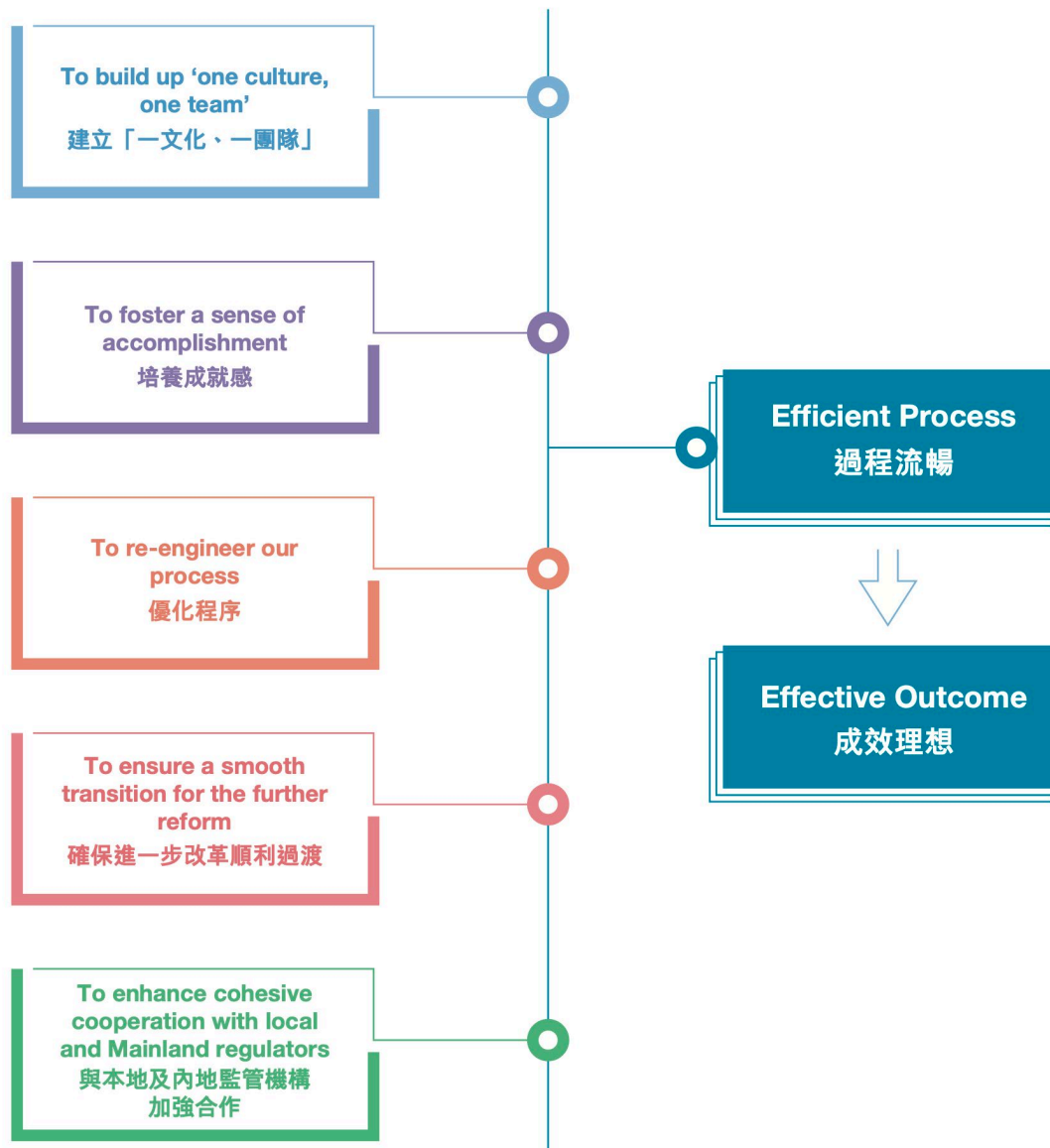
We pledge to achieve our missions efficiently, effectively and professionally.



精湛才能

本局承諾會以高效、有效及專業的方式，達成本局的使命。

Our Strategic Focus





我們是一個團隊，一種文化
We are one team with one culture



Our Functions

Policy and Oversight

- Overview
- Policy and Governance
- Oversight

Registration

- Overview
- Practising Certificates
- CPA Firms
- Corporate Practices
- Local PIE Auditors
- Overseas PIE Auditors

Inspection

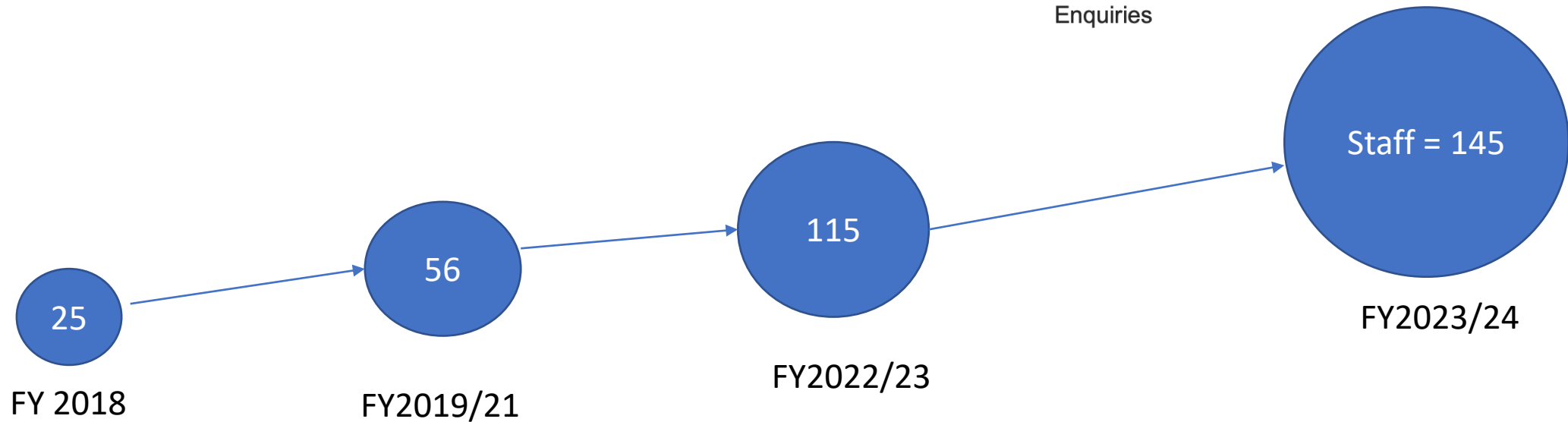
- Overview
- PIE Auditors
- Non-PIE Auditors

Investigations and Enquiries

- Overview
- Complaints
- Whistleblowing
- Financial Statements Review Programme
- Investigations
- Enquiries

Discipline

- Overview
- Disciplinary Sanctions
- Disciplinary Process



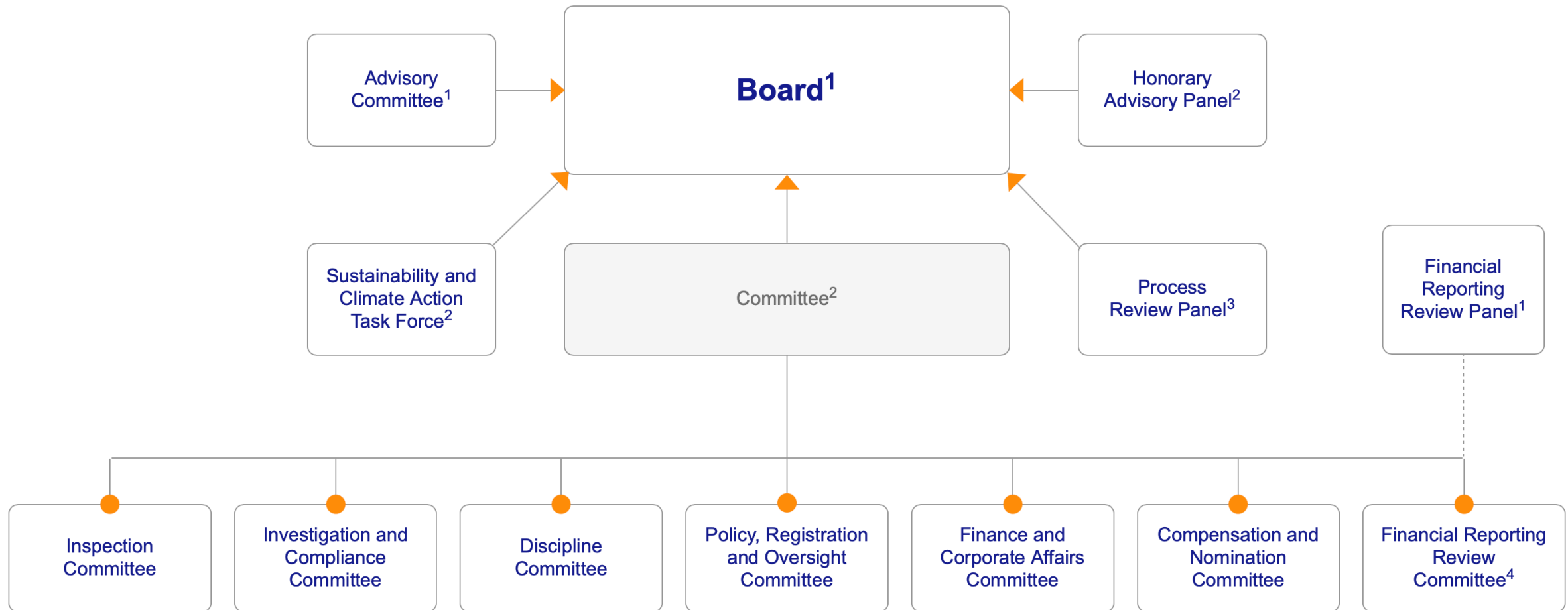
Our Culture

From Administrative to Managerial

Our personality traits	Old Regime	New Regime
Our Work	Case oriented	Process oriented
Our Mode	Reactive	Proactive
Our Culture	Closed	Open
Our Perspective	Inward looking	Outward looking
Our Approach	Piecemeal	Portfolio
Our Board	Confirmatory	Exploratory
Our Strategy	Backward looking	Forward looking
Our System	Discrete	Integral
Our Staff	Tenant	Owner

Governance Structure

Ensure Accountability and Responsibility



Communications

Ripple Effect



Publications

Periodic Reports

Guidelines

Operation Statistics

Quarterly Report

Annual Reports

Process Review Panel Report

Responses to External
Consultations

Engagement and Consultation

Internal communications

Weekly management meeting

Weekly department meeting

Monthly progress report

Bi-monthly board meeting

Quarterly committee meeting

Monthly staff gathering

Challenges facing AFRC

1. How to define success and how to measure it?
2. How to identify future challenges and manage them?
3. What motivate the board and management to achieve our goals?
4. How to build an effective and high-performance board/team?
5. Talent management vs budgetary constraint
6. Adequate funding
7. Behavior of regulated entities (their attitude and capacity to comply)



Accounting and Financial
Reporting Council
會計及財務匯報局

Thank you

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