



Accountability

承擔

2010 Annual Report 年報

THE ROLE OF THE FRC

財務匯報局的職責

1

To conduct independent investigations into possible auditing and reporting irregularities in relation to listed entities

就有關上市公司可能在審計或匯報方面的不當行為展開獨立調查

2

To enquire into possible non-compliance with accounting requirements on the part of listed entities

就上市公司可能沒有遵從會計規定的事宜展開查訊




Accountability 承擔

The Financial Reporting Council embraces the concept of accountability across all aspects of its work by reporting actions, explaining decisions and being answerable on resulting consequences. Three simple steps, but when they are applied by the auditing profession and relevant regulators, they succeed in raising standards of financial reporting and enhancing Hong Kong's reputation as a global financial centre.

財務匯報局認同承擔責任的重要性，因而一直保持高透明度的工作匯報，並會詳細闡釋各項決策，以及承擔有關後果。我們相信，若審計業界及相關監管機構攜手做好這三點，本港財務匯報的質素將可以提升，鞏固香港作為世界金融中心的地位。

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CHAIRMAN'S STATEMENT

主席報告

Hong Kong's economy continued to perform well throughout 2010, despite some external uncertainties, particularly in relation to interest rate directions and US-Sino currency discussions. Investor confidence remained steady and there were fewer than anticipated reports of corporate failures in the ongoing aftermath of the 2008 financial crisis.

The Financial Reporting Council (FRC) nevertheless experienced a busy year in both a reactive and proactive sense. There was a modest rise in the number of modified auditors' reports issued on the financial statements of listed companies, adding to the workload of our review team. The number of complaints lodged with the FRC dropped. However, at the end of the year, investigation cases doubled in number as a result of large scale cases that were carried over from the previous financial year and new cases taken on as a result of apparent auditing irregularities identified in our proactive reviews of modified auditors' reports.

There is no doubt that the cases we are handling are increasing in both quantity and complexity. As a result, the FRC is expanding in terms of staff number. Our annual funding increased from HK\$10 million to HK\$16 million, enabling us to refine the organization structure of the Secretariat of the FRC. Over the year, we have appointed new Council members and a new Chief Executive Officer (CEO), as well as new members on our Advisory Panel and Financial Reporting Review Panel (FRRP). Without doubt, we have in place a strong team capable of meeting future challenges.

Strategic development

The objectives set out in the Strategic Plan 2010-2012 have been further developed and focus on four specific areas:

香港經濟在二零一零年整體表現持續向好。雖然年內仍受到外圍不明朗因素影響，當中以利率走勢及中美兩國就人民幣匯率問題的討論，最受市場關注。然而，投資者信心靠穩，而因二零零八年金融危機餘波所引發的企業倒閉事件，亦較預期為少。

過去一年，財務匯報局在處理投訴及主動審閱財務報表方面，工作量均有所增加。一方面，就上市公司財務報表發表的非無保留意見核數師報告數目輕微上升，加重了我們主動審閱方面的工作。另一方面，雖然我們今年接獲的投訴個案較去年為少，但截至年終，調查個案的數目卻倍增，當中包括上一年度開展的多宗大型個案，以及從主動審閱非無保留意見核數師報告的過程中，識別的多宗涉嫌有審計不當行為的新個案。

由於本局處理的個案數字有所上升，而所涉及的問題亦漸趨複雜，故此本局增聘了秘書處的人手。本局的年度撥款由港幣一千萬元增至港幣一千六百萬元，撥款的增加讓我們有足夠的資源來完善秘書處的組織架構。過去一年，本局委任了多位新成員和新行政總裁，而顧問團及財務匯報檢討委員會亦有新成員加入。本人深信，財務匯報局的資深專業團隊，面對未來種種挑戰，定能勝任。

策略性發展

我們在《2010年至2012年策略性計劃》中訂下的目標，均取得良好進展，當中主要針對下列四大工作範疇。

The combination of the FRC's strong working relationships and consultation processes involving other regulators ensures that our work is both complementary and productive. As a result, investor confidence is assured.

財務匯報局與各監管機構保持相互諮詢與協作，確保彼此的工作相輔相成，能夠發揮最大效益。我們這套合作模式，將會繼續為投資者帶來信心。

Sophia Kao *Chairman*

高靜芝 主席



Proactive regulation: We continue to identify issues of non-compliance through the review of modified auditors' reports. To enhance the effectiveness and the coverage of our review process, a new risk-based financial statements review programme was developed. This extends our original scope of work from January 2011 to include the review of financial statements with unqualified auditors' reports. While most of our cases will be selected as part of specific themes that we may be focusing on at the time, some of our cases will be selected randomly from any listed company.

Operational excellence: The success of the FRC's model for independent, proficient and impartial performance largely rests on our well-established procedures, which are regularly reviewed and developed. We will continue to enhance operational procedures to complement an extended scope of work, particularly in the context of the risk-based financial statements review programme and the implementation of a new scheme that allows Mainland incorporated companies listed in Hong Kong to prepare their financial statements using Mainland accounting standards and to engage the services of approved Mainland audit firms (Scheme). The Process Review Panel (PRP) undertook a review of our handling of cases for 2009 to ensure that actions taken and decisions made adhered to and were consistent with internal procedures and guidelines. The PRP targets to publish its annual report in March 2011.

Public engagement: We continue to build and maintain a strong affiliation with the accounting and auditing profession. This has been achieved through participation in local and international conferences, seminars and forums. A comprehensive corporate communications programme was developed to engage other stakeholders including listed companies, relevant regulators and members of the public. The programme includes presentations to listed companies and other professional bodies, radio advertising and regular communication with stakeholders through e-newsletters.

主動監管：我們繼續從審閱非無保留意見核數師報告中識別涉嫌有不遵從會計規定的事宜。為了提升審閱工作的成效和拓大審閱範圍，我們由二零一一年一月起推行新的根據風險抽查財務報表的審閱計劃。在新計劃下，本局的審閱範圍拓大至包括具有無保留意見核數師報告的財務報表。本局除了會因應當時定下的主題挑選財務報表，亦會隨機抽查任何上市公司的財務報表。

追求運作卓越：本局獨立、精湛和無私的運作模式卓有成效，這全賴我們定期檢討和改進運作程序，精益求精。財務匯報局亦將隨著工作範圍的拓大，尤其是在根據風險抽查財務報表的審閱計劃，以及在實施容許在香港上市的內地註冊公司採用內地會計準則制定財務報表和聘用內地認可的會計師事務所的計劃（認可計劃）方面，制定相應的運作程序。程序覆檢委員會亦已就財務匯報局於二零零九年處理的個案進行審閱，確保本局在採取行動及作出決定時，均遵照內部程序和指引。程序覆檢委員會預計於二零一一年三月發表其周年報告。

加強公眾參與：過去一年，我們透過參加本地及國際會議、研討會和論壇，與會計及審計專業人士保持緊密聯繫。我們亦制訂了一套機構傳訊計劃，與其他持份者如上市公司、相關監管機構及市民等溝通。計劃包括為上市公司及其他專業團體舉辦講座、以普羅市民為對象的電台宣傳，以及定期出版電子通訊與持份者保持溝通。

Independent audit oversight: The topic of independent audit oversight is fast gaining traction in Hong Kong. There is an active debate among the accounting and auditing profession and within the media on whether Hong Kong should adopt this practice. To obtain a better understanding of the latest development, the FRC has studied overseas independent audit oversight bodies in nine jurisdictions. We have compared functions as well as the degree of collaboration between audit oversight bodies and both domestic and international regulators. We will continue to monitor developments and provide information to the Government on trends and best practices. Meanwhile, as at the end of 2010, there were 12 listed companies audited by overseas auditors and this number is expected to rise. We will remain alert to any regulatory challenges which may arise in this regard. International regulatory collaboration and information sharing are important in the regulation of these companies. It is significant that the Public Company Accounting Oversight Board in the United States and the European Commission have been promoting information sharing and cooperation among regulators.

Collaboration with other regulators

The FRC is one of a number of regulatory authorities regulating Hong Kong listed companies and their auditors. To be effective, a clear understanding of roles is vital. For this reason, we maintain close communication with other regulatory organizations. I am pleased that the frequency of our inter-agency meetings has increased and we are refining ways in which we can coordinate reviews of financial statements. We have also explored the possibility of issuing joint publications and organizing joint seminars to enhance public education. It is also important that the FRC does not duplicate the work of other regulators. Through our strong working relationships and a process of consultation with all regulatory bodies, we ensure our work is complementary and productive. This template for cooperation will continue to inspire investor confidence.

The December 2010 announcement by the Hong Kong Exchanges and Clearing Limited of the implementation of the Scheme has a clear impact on our work. We will ensure that our operational teams are well-versed in Mainland accounting standards. It should be noted that these standards have substantially converged with International Financial Reporting Standards. By proactively drafting and signing the Memorandum of Understanding with the Ministry of Finance (MoF), we have established a system designed to foster cross-border cooperation on cases. The FRC and the MoF are developing detailed work processes and guidelines to implement the Scheme.

獨立審計監管：獨立審計監管的議題，近年在香港備受關注，會計界、審計界和傳媒，都對香港應否採納獨立審計監管進行積極的討論。為充分掌握全球審計監管的最新發展，財務匯報局對海外九個司法管轄區的獨立審計監管制度進行了一項研究，分別比較各地審計監管機構的職能及其與區內及國際監管部門之間的合作程度。我們將繼續關注日後的發展趨勢，適時向政府提供世界趨勢和最佳作業標準的資訊。於二零一零年底，本港共有十二家上市公司的財務報表是由海外核數師審計的，此數目預計將會繼續增加。我們會密切留意在監管方面可能會面對的挑戰。要有效監管這些公司，我們必須加強與國際監管機構的合作，保持資訊流通。美國上市公司會計監管委員會及歐盟委員會也一直提倡監管機構互相交流資訊和合作，以提升各地監管工作的成效。

與其他監管機構合作

財務匯報局是眾多監管香港上市公司及其核數師的機構之一，各機構的角色必須清晰分明，以令監管工作高效完善，我們亦因而經常與其他監管機構保持溝通。過去一年，我們不僅在與個別監管機構會晤的次數上有所增加，在改善審閱財務報表的協調安排方面亦有所進展。此外，我們亦有探討聯合出版刊物和協辦研討會的可行性，以推廣公眾教育。為免與其他監管機構的工作重疊，財務匯報局與各監管機構保持相互諮詢與協作，確保彼此的工作相輔相成，能夠發揮最大效益。我們這套合作模式，將會繼續為投資者帶來信心。

香港交易及結算所有限公司於二零一零年十二月宣佈實施的認可計劃，將對我們的工作產生一定影響。我們會確保本局的運作團隊熟悉與國際財務報告準則已大致上趨同的內地會計準則。我們亦已經與國家財政部簽訂了諒解備忘錄，訂立處理跨境個案的合作機制。財務匯報局現正與財政部商議詳細的工作程序和指引，為推行認可計劃作好準備。

Our team

I am immensely proud of the way our organization is evolving. We have a strong team of people and our ongoing professional development programmes ensure the quality of work remains at a distinctively high level. Throughout the past year, training programmes and overseas conferences have been used to keep staff abreast of the latest accounting and auditing standards and their implementation.

Three new Honorary Advisers, Mr. Nicholas Allen, Mr. Roger Best and Mr. Francis Ching, joined our Advisory Panel in August 2010. Together with Mr. Stephen Chang, this brings the number of our advisers to four. This highly experienced panel will continue to offer guidance in cases involving auditing irregularities.

As a result of the surge in the number of investigations handled during the year, we have hired consultants and employees on short-term contracts to cope with the increase in workload. A team has been formed to deal with the new risk-based financial statements review programme. We have also strengthened staff resources to handle a rapidly evolving corporate communications programme.

Acknowledgements

I have no doubt that the work of the FRC remains critical to the viability of Hong Kong as a global financial centre. In a year that has heralded changes and initiatives, I would like to record my appreciation of the efforts of our new CEO, Dr. P.M. Kam and his staff who, through their commitment to the FRC's goals, ensure we fulfil our statutory duties and deliver quality outcomes.

Council members have continued to actively participate in the Council's business during the year and, as an organization operating in a constantly evolving environment, we benefit from their wise counsel. Time and advice are also offered unstintingly by the members of our Advisory Panel and the FRRP.

It is this team of people – staff and advisers alike – that enables the FRC to undertake and successfully complete an extraordinary range of relevant investigations and enquiries.

我們的團隊

我對財務匯報局的發展感到非常自豪。我們擁有專業的團隊，並持續推行專業培訓發展計劃，以確保高水平的工作質素。去年，我們安排職員參加不少培訓課程及海外會議，讓他們瞭解會計及審計準則的最新發展，以及新準則的實施情況。

去年，有三位新名譽顧問加入本局。聶雅倫先生、路沛翹先生及程國豪先生均於二零一零年八月履任，連同張祖同先生，本局的顧問團成員人數增至四人。各位顧問都是經驗豐富的業界精英，今後將繼續就涉及審計不當行為的個案，提供專業意見。

由於年內調查個案數目大幅增加，我們增聘了數名短期合約顧問及職員，以應付額外的工作量。我們並成立一專責小組，以處理新的根據風險抽查財務報表的審閱計劃。我們亦同時調配更多人力資源，推行在快速發展中的機構傳訊項目。

致謝

我深信，香港要維持全球金融中心的地位，財務匯報局的工作委實不可或缺。過去一年，本局有賴各方攜手努力，作出了不少革新，也推行了不少新措施。我謹在此向新任行政總裁甘博文博士和他屬下各同事致謝，感謝他們努力不懈，矢志實現財務匯報局的目標，確保我們妥善履行法定職責，取得滿意的工作成果。

財務匯報局成員年內一直全情投入本局工作，面對瞬息萬變的環境，他們睿智的指導，使我們獲益良多。顧問團和財務匯報檢討委員團亦為本局事務盡心盡力，獻出寶貴時間和意見，我謹此向他們致以謝忱。

全賴這些表現出色的同事及顧問團隊，財務匯報局方能順利完成各項職務，以及妥善處理各宗調查與查訊個案。



Sophia Kao 高靜芝
Chairman 主席

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

The strength of the Financial Reporting Council (FRC) is largely based on the operational and administrative systems that have developed over the past years. This is a credit to my immediate predecessor Mr. M.T. Shum and enables us, as a regulatory organization, to handle the challenges of the Hong Kong marketplace with confidence.

2010 marks an increasingly busy period for the FRC. I am pleased to report that we have made tremendous progress across key areas of our expanding mandate.

Operational review

Review of complaints

During 2010, we received nine complaints, of which three came from members of the public, while six were lodged by other regulators and law enforcement agencies. Of these complaints, two related to auditing or reporting irregularities and seven involved both auditing irregularities and non-compliance with accounting requirements. The FRC deals with each complaint professionally and within the parameters of established policies and procedures. By the end of 2010, two cases were still under review and both of them were less than six months old.

Review of modified auditors' reports

During the year under review, 142 modified auditors' reports were published. This number means that approximately 10% of the auditor's reports on financial statements of Hong Kong listed companies in 2010 were modified.

All modified auditors' reports issued in 2010 were screened by the FRC. Out of all these reports, 54% related to emphasis of matter with no apparent non-compliance with accounting requirements, whilst 46% contained a qualified opinion or a disclaimer of opinion. Approximately 28% of all modified auditors' reports issued involved insufficient information and 10% related to the lack of proper books and records. We are of the view that some of these qualifications can be eliminated through early communication and discussion involving the auditors, the audit committees and company management to enable a better understanding of the accounting issues. Sufficient time must also be allowed so that the required information can be gathered.

財務匯報局於過去數年建立了完善的運作及行政管理體系，作為我們穩健的磐基。這份成果有賴前任行政總裁沈文燾先生領導有方，讓本局能滿懷信心履行監管職責和面對香港市場的種種考驗。

財務匯報局於二零一零年的工作非常繁忙，然而本人欣然匯報，本局在各項擴展中的主要工作領域，均有莫大的進展。

運作檢討

投訴審閱

本局於二零一零年接獲了九宗投訴個案，其中三宗是公眾人士投訴，六宗來自其他監管機構及執法部門。在這些投訴中，兩宗涉及審計或匯報不當行為，七宗則同時涉及審計不當行為和不遵從會計規定。財務匯報局秉持專業態度，按照既定政策與程序處理每宗投訴。於二零一零年底，有兩宗投訴仍在審閱中，兩宗投訴距接獲時間均不到六個月。

審閱非無保留意見核數師報告

在二零一零年發表的非無保留意見核數師報告，共一百四十二份，此反映約百分之十的香港上市公司財務報表的核數師報告均具有非無保留意見。

本局審閱了所有於二零一零年發表的非無保留意見的核數師報告，其中百分之五十四只涉及重點事項，並無明顯不遵從會計規定，而百分之四十六則涉及保留意見或不發表意見。約百分之二十八的非無保留意見核數師報告涉及資料不足，而百分之十則與不備存妥善的賬目及記錄有關。本局認為，在一些個案中，核數師、審計委員會及公司管理層若能及早互相溝通磋商，或能令各方對有關會計問題加深了解，從而可避免出具非無保留意見的情況。此外，審計時必須預留充裕時間予核數師，以便收集所需資料。

This is my first Annual Report during my tenure as the CEO of the FRC, my work in the coming years is anticipated to be challenging with the widened scope of our review work and the changing regulatory environment.

這是本人出任財務匯報局行政總裁後的首份年報。隨著本局擴大了主動審閱財務報表的工作範圍，以及監管環境不時轉變，本人預計未來的工作將會充滿挑戰性。

P.M. Kam *Chief Executive Officer*
甘博文 行政總裁



We have identified five cases of potential non-compliance with accounting requirements and two cases with both non-compliances and auditing irregularities, which resulted in the initiation of one enquiry and two investigations. In all other cases, we advised the listed companies and the auditors of the review findings and suggested improvement measures or referred the cases to other regulators for possible follow-up action. By the end of 2010, five modified auditors' reports were still under review.

New risk-based financial statements review programme

The FRC has widened its scope of review in this area with the introduction of a new risk-based financial statements review programme which will come into effect in January 2011. As a result, in addition to reviewing issues identified in modified auditors' reports, the FRC will also perform comprehensive review of entire sets of financial statements selected from various categories. Financial statements with modified auditors' reports and those with alleged non-compliance with accounting requirements or auditing irregularities based on news from the media are two of the categories. We will also select financial statements of newly listed companies and companies which have changed auditors for review. Certain financial statements will be selected for review based on a specific accounting theme or an industry focus.

Under this review programme, any listed company can be selected for review. For the 2011 operational year, we expect to review the financial statements of approximately 5% of the listed companies.

Investigations

In August 2010, the FRC published its second investigation report in relation to the audit of the consolidated financial statements of a listed company. This investigation was initiated in September 2009. Based on its findings, the FRC's Audit Investigation Board has expressed the view that the auditor should have modified the audit opinion in its report in accordance with the relevant auditing and assurance requirements, given the non-compliance with accounting requirements in the financial statements of the listed company. The non-compliances identified included the non-disclosure of a description of the factors that contributed to a cost that results in the recognition of goodwill, the non-recognition of deferred tax liabilities on taxable temporary

本局界定了五宗涉嫌沒有遵從會計規定事宜的個案，以及兩宗涉嫌同時有不遵從會計規定事宜及審計不當行為的個案，因而展開了一宗查訊和兩宗調查。至於其他個案，本局已向相關上市公司及核數師傳達審閱結果，並提供改善建議，又或已經向其他監管機構轉介個案。於二零一零年底，有五份非無保留意見核數師報告仍在審閱中。

新推行根據風險抽查財務報表的審閱計劃

財務匯報局將於二零一一年一月擴大主動審閱財務報表方面的工作範圍，推行根據風險抽查財務報表的審閱計劃。根據此項新計劃，本局除了審閱非無保留意見核數師報告中提及的事項外，亦會甄選指定類型的財務報表進行全面審閱，當中具有非無保留意見核數師報告的財務報表，以及根據傳媒報導被指控涉嫌沒有遵從會計規定或有審計不當行為的財務報表是其中兩類。此外，本局亦會篩選新上市公司及更換核數師的公司的財務報表進行審閱，另外，本局亦會根據個別會計主題或行業，選閱某些財務報表。

根據這套審閱計劃，任何上市公司的財務報表均有可能被選中審閱。本局預計二零一一年會審閱約百分之五的上市公司的財務報表。

調查

於二零一零年八月，本局發表了第二份調查報告，該調查與一家上市公司綜合財務報表的審計有關。調查工作於二零零九年九月展開。本局的審計調查委員會已根據調查結果發表意見，認為該核數師應根據有關審計和鑒證規定，就上市公司的財務報表的不遵從會計規定事宜出具非無保留意見核數師報告。該財務報表的不遵從事宜，包括沒有披露構成成本導致確認商譽的因素，沒有就所收購子公司無形資產的公允價值調整而產生的應稅暫時性差異確認遞延稅項負債，以及誇

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

differences arising from fair value adjustments on the intangible assets of subsidiaries acquired, and the overstatement of impairment loss on goodwill in the financial statements of the listed company. The investigation report was referred to the Hong Kong Institute of Certified Public Accountants in August 2010.

By the end of 2010, seven investigations were in progress. Three were initiated at the end of 2009 whilst the other four were initiated during 2010. The majority of these investigations will be completed in 2011.

Enquiries

In March 2010, we published a report of an enquiry conducted after potential non-compliance issues were identified during our review of modified auditors' reports. The enquiry was in relation to the measurement of the value in use of, and the impairment loss in relation to, certain assets in the listed company's financial statements. The value-in-use calculations were not performed in accordance with the relevant financial reporting standards. The FRC had written to the listed company requesting it to revise the value-in-use calculations and the listed company made prior year adjustment in its subsequent financial statements. This is a clear reflection of the FRC's role in helping to uphold financial reporting standards in Hong Kong.

Two enquiries were initiated in November 2010 and, at the end of 2010, both remained in progress.

Interaction with Mainland authorities

The Chairman has reported that Mainland and Hong Kong regulators have jointly developed a scheme to provide Mainland incorporated companies listed in Hong Kong with the option to prepare their financial statements using Mainland accounting standards and have them audited by approved Mainland audit firms using Mainland auditing standards (Scheme).

The Scheme was developed on the basis that accounting and auditing standards for business enterprises in the Mainland have now substantially converged with the financial reporting and auditing standards of Hong Kong. Following the introduction of the Scheme, financial statements prepared in accordance with Chinese Accounting Standards for Business Enterprises are now subject to the FRC's proactive review under its risk-based review programme. FRC signed a Memorandum of Understanding with the Ministry of Finance (MoF) in 2009, which established a framework for investigative cooperation. The FRC could investigate, through the MoF, potential auditing irregularities in relation to Mainland auditors of Hong Kong listed companies. As a result, we anticipate increased interaction with the Mainland authorities in the exchange of views and knowledge. This will, in turn, enhance cross-border audit oversight and ensure that audit firms serving listed issuers are competent in providing audit services.

Financial review

For the 2010 financial year, the annual contribution from the four funding parties was increased to HK\$16 million. Compared with a deficit of

大了商譽減值虧損。財務匯報局已於二零一零年八月將調查報告轉介予香港會計師公會。

截至二零一零年底，本局共有七宗在查個案，其中三宗於二零零九年底展開，其餘四宗則是於二零一零年展開。這些個案的調查工作，大部分均會於二零一一年完成。

查訊

本局於二零一零年三月發表了一項查訊報告，這宗查訊是於本局審閱非無保留意見核數師報告時發現涉嫌有不遵從會計規定事宜而展開的。這宗查訊涉及上市公司財務報表中某些資產的使用價值計量及減值損失。該使用價值的計算，並未依照有關財務報告準則進行。財務匯報局已致函上市公司，要求對該使用價值計算作出修訂，而上市公司在其後發表的財務報表，亦已作出前期調整。這宗個案充分顯出財務匯報局在維持香港財務匯報水平方面，擔當重要角色。

本局於二零一零年十一月展開兩宗查訊。截至二零一零年底，此兩宗查訊仍在進行中。

與內地部門相互合作

誠如主席提及，內地與香港監管機構攜手制定了一套認可計劃，容許在香港上市的內地註冊公司，選擇採用內地會計準則編制財務報表及聘用認可的內地會計師事務所採用內地審計準則審核財務報表(認可計劃)。

這項認可計劃是基於內地會計及審計準則已大致與香港財務報告及審計準則趨同而制定。隨著這套計劃出台，財務匯報局會透過根據風險抽查財務報表的審閱計劃，主動審閱根據中國企業會計準則編製的財務報表。本局於二零零九年與財政部簽訂了諒解備忘錄，確立兩地在調查工作上的合作框架。財務匯報局可透過財政部，調查涉及香港上市公司所聘用的內地核數師的涉嫌審計不當行為。因此，本局預計日後會與內地各部門加強聯繫，積極交流意見和專業知識。雙方緊密的溝通，不僅能促進對跨境審計的監察，亦可確保上市發行人的核數師事務所，能勝任地提供審計服務。

財務檢討

於二零一零年財政年度，四個資助機構向本局每年投入的資金增至一千六百萬港元。財務匯報局

approximately HK\$50,000 in 2009, the FRC recorded a surplus of HK\$4.2 million in 2010. There was an increase in interest income of HK\$0.2 million, mainly due to improved management of time deposits. Total expenditure for the year stood at HK\$12.0 million (2009: HK\$10.1 million). The major expenditure items were staff costs of HK\$10.6 million (2009: HK\$8.8 million) and legal and professional fees of HK\$0.6 million (2009: HK\$0.4 million). The increase in staff cost was attributable to the addition of new staff and an annual pay adjustment. The accumulated surplus as at 31 December 2010 was HK\$31.5 million (2009: HK\$27.3 million).

Staff training and development

Staff professional development is critical to the organization's ability to meet the changing demands of its regulatory role. As a result, we continue to ensure that team members are familiar with the latest developments in accounting and auditing practice as well as changes to the regulatory framework within which we operate. In 2010, internal workshops and international forums have been the key medium for training. We have also conducted a number of industry-focused technical training sessions for our staff. I am confident that we have the expertise, understanding and the team culture necessary to operate effectively.

I also firmly believe that a stable and competent team is a prerequisite for outstanding performance. We have developed a system that focuses on the maintenance of a viable work-life balance to attract and retain talent. The FRC is proud that it is regarded as a family-friendly employer. We have also continued to promote a green workplace and to use resources efficiently. This includes printing key documents such as our Annual Report on recycled paper and using air conditioners and lighting systems with care.

Acknowledgements

This is my first Annual Report during my tenure as the Chief Executive Officer of the FRC and I thank all colleagues for their generous support. I would also like to express my appreciation to the Chairman and Council Members, our Honorary Advisers, and members of the Financial Reporting Review Panel and Process Review Panel. Their wise guidance and professional advice has enhanced the standard of our work.

As a regulatory organization, the FRC will, in the broader interests of Hong Kong, continue to verify and validate, challenge and question. This is the nature of our work and I am confident that we have the policies and the resources in place to deliver effective outcomes.

於二零一零年錄得四百二十萬港元盈餘(二零零九年虧絀約五萬港元)。利息收入增加了二十萬港元，主要是由於定期存款得到更佳的管理。年內開支總額為一千二百萬港元(二零零九年：一千零一十萬港元)，主要開支項目為員工成本一千零六十萬港元(二零零九年：八百八十萬港元)，以及法律及專業費用六十萬港元(二零零九年：四十萬港元)。員工成本增加，主因是增聘新僱員和每年薪酬調整。截至二零一零年十二月三十一日，本局的累積盈餘為三千一百五十萬港元(二零零九年：二千七百三十萬港元)。

僱員培訓與發展

面對對監管角色不斷變化的需求，本局認為，僱員的專業發展是讓本局能完成工作使命的關鍵。因此，本局積極為僱員提供培訓，確保他們能夠掌握最新的會計及審計作業標準，以及監管架構上的任何變化。於二零一零年，本局安排僱員參加了多個內部工作坊及國際論壇。與此同時，本局亦舉辦了多次針對個別行業的技術培訓課程予僱員參加。本局深信，憑着本局僱員的專業知識和團隊文化，本局能一直保持有效的運作。

同樣，本局亦深信，要有傑出表現，一支穩定而能幹的團隊是先決條件。因此，本局制訂了一套促進僱員平衡工作與生活的良好制度，以吸引和挽留人才。財務匯報局廣被視為關愛僱員家庭生活的僱主，對此本局深感自豪。與此同時，本局也努力推廣環保綠色工作間的概念，善用資源，包括採用再造紙印製年報等重要文件，以及謹慎使用冷氣和照明系統。

致謝

這是本人擔任財務匯報局行政總裁的首份年度報告。我謹在此向全體同事致謝，同時感謝主席、財務匯報局成員、名譽顧問、財務匯報檢討委員會成員及程序覆檢委員會成員的悉心指導及寶貴意見，讓本局能不斷提升工作水平。

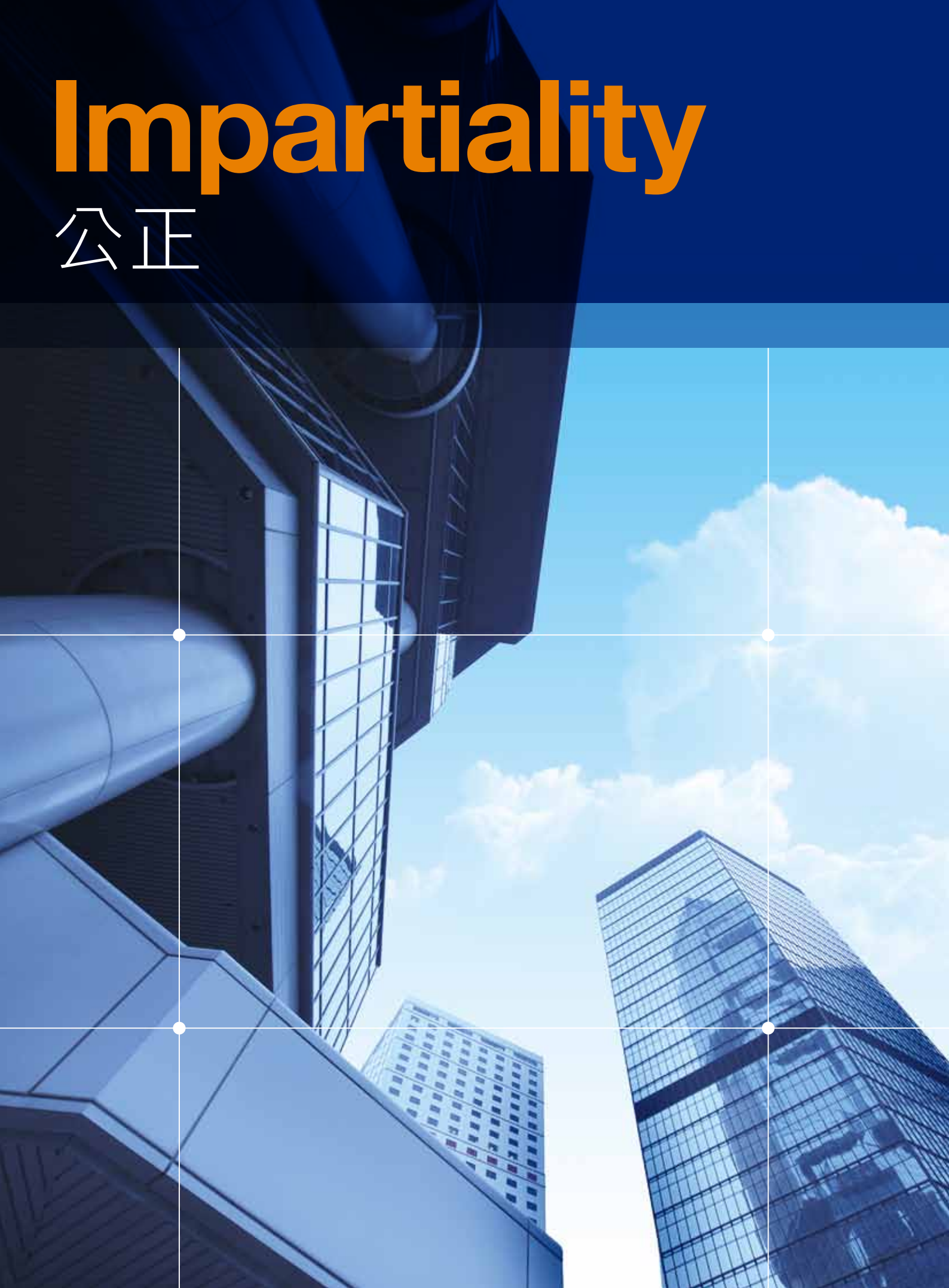
作為監管機構，財務匯報局以香港廣大市民的利益為依歸，並繼續以核實、求證和質疑的態度緊守崗位。本局深信，憑藉優良的政策和資源，本局的工作定必繼續取得豐碩成果。

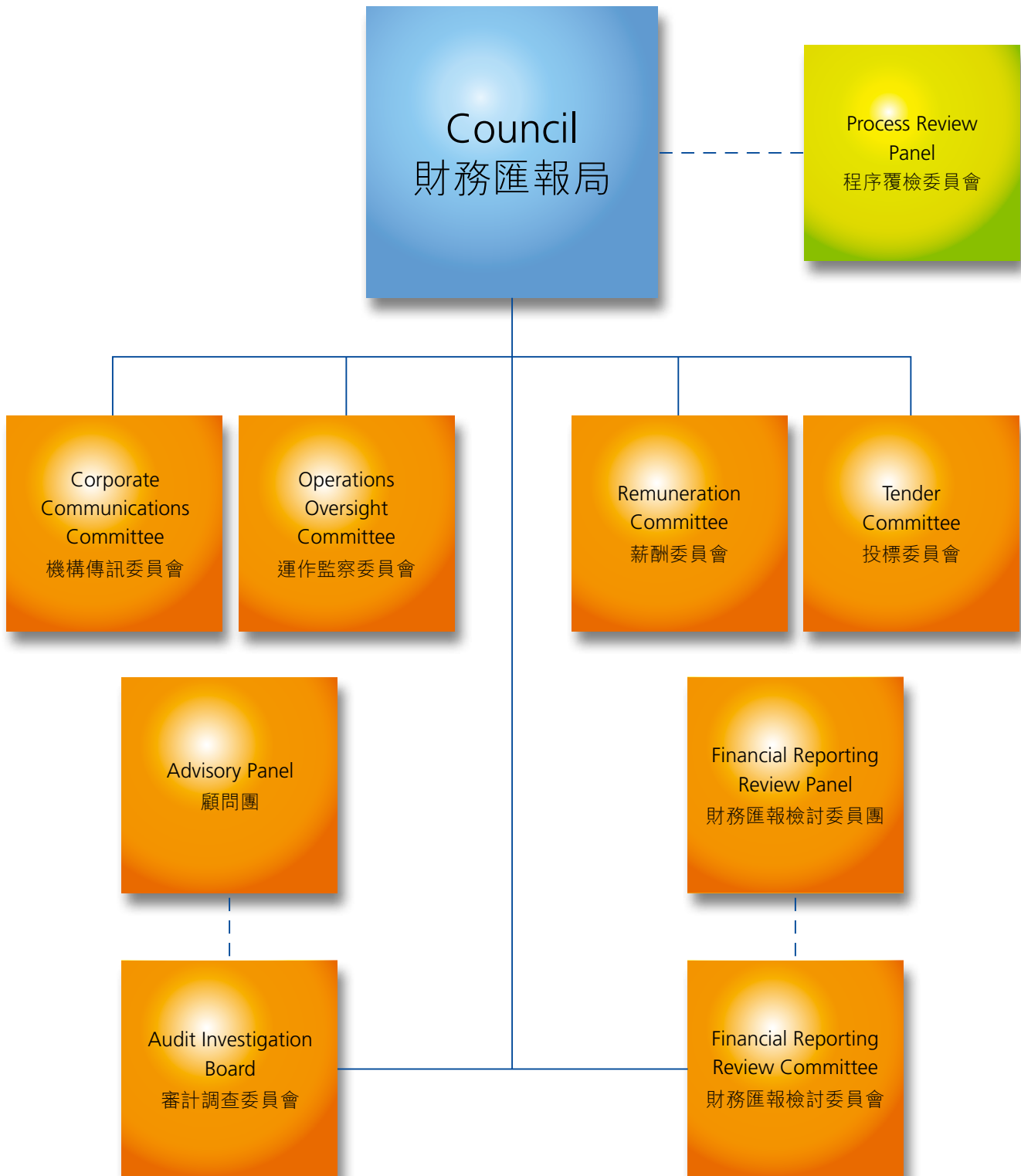


P.M. Kam 甘博文
Chief Executive Officer 行政總裁

Impartiality

公正





FRC MEMBERS

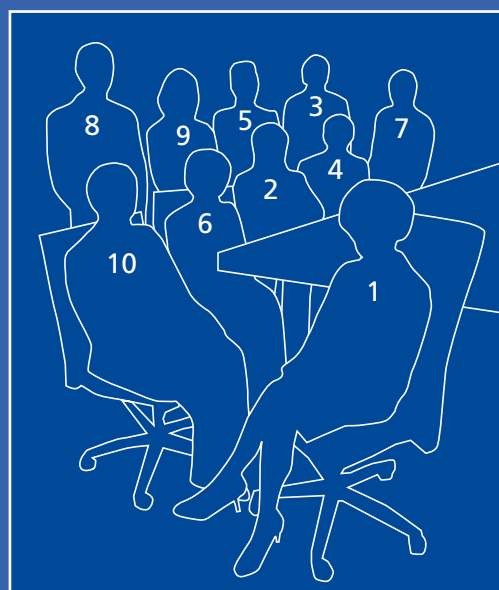
財務匯報局成員

Chairman 主席

- 1 Ms. Sophia Kao, S.B.S., J.P.
高靜芝女士, S.B.S., J.P.

Members 成員

- 2 Mr. Moses Cheng, G.B.S., J.P.
鄭慕智先生, G.B.S., J.P.
- 3 Mr. Chew Fook Aun
周福安先生
- 4 Mr. Martin Hadaway, J.P.
夏德威先生, J.P.
- 5 Mr. Edward Kwan
關百忠先生
- 6 Hon. Mrs. Sophie Leung, G.B.S., J.P.
梁劉柔芬議員, G.B.S., J.P.
- 7 Mr. Albert Li
李國基先生
- 8 Mr. Michael Scales
施米高先生
- 9 Ms. Ada Chung, J.P. (ex-officio)
鍾麗玲女士, J.P. (當然成員)
- 10 Dr. P.M. Kam (ex-officio)
甘博文博士 (當然成員)





FRC Members

財務匯報局成員

Chairman

Ms. Sophia Kao, S.B.S., J.P.

(From 1 December 2006. Current appointment expires on 30 November 2012.)

Ms. Kao possesses rich experience in human resources management, and was a lay member of the council of the Hong Kong Institute of Certified Public Accountants (HKICPA) from December 2004 to November 2006. She is now the chairperson of the Women's Commission.

Members

Mr. Moses Cheng, G.B.S., J.P.

(Appointed on 1 December 2006 on nomination of the Hong Kong Exchanges and Clearing Limited (HKEx). Current appointment expires on 30 November 2012.)

Mr. Cheng is the senior partner of PC Woo & Co. He is a director of the HKEx and has extensive experience in the Listing Committee of The Stock Exchange of Hong Kong Limited.

Mr. Chew Fook Aun

(Appointed on 1 December 2009 on nomination of the HKICPA. Current appointment expires on 30 November 2012.)

Mr. Chew is an executive director and the group chief financial officer of Esprit Holdings Limited. He has over 25 years of experience in accounting, auditing and finance in the United Kingdom and Hong Kong. He was a vice president and a former council member of the HKICPA. He is a certified public accountant and a fellow member of the Institute of Chartered Accountants in England and Wales and of the HKICPA. Mr. Chew is a member of the advisory committee of the Securities and Futures Commission (SFC), the corruption prevention advisory committee of the Independent Commission Against Corruption and the standing committee on company law reform of the Hong Kong Companies Registry.

Mr. Martin Hadaway, J.P.

(From 1 December 2006. Current appointment expires on 30 November 2012.)

Mr. Hadaway was formerly the chief executive of Gammon Construction Limited and is presently the chief executive of Asia Clean Capital. He is a fellow of the Hong Kong Institution of Engineers and a member of the Chartered Institute of Building.

Mr. Edward Kwan

(From 1 December 2009. Current appointment expires on 30 November 2012.)

Mr. Kwan was formerly the chief executive officer of HSBC Broking Services (Asia) Limited. He is presently a member of the Securities and Futures Appeals Tribunal and the Hong Kong Scout Foundation Management Committee, and a fellow member of the Hong Kong Securities Institute. He is also the honorary treasurer of the Hong Kong Federation of Youth Groups.

主席

高靜芝女士, S.B.S., J.P.

(由二零零六年十二月一日起, 現任至二零一二年十一月三十日屆滿。)

高女士擁有豐富的人事管理經驗, 並曾於二零零四年十二月至二零零六年十一月出任香港會計師公會理事會的業外成員。她現任婦女事務委員會主席。

成員

鄭慕智先生, G.B.S., J.P.

(於二零零六年十二月一日由香港交易及結算所有限公司(港交所)提名委任。現任至二零一二年十一月三十日屆滿。)

鄭先生是胡百全律師事務所的首席合夥人, 也是港交所的董事, 並就香港聯合交易所有限公司上市委員會的事務擁有豐富經驗。

周福安先生

(於二零零九年十二月一日由香港會計師公會提名委任。現任至二零一二年十一月三十日屆滿。)

周先生是思捷環球控股有限公司的執行董事及集團財務總裁。他在英國和香港擁有逾二十五年的會計、審計及金融經驗。他曾任香港會計師公會副會長及理事會成員。周先生是一名會計師, 並為英格蘭和威爾斯特許會計師公會及香港會計師公會的資深會員。周先生是證券及期貨事務監察委員會(證監會)諮詢委員會、廉政公署防止貪污諮詢委員會, 及香港公司註冊處公司法改革常務委員會的成員。

夏德威先生, J.P.

(由二零零六年十二月一日起, 現任至二零一二年十一月三十日屆滿。)

夏德威先生曾任金門建築有限公司的行政總裁, 現任Asia Clean Capital的行政總裁。他是香港工程師學會資深會員和英國特許建造學會會員。

關百忠先生

(由二零零九年十二月一日起, 現任至二零一二年十一月三十日屆滿。)

關先生曾任匯豐金融服務(亞洲)有限公司行政總裁。他現為證券及期貨事務上訴審裁處及香港董軍基金管理委員會成員, 以及香港證券專業學會資深會員。他亦是香港青年協會理事會的義務司庫。

Hon. Mrs. Sophie Leung, G.B.S., J.P.

(From 1 December 2006. Current appointment expires on 30 November 2012.)

Mrs. Leung is a member of the Legislative Council representing the Textile and Garment constituency and the chairperson of The Young Entrepreneurs Development Council.

Mr. Albert Li

(From 1 December 2009. Current appointment expires on 30 November 2012.)

Mr. Li is a certified public accountant. He was formerly a partner of KPMG Hong Kong and his main responsibilities were technical advisory and audit. He had served as an Honorary Adviser of the Financial Reporting Council (FRC).

Mr. Michael Scales

(Appointed on 19 January 2009 on nomination of the SFC. Current appointment expires on 30 November 2012.)

Mr. Scales was the corporation secretary of The Hongkong and Shanghai Banking Corporation Limited until May 2010. He served as a member of the Standing Committee on Company Law Reform, SFC Share Registrars Disciplinary Committee and SFC Dual Filing Advisory Group. He is presently a director and honorary secretary of the Ebenezer School and Home for the Visually Impaired.

Ms. Ada Chung, J.P. (ex-officio)

(From 1 October 2007.)

Ms. Chung, the Registrar of Companies, is a certified public accountant and a barrister-at-law. As a representative of the Financial Secretary, Ms. Chung is an ex-officio council member of the HKICPA. She is also a fellow of the Hong Kong Institute of Chartered Secretaries and the Hong Kong Institute of Directors. Before her appointment as the Registrar in August 2007, she was a Deputy Law Officer of the Department of Justice.

Dr. P.M. Kam, (ex-officio)

(From 1 April 2010. Current appointment expires on 31 March 2013.)

Dr. Kam is the Chief Executive Officer (CEO) of the FRC. He is a certified public accountant and was the group financial controller of Jardine Matheson Limited. Dr. Kam is currently a member of the IFRS Advisory Council of the International Accounting Standards Board. He was the president of the then Hong Kong Society of Accountants (now renamed the HKICPA) in 1999 and 2000.

Mr. M.T. Shum, S.B.S. (ex-officio)

(From 1 February 2007 to 31 January 2010.)

Mr. Shum was the CEO of the FRC and retired on 1 February 2010. He is a certified public accountant and was the Director of Accounting Services from February 1999 to October 2003. He served as an ex-officio council member of the then Hong Kong Society of Accountants (now renamed the HKICPA) for over four years.

梁劉柔芬議員, G.B.S., J.P.

(由二零零六年十二月一日起，現任至二零一二年十一月三十日屆滿。)

梁女士是代表紡織及製衣界的立法會議員及青年企業家發展局主席。

李國基先生

(由二零零九年十二月一日起，現任至二零一二年十一月三十日屆滿。)

李先生是一名會計師。他曾任香港畢馬威會計師事務所合夥人，主要工作範疇為執業技術及審計，他並曾擔任財務匯報局顧問團成員。

施米高先生

(於二零零九年一月十九日由證監會提名委任。現任至二零一二年十一月三十日屆滿。)

施米高先生曾任香港上海滙豐銀行有限公司的公司秘書(至二零一零年五月退休)。他曾出任公司法改革常務委員會、證監會股份登記機構紀律委員會和證監會雙重存檔事宜顧問小組成員。他現任心光盲人院暨學校董事及義務秘書。

鍾麗玲女士, J.P. (當然成員)

(由二零零七年十月一日起。)

鍾女士為公司註冊處處長，是一名會計師及大律師。鍾女士以財政司司長代表的身份，出任香港會計師公會理事會當然成員。她亦是香港特許秘書公會及香港董事學會的資深會員。鍾女士於二零零七年八月獲委任為處長前，為律政司副民事法律專員。

甘博文博士 (當然成員)

(由二零一零年四月一日起，現任至二零一三年三月三十一日屆滿。)

甘博士是財務匯報局的行政總裁。他是一名會計師，曾任怡和管理有限公司集團財務總監。甘博士現為國際會計準則理事會國際財務報告準則顧問委員會的成員。他曾於一九九九年及二零零零年出任香港會計師公會會長。

沈文燾先生, S.B.S. (當然成員)

(由二零零七年二月一日起至二零一零年一月三十一日止。)

沈先生曾任財務匯報局行政總裁，於二零一零年二月一日起退休。他是一名會計師，曾於一九九九年二月至二零零三年十月期間出任庫務署署長。他曾為香港會計師公會理事會當然成員超過四年。



Integrity

誠信

The Financial Reporting Council (FRC) has continued to strengthen a comprehensive framework of guidelines and procedures to support its corporate governance policies. This framework promotes integrity, proficiency, independence, impartiality, accountability and transparency. To ensure that each of these goals is achieved, we have put in place a clearly defined structure of governance that provides our governing Council, its committees and the Secretariat of the FRC (Secretariat) a clear oversight of control processes and operational management.

Over the past three years, we have developed a system of independent checks and balances on the work we undertake. This, together with a recognized code of conduct and reliable internal controls and processes, guarantees that our cases are handled professionally and in a principled manner. In addition, we have committed to corporate communications practices that cover the timely sharing of information.

In a move to remain at the forefront of corporate governance, we have adopted the best practices issued by the International Federation of Accountants and drafted specifically for governance within the public sector.

Going forward, with the scheme that allows Mainland incorporated companies listed in Hong Kong to prepare their financial statements using Mainland accounting standards and to engage the services of approved Mainland audit firms becoming effective in December 2010, we will be increasing our cooperation and exchanges with the Ministry of Finance (MoF). It is expected that our procedures in relation to cross-border mutual assistance with the MoF will be further enhanced to ensure the effectiveness and efficiency of our oversight function in this area.

The Council

The FRC is governed by Members of the FRC who operate as a Council. There are currently 10 Members, the majority of whom, including the Chairman, are non-accounting professionals as required by the Financial Reporting Council Ordinance (FRC Ordinance). Eight of the 10 Council Members are appointed by the Chief Executive of the Hong Kong Special Administrative Region. Three of these appointed members are nominated by The Hong Kong Exchanges and Clearing Limited (HKEx), the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Securities and Futures Commission (SFC). Both the Registrar of Companies, or her representative, and the FRC's Chief Executive Officer (CEO) are ex-officio members of the Council. The membership composition, with a majority of laypersons, ensures the independence of the Council in carrying out its important functions.

Our CEO's appointment by Government is based upon the recommendation of the Council. We applied a highly professional process to identify and appoint our new CEO in early 2010. The CEO and his Secretariat successfully manage the operations of the FRC and provide comprehensive information to Council Members who provide directives to the CEO and the Secretariat and observe the performance of the organization's statutory functions.

The Council meets once every two months and holds additional meetings as and when necessary to deliberate upon and reach decisions about important policies and strategies. It also resolves matters by circulation of papers. The Council held seven meetings in 2010 and the proceedings of meetings were

財務匯報局透過不斷改進指引和程序架構，以協助機構管治政策的實施。這套架構可提升本局運作的誠信、效率、獨立性、公平性、問責性及透明度。為確保能達成上述各項目標，財務匯報局設立了一套清晰明確的管治制度，讓財務匯報局成員、委員會及秘書處能就控制程序及運作管理作出有效的監察。

過去三年，本局已就日常運作建立了一套完善的制衡機制。這套機制配合經認可的操守準則和可靠的內部控制與程序，確保財務匯報局能以專業的手法，堅守原則地處理所有個案。此外，本局亦堅持透過機構傳訊的溝通渠道，適時與大眾分享資訊。

為保持卓越的機構管治質素，本局已採納國際會計師聯合會專為促進公營機構管治水平所發表的最佳作業標準。

隨著在香港上市的內地註冊公司採用內地會計準則編制財務報表以及聘用認可的內地會計師事務所的計劃於二零一零年十二月正式生效，本局將加強與財政部的合作和交流。本局預期將會進一步加強與財政部的跨境互助程序，確保本局監察工作的效益及效率。

財務匯報局成員

財務匯報局成員負責監管財務匯報局的運作，目前成員數目為十人。根據《財務匯報局條例》規定，包括主席在內的大部分成員，均須為非會計專業人士。十位成員當中，八人由香港特別行政區行政長官委任，被委任的成員當中，其中三位成員分別由香港交易及結算所有限公司（港交所）、香港會計師公會及證券及期貨事務監察委員會（證監會）提名。本局另有兩名當然成員，分別為公司註冊處處長或其代表，以及本局的行政總裁。財務匯報局成員大部分均為非會計專業人士，以確保本局履行重要職能時，能保持獨立客觀。

財務匯報局的行政總裁是由政府根據本局成員的建議而任命的。二零一零年初，本局透過專業的程序甄選及委任了新行政總裁。行政總裁及其屬下的秘書處負責財務匯報局的日常運作，並向財務匯報局成員匯報工作詳情。本局成員則負責向行政總裁及秘書處發出指引，並監察秘書處執行法定職能的績效。

財務匯報局成員每兩個月舉行一次會議，並會按需要而召開額外會議，商討重要政策和策略，此外成員亦會以書面傳閱方式進行議決。本局於二零一零年共舉行過七次會議。會議的議程

set out under the FRC Ordinance. The financial statements of the Council and progress reports on cases are also submitted to the Council for information and review at the meetings. The format of progress reports was amended to include a chronology of each case such that Council Members could have a better understanding of the progress of each case.

已於《財務匯報局條例》中列明。本局的財務報表及個案進度報告均於會上呈呈，以供成員參考及審閱。進度報告的格式於年內曾作修改，增設每宗個案的時序，讓成員能充分掌握每宗個案的進展。

Number of meetings	會議次數	7	
Ms. Sophia Kao, S.B.S., J.P. (Chairman)	高靜芝女士, S.B.S., J.P. (主席)	7 / 7	100%
Mr. Moses Cheng, G.B.S., J.P.	鄭慕智先生, G.B.S., J.P.	4 / 7	57%
Mr. Chew Fook Aun	周福安先生	6 / 7	86%
Mr. Martin Hadaway, J.P.	夏德威先生, J.P.	5 / 7	71%
Mr. Edward Kwan	關百忠先生	7 / 7	100%
Hon. Mrs. Sophie Leung, G.B.S., J.P.	梁劉柔芬議員, G.B.S., J.P.	6 / 7	86%
Mr. Albert Li	李國基先生	7 / 7	100%
Mr. Michael Scales	施米高先生	5 / 7	71%
Ms. Ada Chung, J.P. or her representative (ex-officio)	鍾麗玲女士, J.P. 或其代表 (當然成員)	7 / 7	100%
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或張慧敏女士(當然成員)(註)	7 / 7	100%
Average attendance at meetings	平均會議出席率	87%	

Note: Mr. M.T. Shum retired as CEO with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

Council Members are legally bound to declare any interest they may have in a case. During 2010, we reviewed our procedures in relation to the declaration of conflict of interest and refined our policy regarding cases referred by the HKEx, the HKICPA and the SFC. It was concluded that Council Members who were present during the deliberation by these organizations, or took part in any decision of these organizations, with respect to the referral of cases to the FRC, would be regarded as having interest in the case. These Council Members could 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 matter in accordance with the FRC Ordinance.

根據法律規定，財務匯報局成員需就個別個案可能擁有的利益作出申報。在二零一零年，本局對有關申報利益衝突的程序作出檢討，並修改了有關港交所、香港會計師公會及證監會轉介個案的政策。本局決定，財務匯報局成員如在上述機構審議是否轉介個案到本局時在場，又或曾參與該機構的有關決策，將一律被界定為有利益衝突。根據《財務匯報局條例》，該成員不能就有關個案(甲)出席本局任何審議環節；(乙)參與本局任何決定；或(丙)獲得任何有關文件。

Committees have been established to advise the Council in specific areas including staff remuneration, corporate communications, procurement and operational matters whilst ensuring that the Council itself retains overall understanding and control. During the year, the name of the Operations Committee was changed to Operations Oversight Committee (OOC) to better reflect its responsibilities in providing oversight and direction to the Secretariat in the handling of cases. Moreover, the OOC's involvement in providing advice on cases has increased. In addition to providing comments on draft investigation and enquiry reports, the OOC is also tasked with considering whether investigations and enquiries should be initiated based on results of the Secretariat's initial review of complaints or review of modified auditors' reports. The experience and expertise of the Committee Members, and their

財務匯報局成立了多個委員會，分別就員工薪酬、機構傳訊、採購及運作等事宜，向本局成員提供意見，讓成員對本局事務有透徹了解及控制。年內，「運作委員會」已更名為「運作監察委員會」，以更貼切地反映其監察及指導秘書處處理個案的職能。此外，運作監察委員會亦對個案提供更多指導意見，除了就草擬調查及查訊報告提供意見外，還會參與決定是否根據秘書處初步審閱投訴或非無保留意見核數師報告的結果，展開調查或查訊。各委員會成員憑藉本身的經驗與專業知識，積極投入本局工作，提高本局對個

greater involvement, have facilitated the Council to make decisions on cases in a more effective and efficient manner.

Accountability and audit

The FRC adheres to a strict audit process which starts with the preparation of the annual budget by the Secretariat and endorsement by the Council. The Secretary for Financial Services and the Treasury then reviews and approves the organization's annual estimation of income and expenditure. The financial statements are subject to an official audit by the Government's Director of Audit and annual reports are submitted to the Secretary for Financial Services and the Treasury and tabled in the Legislative Council.

We aim for the highest standards of corporate governance. Our work is subject to the scrutiny of a Process Review Panel which ensures that cases that come before the FRC are handled in accordance with established procedures.

Internal controls

We have continued to maintain an internal control system that is effective with a clear organizational structure, defined authority and proper segregation of duties. We assign a director to take charge of each case from the moment inquiries commence and at least one other director to review all case material before any decision is made or action is taken.

We continue to monitor policies and guidelines that cover personnel administration, procurement, authorization of transactions and the safeguarding of the FRC's assets.

Code of conduct

With almost four years of operations behind us, the FRC has developed a recognized culture and a set of values that fully support effective corporate governance. All staff members strictly adhere to the FRC's Code of Conduct when undertaking any role on our behalf. The 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 regular declarations of their own and their spouse's investments and notifications in case of changes in holdings.

The Code of Conduct is reviewed and updated on a regular basis to ensure that it remains consistent with the best practices currently undertaken across the areas in which we operate. In 2010, the policy regarding the disposal of gifts received by our employees was further enhanced by introducing a requirement to complete declaration forms on gifts received.

Maintaining communication channels

The FRC is a statutory body charged to perform in a critical area of business in the interests of the public. We recognize the importance of transparency and accountability. With this in mind, we have adopted an "Access to Information" policy which outlines the procedures for members of the public to access information and the limitations that need to be imposed on that access. This is a sensitive area, but we have worked hard to attain a balance between privacy of information and access to public records. Complaint statistics and annual reports are publicly released on a timely basis. Investigation and enquiry reports are placed on our website as soon as they are adopted by the Council. The "Access to Information" policy is also available on our website.

案決策的效能及效率。

問責及審計

財務匯報局的審計程序嚴謹周全。本局的年度預算案由秘書處編製後，經財務匯報局成員批核，再呈交財經事務及庫務局局長審批。本局的財務報表由政府審計署署長負責審核，而本局的年度報告經財經事務及庫務局局長審批後，便會提交立法會省覽。

本局矢志達致最高的機構管治水平。本局的工作乃受程序覆檢委員會嚴格監察，確保每宗交予財務匯報局的個案，均按照既定程序辦理。

內部控制

財務匯報局致力保持健全有效的內部控制系統，包括清晰的組織架構及權責分明。每宗個案從提出查問開始，均由一名總監負責處理。另外，在作出任何決定或採取任何行動前，均會由至少另一名總監審閱個案資料。

財務匯報局在人事管理、採購、交易審批及資產保護方面，均有政策及指引，本局會不斷檢討政策及指引的實施，以確保行之有效。

操守準則

財務匯報局成立近四年，迄今已建立清晰的機構文化和價值觀，全面促進良好機構管治。所有職員在代表本局履行職責時，均須嚴格遵守財務匯報局的操守準則。這套操守準則清楚界定了利益衝突、保密、個人投資及資料保護等各方面的操守標準。這包括定期申報僱員及其配偶的投資情況及有關投資項目的變更。

本局定期檢討及更新操守準則，確保符合最佳作業標準。在二零一零年，本局進一步優化關於僱員處理禮物的政策，引入填寫申報表格的制度。

保持溝通渠道

財務匯報局為法定機構，獲任命專責處理與公眾利益有重大關係的事務。本局深明透明度和問責的重要性，並因此制訂「索取資料」的政策，列明公眾查閱資料的程序及權限。這誠然是一個敏感問題，但本局已盡力平衡各方利益，務求既可保障資料私隱，亦不妨礙公眾查閱公開的檔案。本局定時發表投訴統計數據及年報，而調查及查訊報告則於被本局成員採納後，上載於本局的網站讓公眾瀏覽。「索取資料」的政策亦已上載於本局的網站。

STATISTICS AND ANALYSIS OF REVIEWED CASES

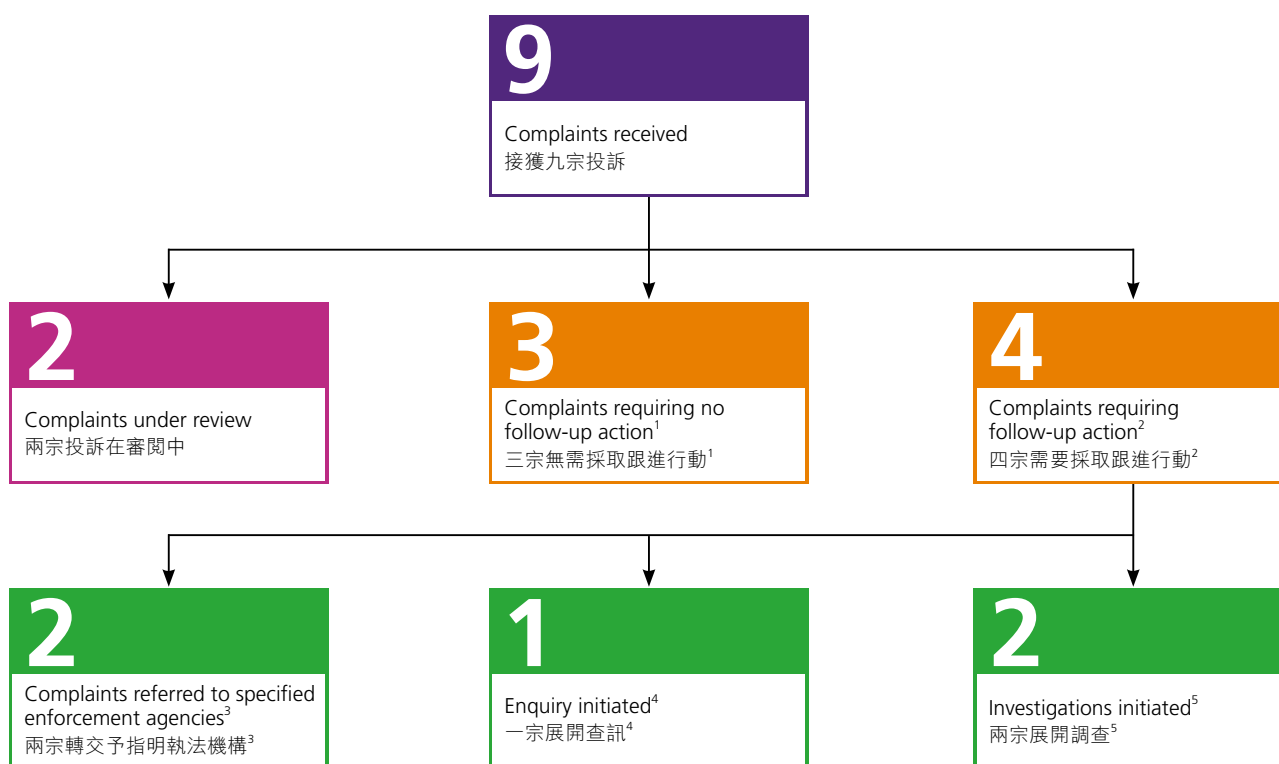
已處理個案的統計數字及個案分析

Review of complaints

Throughout the year, the Financial Reporting Council (FRC) continued to receive a steady flow of complaints, all of which were examined carefully before a decision was made. Progress on the review of complaints for the period from 1 January 2010 to 31 December 2010 is as follows:

審閱投訴

財務匯報局於本年度接獲的投訴個案數目繼續保持平穩。個案均經本局仔細研究才決定如何處理。由二零一零年一月一日至十二月三十一日，本局審閱投訴的進度如下：



Notes:

1. After the FRC reviewed the complaints by reference to the material provided by the respective complainants and the additional information obtained from the parties concerned, it considered that the complaints had no merit or the parties concerned had provided satisfactory explanations to support that there were no auditing or reporting irregularities, or non-compliance with accounting requirements.
2. After the review of complaints by reference to the material provided by the respective complainants and the additional information obtained from the parties concerned, the FRC identified four complaints requiring follow-up actions. In one of the complaints, the FRC identified both potential non-compliance with accounting requirements and auditing irregularities. Hence, an enquiry and an investigation were initiated based on one single complaint. As a result, the total number of follow-up actions taken was greater than the number of complaints requiring follow-up action.
3. These cases were referred to specified enforcement agencies for follow-up action.
4. The FRC identified potential non-compliance with accounting requirements in one of the complaints. Hence, an enquiry was initiated and it was in progress at the end of the year.
5. The FRC identified potential auditing irregularities in two complaints. Hence, investigations were initiated and they were in progress at the end of the year.

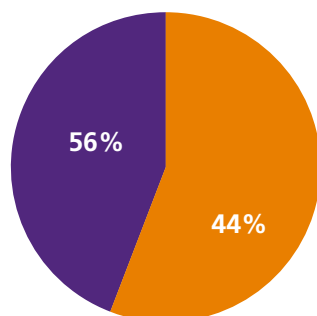
註解：

1. 財務匯報局審閱投訴者提供的資料及有關人士提供的附加資料後，認為該等投訴無充分理據，或是有關人士已提供合理解釋支持沒有審計或匯報方面的不當行為或不遵從會計規定的事宜。
2. 財務匯報局審閱投訴者提供的資料及有關人士提供的附加資料後，認為四宗投訴需要採取跟進行動。財務匯報局發現其中一宗投訴涉嫌同時有不遵從會計規定及審計不當行為的情況，故本局就該宗投訴同時展開查訊及調查工作，因而導致跟進行動的數目高於需採取跟進行動的投訴宗數。
3. 這些個案已轉交予指明執法機構採取跟進行動。
4. 財務匯報局於其中一宗投訴中發現涉嫌有不遵從會計規定的事宜，因而展開查訊。這項查訊工作於年底仍在進行中。
5. 財務匯報局於兩宗投訴中發現涉嫌有審計方面的不當行為，因而展開調查。這些調查工作於年底仍在進行中。

Analysis of complaints received 接獲的投訴個案分析

1. Stock markets on which companies involved in complaints are listed

涉及投訴公司掛牌上市的股票市場



5¹ Main Board 主板

4² GEM Board 創業板

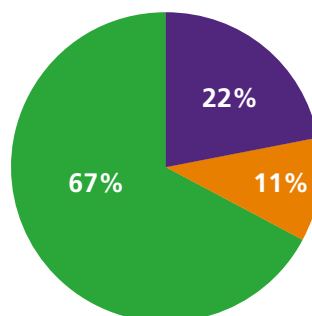
9 Total 總數

¹ The total number of companies listed on the Main Board as at 31 December 2010 is 1,244.
於二零一零年十二月三十一日，在主板掛牌上市的公司總數是一千二百四十四家。

² The total number of companies listed on the GEM Board as at 31 December 2010 is 169.
於二零一零年十二月三十一日，在創業板掛牌上市的公司總數是一百六十九家。

2. Source of complaints

投訴來源



2 Anonymous 匿名人士

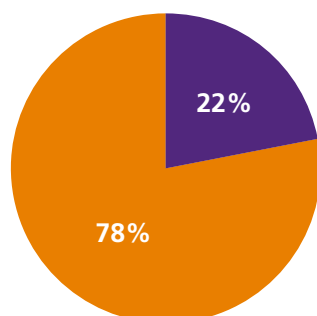
1 Members of the public 公眾人士

6 Government bodies and specified enforcement agencies 政府機構及指明執行機構

9 Total 總數

3. Nature of complaints

投訴性質



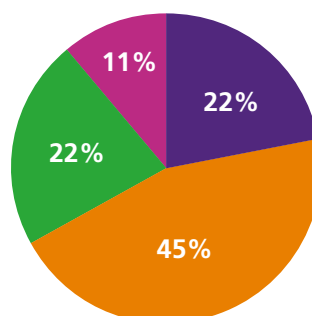
2 Auditing irregularities 審計方面的不當行為

7 Both auditing irregularities and non-compliance with accounting requirements 同時涉及審計不當行為及不遵從會計規定事宜

9 Total 總數

4. Size of accounting firms involved in complaints

涉及投訴的會計師行的規模



2 Big 4 四大會計師行

4 Medium firms (with 6 or more partners/directors) 中型會計師行(有6名或以上的合夥人/董事)

2 Small firms (with 5 or less partners/directors) 小型會計師行(有5名或以下的合夥人/董事)

1 Both Big 4 and small firm 同時涉及四大會計師行及小型會計師行

9 Total 總數

STATISTICS AND ANALYSIS OF REVIEWED CASES

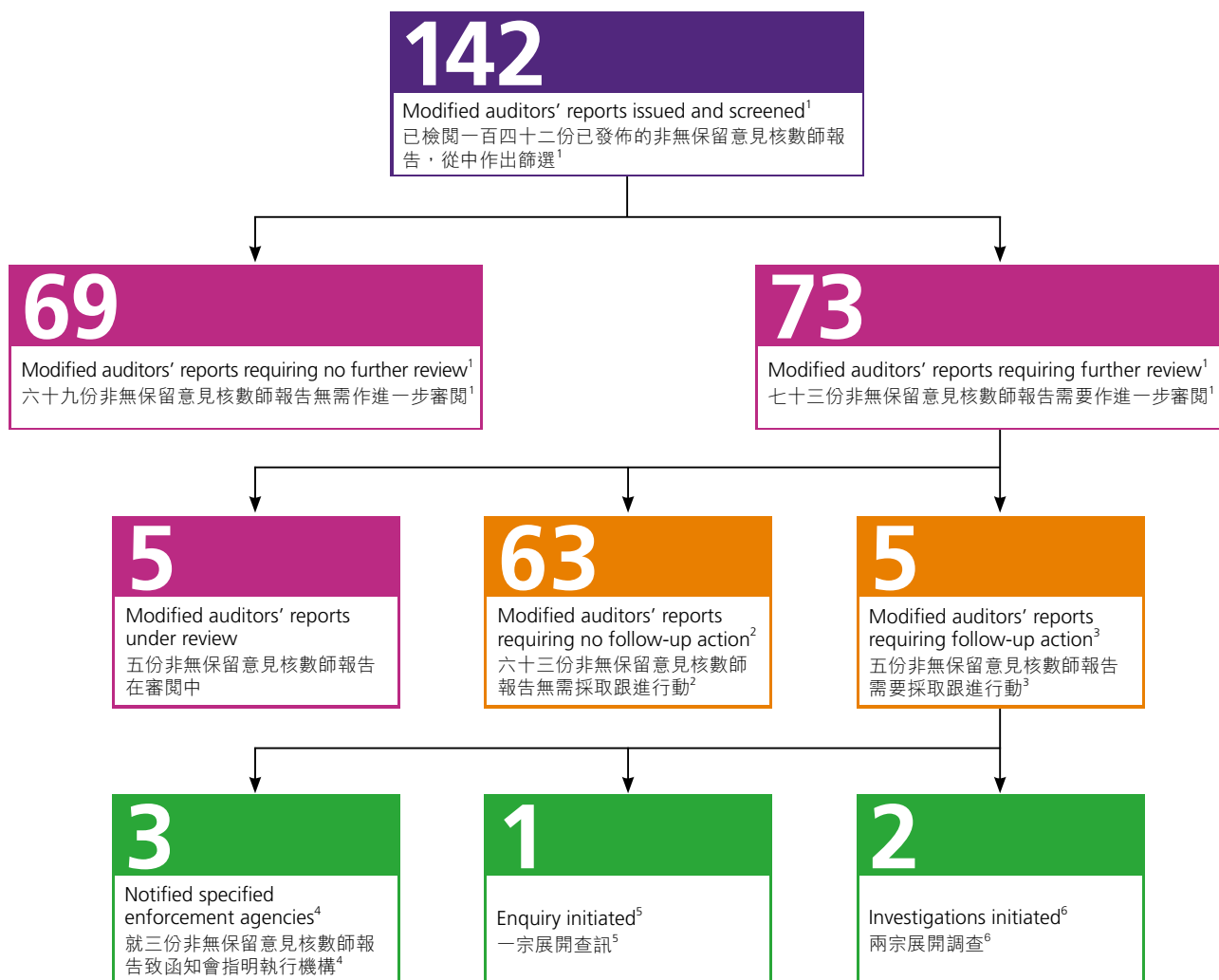
已處理個案的統計數字及個案分析

Review of modified auditors' reports

Progress on the review of modified auditors' reports for the period from 1 January 2010 to 31 December 2010 is as follows:

審閱非無保留意見的核數師報告

由二零一零年一月一日至十二月三十一日，審閱非無保留意見核數師報告的進度如下：



Notes:

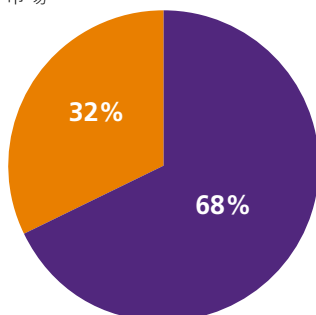
- All modified auditors' reports issued were screened by the FRC. No review was performed when the modification was related to an emphasis of matter with no apparent non-compliance with accounting requirements. Reviews were performed on all other modified auditors' reports.
- No follow-up action was required as no potential non-compliance with accounting requirements was identified.
- After the review of modified auditors' reports by reference to the additional information obtained from the parties concerned, the FRC identified five modified auditors' reports requiring follow-up actions. In one of the modified auditors' reports, the FRC identified potential auditing irregularities in relation to the audits of the financial statements of a listed company for two previous financial years by two different accounting firms. Hence, two investigations were initiated based on one modified auditor's report. As a result, the total number of follow-up actions taken was greater than the number of modified auditors' reports requiring follow-up action.
- After the review of the modified auditors' reports, the FRC identified possible fraudulent transactions and wrote to a specified enforcement agency to draw its attention to the cases.
- After the review of a modified auditor's report, the FRC identified potential non-compliance with accounting requirements. Hence, an enquiry was initiated.
- After the review of a modified auditor's report, the FRC identified potential auditing irregularities in relation to two auditors. Hence, two investigations were initiated.

註解：

- 財務匯報局檢閱所有非無保留意見核數師報告，從中作出篩選。除了當核數師只提出重點事項，而該重點事項並沒有明顯的不遵從會計規定的事宜，財務匯報局對其他所有非無保留意見核數師報告，均會作進一步審閱。
- 由於沒有發現涉嫌不遵從會計規定的事宜，因此無須採取進一步行動。
- 財務匯報局審閱有關人士提供的附加資料後，於其中一份非無保留意見核數師報告中，發現有涉嫌審計不當行為。這些不當行為與上市公司過去兩個財政年度分別由不同會計師行審計的財務報表有關。因此，本局就該份非無保留意見核數師報告同時展開了兩宗調查工作，因而導致跟進行動的數目高於需採取跟進行動的非無保留意見核數師報告的數目。
- 財務匯報局審閱非無保留意見核數師報告後，發現涉嫌有詐騙交易，已致函知會有關指明執行機構。
- 財務匯報局審閱非無保留意見核數師報告後，發現涉嫌有不遵從會計規定的事宜，因而展開查訊。
- 財務匯報局審閱其中一份非無保留意見核數師報告後，發現兩名相關核數師涉嫌有審計方面的不當行為，因而展開兩宗調查。

Analysis of modified auditors' reports reviewed 已審閱的非無保留意見核數師報告的分析

1. Stock markets on which companies/securities with modified auditors' reports are listed
涉及非無保留意見核數師報告的公司/證券掛牌上市的股票市場



- 97¹ Main Board 主板
45² GEM Board 創業板

142 Total 總數

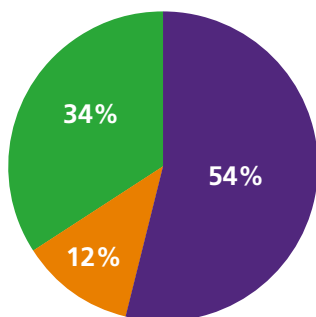
¹ This includes 96 modified auditors' reports on financial statements of listed companies and one modified auditor's report on financial statements of listed securities. The total number of companies and securities listed on the Main Board as at 31 December 2010 are 1,244 and 7,730 respectively.

包括九十六份上市公司財務報表的非無保留意見核數師報告及一份上市證券財務報表的非無保留意見核數師報告。於二零一零年十二月三十一日，在主板掛牌上市的公司及證券總數分別是一千二百四十四家及七千七百三十份。

² The total number of companies listed on the GEM Board as at 31 December 2010 is 169.

於二零一零年十二月三十一日，在創業板掛牌上市的公司總數是一百六十九家。

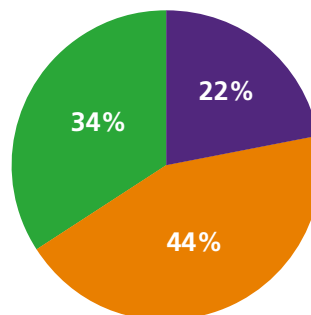
3. Types of modification
非無保留意見核數師報告的種類



- 85 Emphasis of matter 重點事項
19 Qualified opinion 保留意見
54 Disclaimer of opinion 不發表意見

158¹ Total 總數

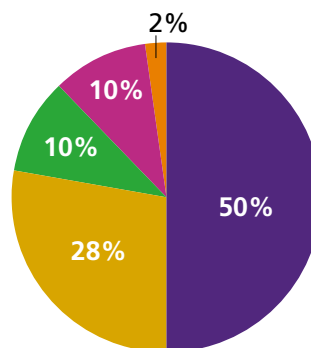
2. Size of accounting firms involved in the issuance of modified auditors' reports
發表非無保留意見核數師報告的會計師行的規模



- 31 Big 4 四大會計師行
63 Medium firms (with 6 or more partners/directors) 中型會計師行(有6名或以上的合夥人/董事)
48 Small firms (with 5 or less partners/directors) 小型會計師行(有5名或以下的合夥人/董事)

142 Total 總數

4. Issues related to the modification
非無保留意見核數師報告中提及的問題



- 103 Going concern 持續經營能力
58 Insufficient information 資料不足
21 Business uncertainty 生意上的不明確因素
20 Lack of proper books and records 沒有備存妥善的賬目及記錄
5 Others 其他

207¹ Total 總數

¹ The total number under types of modification (158) and issues related to the modification (207) are higher than the total number of modified auditors' reports issued and screened (142) as some modified auditors' reports contain more than one type of modification and/or more than one major issue.

由於部份非無保留意見核數師報告涉及多於一種非無保留意見及/或多於一個問題，因此非無保留意見核數師報告的種類總數(一百五十八)及報告所提及的問題總數(二百零七)高於已發佈並經篩選的非無保留意見核數師報告總數(一百四十二)。



Audit Commission
The Government of the Hong Kong
Special Administrative Region

香港特別行政區政府
審計署

Independent Audit Report To the Financial Reporting Council

I have audited the financial statements of the Financial Reporting Council set out on pages 26 to 41, which comprise the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Financial Reporting Council's Responsibility for the Financial Statements

The Financial Reporting Council is responsible for the preparation of financial statements that give a true and fair view in accordance with section 18(2) of the Financial Reporting Council Ordinance (Cap. 588) and International Financial Reporting Standards, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with section 19(1) of the Financial Reporting Council Ordinance and the Audit Commission auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

獨立審計報告 致財務匯報局

我已審計列載於第26至41頁的財務匯報局財務報表。該等財務報表包括於2010年12月31日的財務狀況表與截至該日止年度的綜合收入表、資金變動表和現金流量表，以及主要會計政策概要及其他附註解釋。

財務匯報局就財務報表須承擔的責任

財務匯報局須負責按照《財務匯報局條例》(第588章)第18(2)條及國際財務報告準則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，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

審計師的責任

我的責任是根據我的審計對該等財務報表作出意見。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。這些準則要求我遵守道德規範，並規劃及執行審計，以合理確定財務報表是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Financial Reporting Council, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the state of affairs of the Financial Reporting Council as at 31 December 2010, and of its results of operations and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with section 18(2) of the Financial Reporting Council Ordinance.

LAU Sun-wo
Assistant Director of Audit
for Director of Audit

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

27 January 2011

審計涉及執行情序以獲取有關財務報表所載金額及披露資料的審計憑證。所選定的程序取決於審計師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，審計師考慮與財務匯報局擬備真實而中肯地列報財務報表有關的內部控制，以設計適當的審計程序，但並非為對財務匯報局的內部控制效能發表意見。審計亦包括評價財務匯報局所採用會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我相信，我所獲得的審計憑證可充分和適當地為我的審計意見提供基礎。

意見

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2010年12月31日的財務狀況及截至該日止年度的業績和現金流量，並已按照《財務匯報局條例》第18(2)條妥為擬備。

審計署署長
審計署助理署長
劉新和代行

審計署
香港灣仔
告士打道7號
入境事務大樓26樓

2011年1月27日

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010
(Amounts expressed in Hong Kong dollars)

綜合收入表

截至二零一零年十二月三十一日止年度
(金額以港元列示)

		Note 附註	2010	2009
Income	收入			
Annual contribution	每年投入資金	4	16,000,000	10,000,000
Interest income	利息收入	5	234,443	22,173
Other income	其他收入		–	200
			16,234,443	10,022,373
Expenditure	支出			
Staff costs	員工成本	6	(10,559,011)	(8,836,115)
Depreciation expense	折舊支出		(97,314)	(138,951)
Corporate communications expenses	機構傳訊支出	7	(236,391)	(247,933)
Other operating expenses	其他營運支出	8	(1,142,913)	(852,618)
			(12,035,629)	(10,075,617)
Surplus/(deficit) and total comprehensive income for the year	年內盈餘/(虧絀)及總綜合收入		4,198,814	(53,244)

The notes on pages 30 to 41 form part of these financial statements.

第30至41頁的附註為本財務報表的一部分。

STATEMENT OF FINANCIAL POSITION

As at 31 December 2010
(Amounts expressed in Hong Kong dollars)

財務狀況表

於二零一零年十二月三十一日
(金額以港元列示)


		Note 附註	2010	2009
Non-current assets	非流動資產			
Office equipment and furniture	辦公室設備及傢具	10	137,673	209,919
Current assets	流動資產			
Prepayments and other receivables	預付款項及其他應收賬款	11	338,648	130,286
Time deposits with original maturities over three months	原到期日超過三個月的 定期存款	12	20,000,000	–
Cash and cash equivalents	現金及現金等價物	13	12,247,578	28,024,284
Total current assets	流動資產總值		32,586,226	28,154,570
Current liabilities	流動負債			
Accounts payable and accruals	應付賬款及應計費用		(1,225,735)	(1,065,139)
Net current assets	流動資產淨值		31,360,491	27,089,431
Total assets less current liabilities	總資產減流動負債		31,498,164	27,299,350
Funds	資金			
General fund	一般資金	14	11,498,164	7,299,350
Reserve fund	儲備金	14	20,000,000	20,000,000
Total funds	總資金		31,498,164	27,299,350

Approved by the Financial Reporting Council on 27 January 2011

於二零一一年一月二十七日獲財務匯報局核定



Sophia Kao 高靜芝
Chairman 主席



P.M. Kam 甘博文
Chief Executive Officer 行政總裁

The notes on pages 30 to 41 form part of these financial statements.

第30至41頁的附註為本財務報表的一部分。

STATEMENT OF CHANGES IN FUNDS

For the year ended 31 December 2010
(Amounts expressed in Hong Kong dollars)

資金變動表

截至二零一零年十二月三十一日止年度
(金額以港元列示)

		General fund 一般資金	Reserve fund 儲備金	Total funds 總資金
At 31 December 2008	於二零零八年十二月三十一日	7,352,594	20,000,000	27,352,594
Total comprehensive income for the year 2009	二零零九年總綜合收入	(53,244)	–	(53,244)
At 31 December 2009	於二零零九年十二月三十一日	7,299,350	20,000,000	27,299,350
Total comprehensive income for the year 2010	二零一零年總綜合收入	4,198,814	–	4,198,814
At 31 December 2010	於二零一零年十二月三十一日	11,498,164	20,000,000	31,498,164

The notes on pages 30 to 41 form part of these financial statements.

第30至41頁的附註為本財務報表的一部分。

STATEMENT OF CASH FLOWS

For the year ended 31 December 2010
(Amounts expressed in Hong Kong dollars)

現金流量表

截至二零一零年十二月三十一日止年度
(金額以港元列示)

	Note 附註	2010	2009
Cash flows from operating activities	經營活動產生的現金流量		
Surplus/(deficit) for the year	年內盈餘/(虧絀)	4,198,814	(53,244)
Adjustments for:	調整項目：		
Depreciation expense	拆舊支出	97,314	138,951
Interest income	利息收入	(234,443)	(22,173)
(Increase)/decrease in prepayments and other receivables	預付款項及其他應收 賬款(增加)/減少	(41,656)	2,170
Increase in accounts payable and accruals	應付賬款及應計費用 增加	160,596	329,041
Net cash inflow from operating activities	經營活動產生的現金 流入淨額	4,180,625	394,745
Cash flows from investing activities	投資活動產生的現金流量		
Purchases of office equipment and furniture	購買辦公室設備及 傢具	(25,068)	(65,698)
Interest received	已收利息	67,737	30,927
Increase in time deposits with original maturities over three months	原到期日超過三個月的 定期存款增加	(20,000,000)	–
Net cash outflow from investing activities	投資活動產生的現金 流出淨額	(19,957,331)	(34,771)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/ 增加淨額	(15,776,706)	359,974
Cash and cash equivalents at beginning of the year	於年初之現金及 現金等價物	28,024,284	27,664,310
Cash and cash equivalents at end of the year	於年終之現金及 現金等價物	12,247,578	28,024,284
	13		

The notes on pages 30 to 41 form part of these financial statements.

第30至41頁的附註為本財務報表的一部分。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2010
(Amounts expressed in Hong Kong dollars)

1. General

The Financial Reporting Council (FRC) was established in Hong Kong under the Financial Reporting Council Ordinance (Cap. 588) (FRC Ordinance). Its office address is 29th Floor, High Block, Queensway Government Offices, 66 Queensway, Hong Kong.

The financial statements are presented in Hong Kong dollars, which is the functional currency of the FRC.

2. Principal Activities

The functions of the FRC are set out in the FRC Ordinance. The FRC is empowered by the FRC Ordinance to conduct investigations concerning auditing and reporting irregularities, and to make enquiries into non-compliances with financial reporting requirements.

3. Summary of Significant Accounting Policies

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). They have been prepared under the historical cost convention.

The FRC has early adopted the following revised standards which are relevant to the FRC's operations but not yet effective for the current year's financial statements:

IFRS 7 (revised in October 2010), Financial Instruments: Disclosures

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures of transactions where a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. It will be effective for annual periods beginning on or after 1 July 2011.

財務報表附註

截至二零一零年十二月三十一日止年度
(金額以港元列示)

1. 一般資料

財務匯報局是根據《財務匯報局條例》(第588章)在香港設立。其地址為香港金鐘道66號金鐘道政府合署高座29樓。

本財務報表以財務匯報局的功能貨幣港元列值。

2. 主要活動

財務匯報局之職責列明於《財務匯報局條例》中。《財務匯報局條例》賦予財務匯報局權力就審計及匯報方面的不當行為進行調查，以及就不遵從財務匯報規定的事宜展開查訊。

3. 主要會計政策概要

(甲) 編製基準

本財務報表乃按國際財務報告準則編製而成，並根據歷史成本法編製。

財務匯報局編製本年度財務報表時已提前採用下列經修訂的財務報告準則，此等準則與財務匯報局的營運活動有關，但尚未生效：

《國際財務報告準則第7號(二零一零年十月修訂) — 金融工具：披露》

《國際財務報告準則第7號》經修訂後，加增涉及金融資產轉移交易的披露規定。是次修訂主要針對金融資產轉移後，轉讓方仍保留一定風險承擔的情況，旨在提供更大的透明度。此外經修訂後準則亦規定，若於接近結算日進行異常大量的轉移交易，必須披露額外資料。經修訂後之準則將於二零一一年七月一日或之後開始的年度期間生效。

3. Summary of Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

IFRS 9 (revised in October 2010), Financial Instruments

The revised standard adds requirements for classification and measurement of financial liabilities and for derecognition. For financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to the changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch of profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39 Financial Instruments – Recognition and Measurement, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss. IFRS 9 applies to financial statements for annual periods beginning on or after 1 January 2013.

The adoption of the above revised standards does not have any impact on the FRC's financial statements.

Improvements to IFRSs (issued in May 2010)

Improvements to IFRSs 2010 contain a collection of necessary but non-urgent amendments to seven IFRSs and will be effective for annual periods beginning on or after 1 January 2011 (unless otherwise specified). Of these, the following amendments are applicable to the FRC's operations:

The amendment to IFRS 7 clarifies qualitative disclosures in the context of the quantitative disclosure required to help users to form an overall picture of the nature and extent of risks arising from financial instruments.

The amendment to IAS 1 Presentation of Financial Statements clarifies that an entity may present the analysis of other comprehensive income by item either in the statement of changes in equity or in the notes to the financial statements.

The FRC has assessed that these amendments have no significant impact on the FRC's financial statements.

3. 主要會計政策概要 (續)

(甲) 編製基準(續)

《國際財務報告準則第9號(二零一零年十月修訂) — 金融工具》

《國際財務報告準則第9號》經修訂後，新增金融負債分類和計量以及終止確認的規定。除非會導致或擴大損益之會計錯配，否則透過損益按公允值處理的金融負債，其因信用風險變動所致的金融負債公允值變動將列為其他綜合收入。金融負債信用風險引致的公允值變動，其後不會重新分類為損益。根據《國際會計準則第39號金融工具：確認和計量》，透過損益按公允值處理的金融負債公允值變動以往全部列賬為損益。《國際財務報告準則第9號》適用於二零一三年一月一日或之後開始年度期間的財務報表。

採用以上經修訂後準則對財務匯報局的財務報表並無任何影響。

國際財務報告準則之改進修訂(二零一零年五月公佈)

二零一零年度的國際財務報告準則之改進修訂，對七項國際財務報告準則作出必要但不須急切實施的修訂，新規定將於二零一一年一月一日或之後開始的年度期間生效(除非另行指定)。以下修訂規定適用於財務匯報局的營運活動：

《國際財務報告準則第7號》的修訂清晰訂明與量化披露相關的質量披露，以協助使用者掌握金融工具的性質及風險程度的整體狀況。

《國際會計準則第1號：財務報表之列報》的修訂清晰訂明匯報的實體可於權益變動表或財務報表附註中逐項列報其他綜合收入的分析。

財務匯報局已進行評估，認為此等修訂規定對財務匯報局的財務報表並無重大影響。

3. Summary of Significant Accounting Policies (continued)

(b) Office equipment and furniture

Office equipment and furniture are stated at cost less accumulated depreciation and impairment losses, except that items costing less than \$5,000 are expensed in the period of acquisition. The cost of an item of office equipment and furniture 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 office equipment and furniture over its estimated useful life after considering its estimated residual value. The respective useful lives are as follows:

Computers	3 years
Other office equipment	7 years
Office furniture and fixtures	10 years

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

An item of office equipment and furniture is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss on disposal or retirement, being the difference between the net sales proceeds and the carrying amount of the relevant asset, is recognized in profit or loss in the period the asset is derecognized.

At the end of each reporting period, the carrying amounts of office equipment and furniture are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Where an asset does not generate cash inflows that are largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). An impairment loss is recognized as an expense immediately.

3. 主要會計政策概要 (續)

(乙) 辦公室設備及傢具

辦公室設備及傢具按成本減累計折舊及減值損失列賬，惟成本少於五千元的項目則在購入期間確認為支出。辦公室設備及傢具項目的成本，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發生的直接可歸屬成本。

折舊乃按個別辦公室設備及傢具項目之估計可使用壽命並考慮估計殘值後，以直線法攤銷其成本。各項目的可使用壽命如下：

電腦	三年
其他辦公室設備	七年
辦公室傢具及裝置	十年

殘值、可使用壽命及折舊方法最少於每個結算日進行檢討，及作出適當調整。

辦公室設備及傢具項目於變賣時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。因其變賣或報廢之任何利得或損失(即變賣淨收入和該資產之賬面金額的差額)將於其終止確認期間確認為損益。

於每個結算日，辦公室設備及傢具之賬面金額會被審閱，以評估該等資產是否存在可能已減值的跡象。倘資產的可收回金額估計少於其賬面金額，則資產的賬面金額會減值至其可收回金額。可收回金額是指公允值減出售費用的餘額與使用值兩者中的較高者。於評估使用值時，預計未來現金流量會以折現率折現為現值，該折現率反映當前市場對貨幣的時間值及資產特有的風險的評估，而並未就未來現金流量估計作出調整。倘資產產生之現金流入基本上並非獨立於其他資產產生的現金流入，則以能獨立產生現金流入的最細資產類別(即現金產出單元)釐定可收回金額。減值損失會立即確認為支出。

3. Summary of Significant Accounting Policies (continued)

(b) Office equipment and furniture (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized as income immediately.

(c) Financial instruments

Financial assets and financial liabilities are recognized in the statement of financial position when the FRC becomes a party to the contractual provisions of an instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

(d) Financial assets

Financial assets of the FRC principally include interest receivable, time deposits and other bank balances. They are held within a business model whose objective is to hold assets in order to collect contractual cash flows. The contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At the end of each reporting period subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less any identified impairment losses. An impairment loss is recognized when there is objective evidence that the asset is impaired. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date.

A financial asset is derecognized 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.

3. 主要會計政策概要 (續)

(乙) 辦公室設備及傢具 (續)

倘減值損失其後轉回，資產的賬面金額會增加至其經修訂後的估計可收回金額，惟增加後的賬面金額，不得高於該資產若於之前期間沒有確認減值損失的賬面金額。減值損失的轉回會立即確認為收入。

(丙) 金融工具

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。金融資產及金融負債最初以公允價值計量。直接歸屬於購入或發行金融資產及金融負債的交易費用，會於初始確認入賬時，於各金融資產或金融負債之公允價值內作適當的計入或扣除。

(丁) 金融資產

財務匯報局的金融資產主要包括應收利息、定期存款及其他銀行結餘。該等資產於同一業務模式下被持有，而該業務模式的目的為持有資產人收取合同現金流量。金融資產的合約條款會在指定日期產生現金流量，該等現金流量純粹為償付本金及未償本金的利息。於初始確認後之每個結算日，該等資產均採用實際利率法計算之攤餘成本減任何已確認的減值損失計量。減值損失會於有客觀證據表明資產發生減值時確認，並按該資產的賬面金額與按照其初始實際利率折現的預計未來現金流量現值之間的差額計量。減值損失會確認為損益。

任何減值損失於其後轉回會確認為損益，惟於轉回當日有關資產的賬面金額不得超過其攤餘成本。

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所有的風險和報酬轉讓，該金融資產的確認會被終止。

3. Summary of Significant Accounting Policies (continued)

(e) Financial liabilities

Financial liabilities include accounts payable and are measured at amortized cost using the effective interest method at the end of each reporting period subsequent to initial recognition.

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

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits with banks, and other short-term highly liquid investments that are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Unconditional and non-refundable contributions are recognized as income when they become receivable.

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

(h) Employee benefits

Salaries and paid annual leave are accrued in the period in which the employees rendered the associated services.

Bonus payments are recognized 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.

3. 主要會計政策概要 (續)

(戊) 金融負債

金融負債包括應付賬款，於初始確認後每個結算日採用實際利率法計算之攤餘成本計量。

金融負債於相關的義務解除、取消或到期時終止確認。

(己) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行存款和其他短期而高流動性可隨時換算為已知數額的現金，在購入時距離期滿日不超過三個月，而且所涉及的價值變動風險不大的投資。

(庚) 收入確認

收入以其已收或應收對價的公允價值計量。

無條件及不可發還的資金在其成為應收款項時確認為收入。

利息收入按權責發生制以實際利率法確認，實際利率是指金融資產在預計存續期的估計未來現金收款額恰好折現為該金融資產的賬面淨額的利率。

(辛) 員工福利

薪酬及有薪年假於員工提供相關服務期內確認。

倘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，會確認花紅付款。

3. Summary of Significant Accounting Policies (continued)

(h) Employee benefits (continued)

Contributions to the Mandatory Provident Fund (MPF) scheme are charged as an expense when employees have rendered services entitling them to the contributions. Contributions are made based on a percentage of the employees' basic salaries. 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 voluntary contributions, which are refunded to the FRC when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF scheme.

4. Annual Contribution

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 arrangement of the FRC. Each party agreed to contribute an annual amount of \$4 million to the FRC in 2010 (2009: \$2.5 million) for the recurring expenses. To cater for inflation adjustments and to provide greater certainty to the FRC to facilitate its development and future work plan, the annual contribution from 2011 to 2014 shall be increased by a fixed percentage of 5% year on year.

The office premises of the FRC are 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 are borne by the CRTF.

5. Interest Income

Interest income was earned from time deposits and other bank balances which are carried at amortized cost.

3. 主要會計政策概要 (續)

(辛) 員工福利 (續)

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。供款乃按僱員基本薪酬的某個百分比計算。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，可按強制性公積金計劃的規則退回財務匯報局。

4. 每年投入資金

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)已就財務匯報局的資金安排簽署諒解備忘錄。各機構同意於二零一零年向財務匯報局投入四百萬元年度資金(二零零九年：二百五十萬元)，以應付經常性營運支出。為抗衡通脹及確保財務匯報局可穩健發展和推行未來的工作計劃，各機構亦同意於二零一一年至二零一四年期間，按每年百分之五固定遞增比率增加各自投入的資金。

財務匯報局之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。

5. 利息收入

利息收入來自按攤餘成本入賬之定期存款及其他銀行結餘。

6. Staff Costs

6. 員工成本

		2010	2009
Salaries, bonuses and gratuities	薪酬、花紅及賞金	9,973,184	7,878,888
MPF contributions	強制性公積金供款	201,342	114,607
Medical and life insurance	醫療及人壽保險	193,495	163,490
Staff training and development	職員培訓及技能發展	101,715	119,805
Staff recruitment expenses	招募員工支出	8,900	495,562
Others	其他	80,375	63,763
		10,559,011	8,836,115

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

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：

	2010				2009
	Salaries and bonuses	MPF contributions	Medical insurance	Total	Total
	薪酬及花紅	強制性公積金供款	醫療保險	總額	總額
P.M. Kam 甘博文	2,659,399	9,000	17,328	2,685,727	–
M.T. Shum 沈文燾	176,978	1,000	1,766	179,744	2,175,837
	2,836,377	10,000	19,094	2,865,471	2,175,837

7. Corporate Communications Expenses

		2010	2009
Publications	出版刊物	166,915	168,200
Promotion and public education	推廣及公共教育	53,056	55,156
Others	其他	16,420	24,577
		236,391	247,933

8. Other Operating Expenses

		2010	2009
Legal and professional fees	法律及專業費用	581,592	406,978
Conferences and duty visits	會議及差旅費用	159,471	134,579
Office equipment and furniture	辦公室設備及傢具	62,618	32,597
Professional liability insurance	專業責任保險	33,205	40,208
Others	其他	306,027	238,256
		1,142,913	852,618

In accordance with section 19 of the FRC Ordinance, the Audit Commission of the Government of the Hong Kong Special Administrative Region audits the financial statements of the FRC. The Commission does not charge for this service.

9. Taxation

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

7. 機構傳訊支出

8. 其他營運支出

9. 稅項

根據《財務匯報局條例》第19條，香港特別行政區政府審計署審核財務匯報局的財務報表。審計署並無就此項服務收取費用。

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

10. Office Equipment and Furniture

10. 辦公室設備及傢具

		Computers 電腦	Other office equipment 其他辦公室 設備	Office furniture and fixtures 辦公室傢具 及裝置	Total 總額
Cost	成本				
At 31 December 2008	於二零零八年十二月三十一日	336,758	89,591	50,940	477,289
Additions in 2009	二零零九年購入	65,698	–	–	65,698
At 31 December 2009	於二零零九年十二月三十一日	402,456	89,591	50,940	542,987
Additions in 2010	二零一零年購入	25,068	–	–	25,068
At 31 December 2010	於二零一零年十二月三十一日	427,524	89,591	50,940	568,055
Accumulated depreciation	累計折舊				
At 31 December 2008	於二零零八年十二月三十一日	(169,072)	(20,265)	(4,780)	(194,117)
Charge for the year 2009	二零零九年支出	(121,058)	(12,798)	(5,095)	(138,951)
At 31 December 2009	於二零零九年十二月三十一日	(290,130)	(33,063)	(9,875)	(333,068)
Charge for the year 2010	二零一零年支出	(79,421)	(12,799)	(5,094)	(97,314)
At 31 December 2010	於二零一零年十二月三十一日	(369,551)	(45,862)	(14,969)	(430,382)
Net book value	賬面淨值				
At 31 December 2010	於二零一零年十二月三十一日	57,973	43,729	35,971	137,673
At 31 December 2009	於二零零九年十二月三十一日	112,326	56,528	41,065	209,919

11. Prepayments and Other Receivables

		2010	2009
Prepayments	預付款項		
– Medical and life insurance	– 醫療及人壽保險	117,400	87,239
– Professional liability insurance	– 專業責任保險	13,562	21,667
– Staff benefits	– 員工福利	8,140	6,440
– Others	– 其他	19,802	14,692
Other receivables	其他應收賬款	179,744	248
		338,648	130,286

12. Time Deposits with Original Maturities over Three Months

Time deposits with original maturities over three months represent one-year term deposits which carry fixed interest ranging from 1.51% to 1.55% per annum. These balances mature within one year at 31 December 2010.

13. Cash and Cash Equivalents

		2010	2009
Cash on hand	手頭現金	1,470	3,369
Current accounts	支票活期存款	42,609	20,667
Savings account	儲蓄存款	263,499	210,248
Time deposits with original maturities within three months	原到期日不超過三個月定期存款	11,940,000	27,790,000
		12,247,578	28,024,284

11. 預付款項及其他應收賬款

12. 原到期日超過三個月的定期存款

原到期日超過三個月的定期存款指一年期限之定期存款，按固定年利率由1.51厘至1.55厘計息。此等定期存款於二零一零年十二月三十一日後一年內到期。

13. 現金及現金等價物

14. Funds

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

Reserve fund represents 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 is to be deployed to meet any inadequacies of the recurrent funding and other exigencies of circumstances.

15. Financial Instruments by Category

The carrying amounts of financial instruments, measured at amortized cost, by category are as follows:

		2010	2009
Financial assets	金融資產		
Other receivables	其他應收賬款	179,744	248
Time deposits with original maturities over three months	原到期日超過三個月的定期存款	20,000,000	-
Cash and cash equivalents	現金及現金等價物	12,247,578	28,024,284
		32,427,322	28,024,532
Financial liabilities	金融負債		
Accounts payable and accruals	應付賬款及應計費用	1,225,735	1,065,139

The carrying amounts of the FRC's financial assets and financial liabilities approximate to their fair values.

14. 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，為數五百萬元的資金。儲備金可於經常性資金不足及其他緊急情況下動用。

15. 按類別劃分之金融工具

各類金融工具以攤餘成本計量的賬面金額如下：

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。

16. Financial Risks

(a) Credit risk

The FRC's credit risk is primarily attributable to time deposits and other bank 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 the credit rating. The policy also limits the amount invested in each bank and the maximum duration the deposit is placed in order to manage its credit risk. The portfolio of deposits was managed and monitored to ensure it met the investment policy with bi-monthly reports submitted to the Council. As a result, the FRC was 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.

(b) Liquidity risk

The FRC has a strong cash position and therefore has a very low level of liquidity risk.

(c) Market risk

Currency risk

The FRC received its funding and settled all its expenses in Hong Kong dollars. Its financial assets and financial liabilities were 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 rate. The FRC is subject to the risk that the fair value and future cash flows of these time deposits will fluctuate because of changes in market interest rates. In order to manage this risk, the FRC adopts a policy to monitor interest rate risk on a continuous basis.

At 31 December 2010, an increase/decrease in interest rate of 25 basis points, with all other variables held constant, would increase/decrease the FRC's surplus for the year and total funds by approximately \$80,000. The sensitivity analysis is estimated as an annualized impact on interest income assuming the change in interest rates had occurred at the end of the reporting period.

At 31 December 2009, the exposure to interest rate risk was limited as most of the FRC's funds were placed in savings account and one-month term deposits where changes in interest rate were minimal.

16. 金融風險

(甲) 信用風險

財務匯報局所承擔的信用風險主要涉及定期存款及其他銀行存款。根據財務匯報局成員已通過的投資政策，財務匯報局僅可在其他限制規定下，根據信用評級於香港持牌銀行設立存款。有關政策並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。財務匯報局管理和監察存款組合，確保符合投資政策，並且每兩個月向財務匯報局成員提交報告。鑒於上述措施，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。

(乙) 流動性風險

財務匯報局的現金狀況充裕，因此流動性風險相當低。

(丙) 市場風險

貨幣風險

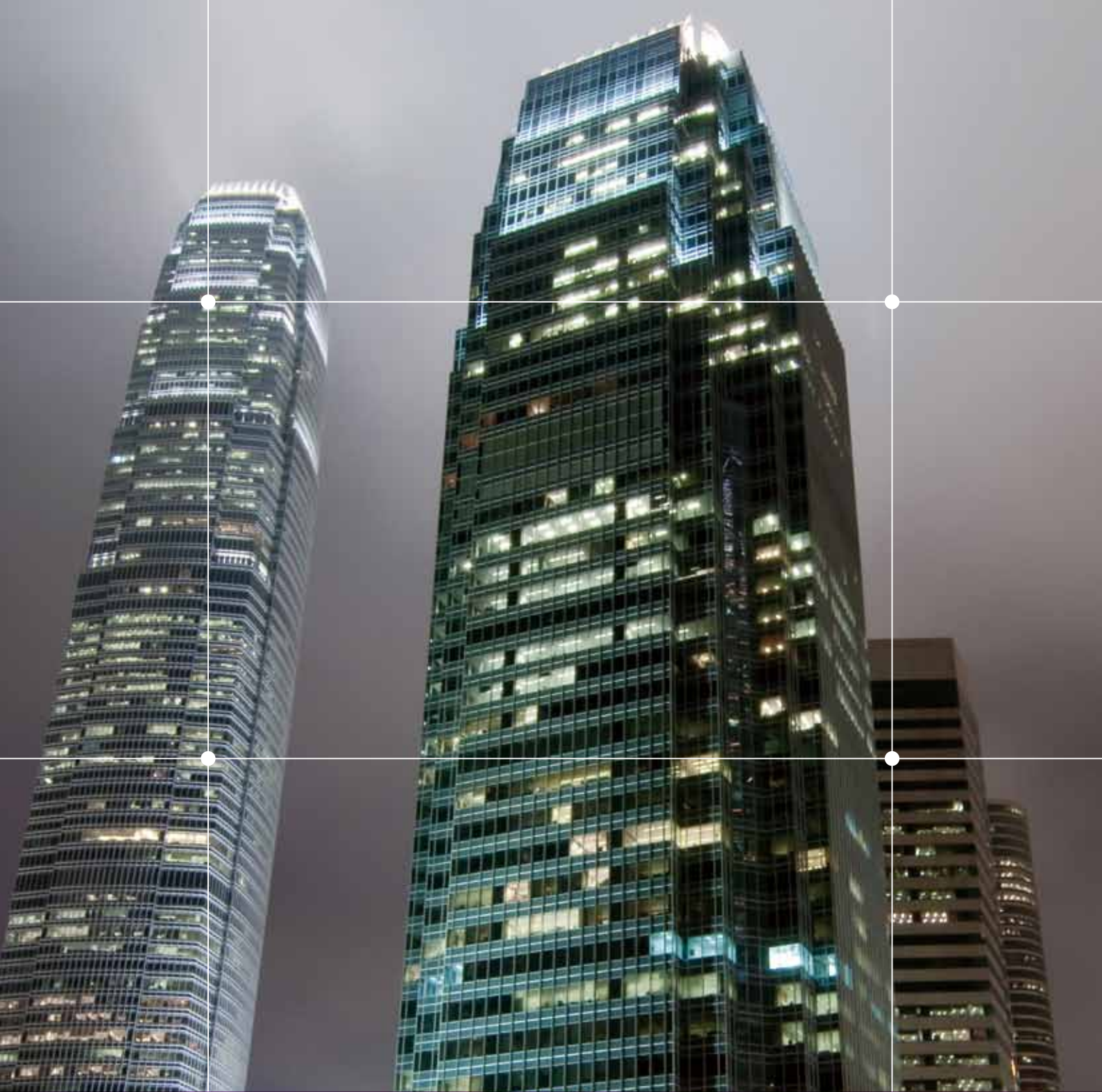
財務匯報局所有資金收入及支出均為港元，而所有金融資產及金融負債均以港元為單位。因此財務匯報局並無承擔任何貨幣風險。

利率風險

由於財務匯報局的有利息資產為固定利率的定期存款，故財務匯報局承擔定期存款公允值及日後現金流量隨市場利率變動而波動的風險。為管理有關風險，財務匯報局採取政策持續地監察利率風險。

於二零一零年十二月三十一日，在所有其他因素維持不變的情況下，利率每增加/減少25點子，財務匯報局年度盈餘及總資金便會增加/減少約八萬元。敏感度分析是假設利率於結算日時變動，從而估計對利息收入的年度化影響。

於二零零九年十二月三十一日，由於財務匯報局大部分資金均存放為儲蓄存款及一個月定期存款，而兩者利率變動極微，故承擔之利率風險有限。



Independence

獨立

A number of committees have been set up to advise the Council on various matters, including public relations, staff remuneration, procurement, and operational matters. The committees meet on a periodic basis and whenever necessary. Each committee operates according to its terms of reference provided by the Council.

財務匯報局成員已經成立多個委員會，就多項事宜，包括：公共關係、員工薪酬、採購及運作事宜，向本局成員提供意見。委員會定期及於有需要時舉行會議。各委員會根據本局成員決定的職權範圍運作。

Corporate Communications Committee

The Corporate Communications Committee is established to formulate corporate communications strategies for the Council's consideration and to oversee the implementation of corporate communications strategies as approved by the Council.

機構傳訊委員會

機構傳訊委員會的成立目的，是制定機構傳訊策略，以供本局成員參考，及監督本局成員所核准的機構傳訊策略的執行。

Chairman	主席
Mr. Edward Kwan	關百忠先生
Members	成員
Mr. Martin Hadaway, J.P.	夏德威先生, J.P.
Hon. Mrs. Sophie Leung, G.B.S., J.P.	梁劉柔芬議員, G.B.S., J.P.
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或張慧敏女士(當然成員)(註)
No. of meetings: 4	舉行會議次數: 4
Attendance rate: 94%	出席率: 94%

Note: Mr. M.T. Shum retired as Chief Executive Officer (CEO) with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

MEMBERSHIP OF COMMITTEES

委員會成員

Operations Oversight Committee

The Operations Oversight Committee is set up to assist the Council in formulating policies, strategies, guidelines and procedures governing the investigation and enquiry functions of the Financial Reporting Council. It also provides advice, to the Council and its operational staff, on technical or business issues.

運作監察委員會

運作監察委員會負責協助財務匯報局成員，制定財務匯報局在調查及查訊方面的政策、策略、指引及程序，並就技術性或業務性問題向本局成員及負責調查的職員提供意見。

Chairman	主席
Mr. Albert Li	李國基先生
Members	成員
Mr. Chew Fook Aun	周福安先生
Mr. Edward Kwan	關百忠先生
Mr. Michael Scales	施米高先生
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或 張慧敏女士(當然成員)(註)
No. of meetings: 3	舉行會議次數：3
Attendance rate: 93%	出席率：93%

Note: Mr. M.T. Shum retired as CEO with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

Remuneration Committee

The Remuneration Committee is created to make recommendations to the Council on remuneration related matters, including pay level, pay scale of various ranks of staff, pay rise, year-end performance bonus for individual staff members, and any changes in benefits and employment conditions. As the salary of the CEO is determined by the Chief Executive of the Hong Kong Special Administrative Region, it is not subject to review by the Remuneration Committee.

Chairman	主席
Mr. Martin Hadaway, J.P.	夏德威先生, J.P.
Members	成員
Mr. Moses Cheng, G.B.S., J.P.	鄭慕智先生, G.B.S., J.P.
Mr. Chew Fook Aun	周福安先生
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或張慧敏女士(當然成員)(註)
No. of meetings: 2	舉行會議次數: 2
Attendance rate: 88%	出席率: 88%

Note: Mr. M.T. Shum retired as CEO with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

薪酬委員會

薪酬委員會的成立目的，是就有關員工薪酬的事宜向本局成員作出建議，其中包括薪酬水平、不同職位的薪級、薪酬升幅、個別員工的年終表現花紅，及其他福利和僱用條款的更改。由於行政總裁的薪酬由香港特別行政區行政長官釐定，故不在薪酬委員會檢討之列。

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

Tender Committee

The Tender Committee considers and reviews procurement over HK\$100,000 and is responsible for the selection of suppliers.

Chairman	主席
Ms. Sophia Kao, S.B.S., J.P.	高靜芝女士, S.B.S., J.P.
Members	成員
Ms. Ada Chung, J.P.	鍾麗玲女士, J.P.
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或張慧敏女士(當然成員)(註)

Note: Mr. M.T. Shum retired as CEO with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

投標委員會

投標委員會的職責是考慮及審閱超過十萬港元的採購項目及負責挑選供應商。

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

Decisions during the year have been resolved by circulation of papers and therefore no meeting was held.

本年內的各項決定，均以書面傳閱方式進行議決，因而毋須舉行任何會議。

FINANCIAL REPORTING REVIEW PANEL, AUDIT INVESTIGATION BOARD, ADVISORY PANEL AND PROCESS REVIEW PANEL

財務匯報檢討委員團、審計調查委員會、顧問團及程序覆檢委員會

Financial Reporting Review Panel

Members of the Financial Reporting Review Panel (FRRP) are appointed by the Chief Executive of the Hong Kong Special Administrative Region in consultation with the Council. The FRRP now has 41 members, including 7 Convenors. They are appointed because of their experience in accounting, auditing, finance, banking, law, administration, or management.

財務匯報檢討委員團

財務匯報檢討委員團成員乃由香港特別行政區行政長官經諮詢財務匯報局成員後委任。財務匯報檢討委員團現時有四十一名成員，當中七名為召集人。成員均由於其會計、審計、金融、銀行、法律、行政或管理的經驗而獲委任。

Panel Convenors	委員團召集人
Mrs. Chan Ngan Man-ling, Edith (from 16 July 2010)	陳顏文玲女士 (由二零一零年七月十六日起)
Mr. Fung Ying-wai, Wilson	馮英偉先生
Prof. Lau Hing-ling, Amy	劉盧希齡教授
Dr. Li Ka-cheung, Eric, G.B.S., J.P.	李家祥博士, G.B.S., J.P.
Mr. Lie-A-Cheong Tai-chong, David, S.B.S., O.M., J.P.	李大壯先生, S.B.S., O.M., J.P.
Mr. Roderic N. A. Sage (to 15 July 2010)	薛樂德先生 (至二零一零年七月十五日止)
Mr. Stephen Taylor (from 16 July 2010)	Stephen Taylor 先生 (由二零一零年七月十六日起)
Mr. Wong Tak-wai, Alvin (from 16 July 2010)	黃德偉先生 (由二零一零年七月十六日起)

Members	成員
Mr. Roger Thomas Best, J.P. (to 15 July 2010)	路沛翹先生, J.P. (至二零一零年七月十五日止)
Mr. Paul Brough (to 15 July 2010)	彭博倫先生 (至二零一零年七月十五日止)
Mr. Chan Chi-kong, Morison (from 16 July 2010)	陳志光先生 (由二零一零年七月十六日起)
Mr. Chan Ka-ling, Edmond	陳嘉齡先生
Ms. Chan Mei-bo, Mabel (from 16 July 2010)	陳美寶女士 (由二零一零年七月十六日起)
Mrs. Chan Ngan Man-ling, Edith (to 15 July 2010)	陳顏文玲女士 (至二零一零年七月十五日止)
Mr. Chan Shu-kin, Albert (from 16 July 2010)	陳樹堅先生 (由二零一零年七月十六日起)
Ms. Chan Wai-hing, Annie	陳惠卿女士

Members	成員
Ms. Chau Suet-fung, Dilys	周雪鳳女士
Prof. Chen Chien-wen, Kevin (from 16 July 2010)	陳建文教授 (由二零一零年七月十六日起)
Mrs. Cheng Tang Ho-kuen, Lina	鄭鄧荷娟女士
Mr. Cheung Ching-leung, David (to 15 July 2010)	張正樑先生 (至二零一零年七月十五日止)
Prof. Cheung Yan-leung, Stephen, B.B.S., J.P. (to 15 July 2010)	張仁良教授, B.B.S., J.P. (至二零一零年七月十五日止)
Ms. Chew Sein-Mene (to 15 July 2010)	趙善敏女士 (至二零一零年七月十五日止)
Mr. Ding Wai-chuen, Raphael	丁偉銓先生
Mr. Vincent Duhamel (from 16 July 2010)	杜漢文先生 (由二零一零年七月十六日起)
Mr. Fung Pui-cheung, Eugene	馮培漳先生
Mr. Fung Ting-sek, Eugene (from 16 July 2010)	馮庭碩先生 (由二零一零年七月十六日起)
Mr. Christopher Harvey Hall	賀祈思先生
Mr. Lam Chi-yuen, Nelson (to 15 July 2010)	林智遠先生 (至二零一零年七月十五日止)
Mr. Kenneth Lam	林侃先生
Mr. Lau Siu-ki, Kevin	劉紹基先生
Ms. Lee Sau-wai, Cecilia	李秀慧女士
Ms. Lee Tso-yun, Carol (to 15 July 2010)	李祖恩女士 (至二零一零年七月十五日止)
Mr. John Robert Lees (to 15 July 2010)	John Robert Lees 先生 (至二零一零年七月十五日止)
Mr. Leung Chi-kwan, Andrew, J.P. (from 16 July 2010)	梁志群先生, J.P. (由二零一零年七月十六日起)
Mr. Leung Kwok-ki, Alden (from 16 July 2010)	梁國基先生 (由二零一零年七月十六日起)
Mr. Li Man-bun, Brian David	李民斌先生

**FINANCIAL REPORTING REVIEW PANEL, AUDIT INVESTIGATION BOARD,
ADVISORY PANEL AND PROCESS REVIEW PANEL**
財務匯報檢討委員團、審計調查委員會、顧問團及程序覆檢委員會

Members	成員
Prof. Lin Zhijun (from 16 July 2010)	林志軍教授 (由二零一零年七月十六日起)
Ms. Lo Dak-wai, Alexandra (from 16 July 2010)	羅德慧女士 (由二零一零年七月十六日起)
Prof. Low Chee-keong	劉殖強教授
Ms. Ayesha Abbas Macpherson	劉麥嘉軒女士
Mrs. Catherine Susanna Morley (from 16 July 2010)	莫莉女士 (由二零一零年七月十六日起)
Ms. Melissa Kaye Pang, M.H., J.P. (from 16 July 2010)	彭韻僖女士, M.H., J.P. (由二零一零年七月十六日起)
Mr. Poon Tsun-wah, Gary (from 16 July 2010)	潘俊華先生 (由二零一零年七月十六日起)
Ms. Josephine Price	潘佐芬女士
Ms. Barbara Shiu (from 16 July 2010)	邵蓓蘭女士 (由二零一零年七月十六日起)
Prof. Bin Srinidhi (from 16 July 2010)	Bin Srinidhi 教授 (由二零一零年七月十六日起)
Ms. Tang Yuen-shun, Cynthia (from 16 July 2010)	鄧宛舜女士 (由二零一零年七月十六日起)
Mr. Stephen Taylor (to 15 July 2010)	Stephen Taylor 先生 (至二零一零年七月十五日止)
Mr. Carlson Tong, J.P.	唐家成先生, J.P.
Mr. Tsoi Tong-hoo, Tony	蔡東豪先生
Mr. Paul Franz Winkelmann	Paul Franz Winkelmann 先生
Mr. Wong Hong-yuen, Peter, G.B.S., J.P. (to 15 July 2010)	黃匡源先生, G.B.S., J.P. (至二零一零年七月十五日止)
Mr. Wong Tak-wai, Alvin (to 15 July 2010)	黃德偉先生 (至二零一零年七月十五日止)
Ms. Wong Wai-kwan, Anna (from 16 July 2010)	黃慧群女士 (由二零一零年七月十六日起)

Financial Reporting Review Committee

The Council may appoint a Financial Reporting Review Committee (FIRC), consisting of at least five panel members of the FRRP including a Convenor, who acts as the chairman of the FIRC, to conduct an enquiry into non-compliance with accounting requirements in relation to a listed entity. In performing its function, an FIRC may exercise powers in accordance with the Financial Reporting Council Ordinance (FRC Ordinance), to require information and explanation from any relevant party.

The following FIRCs were formed to deal with the enquiry cases initiated in 2010:

FIRC (Enquiry case reference no. E01-10)

Chairman	主席
Dr. Li Ka-cheung, Eric, G.B.S., J.P.	李家祥博士, G.B.S., J.P.
Members	成員
Prof. Chen Chien-wen, Kevin	陳建文教授
Mr. Lau Siu-ki, Kevin	劉紹基先生
Ms. Lee Sau-wai, Cecilia	李秀慧女士
Ms. Melissa Kaye Pang, M.H., J.P.	彭韻僖女士, M.H., J.P.

FIRC (Enquiry case reference no. E02-10)

Chairman	主席
Prof. Lau Hing-ling, Amy	劉盧希齡教授
Members	成員
Ms. Chan Mei-bo, Mabel	陳美寶女士
Mr. Leung Chi-kwan, Andrew, J.P.	梁志群先生, J.P.
Ms. Ayesha Abbas Macpherson	劉麥嘉軒女士
Ms. Josephine Price	潘佐芬女士

財務匯報檢討委員會

本局成員可委任最少五名財務匯報檢討委員會成員，當中包括一名擔任財務匯報檢討委員會主席的召集人，組成財務匯報檢討委員會，就上市公司的不遵從會計規定的事宜展開查訊。在履行職責時，財務匯報檢討委員會可行使《財務匯報局條例》所賦予的權力，要求任何有關人士，提供資料及解釋。

本局組成了下列的財務匯報檢討委員會處理於二零一零年展開的查訊個案：

財務匯報檢討委員會 (查訊個案參考編號 E01-10)

財務匯報檢討委員會 (查訊個案參考編號 E02-10)

FINANCIAL REPORTING REVIEW PANEL, AUDIT INVESTIGATION BOARD, ADVISORY PANEL AND PROCESS REVIEW PANEL

財務匯報檢討委員團、審計調查委員會、顧問團及程序覆檢委員會

Audit Investigation Board

The Chief Executive Officer (CEO) is the ex-officio Chairman of the Audit Investigation Board (AIB). Other members of the AIB, who are normally staff members of the Financial Reporting Council (FRC), are appointed by the Council. The Council may direct the AIB to conduct an investigation of auditing irregularities, exercising powers conferred on it by the FRC Ordinance.

審計調查委員會

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，由財務匯報局成員委任，一般為財務匯報局職員。本局成員可指示審計調查委員會行使《財務匯報局條例》所賦予的權力，就審計方面的不當行為展開調查。

Chairman	主席
Dr. P.M. Kam, Mr. M.T. Shum, S.B.S. or Ms. Velma Cheung (ex-officio) (Note)	甘博文博士或沈文燾先生, S.B.S. 或張慧敏女士 (當然主席) (註)
Members	成員
Ms. Velma Cheung	張慧敏女士
Ms. Anna Lau	劉惠玲女士
Ms. Florence Wong	王蕙湄女士
Ms. Joyce Woo	胡珮茵女士

Note: Mr. M.T. Shum retired as CEO with effect from 1 February 2010 and Dr. P.M. Kam was appointed as CEO on 1 April 2010. Ms. Velma Cheung was appointed as the acting CEO for the period from 1 February 2010 to 31 March 2010.

註：沈文燾先生於二零一零年二月一日起退休。甘博文博士於二零一零年四月一日獲委任為行政總裁。張慧敏女士於二零一零年二月一日至二零一零年三月三十一日期間擔任署理行政總裁。

Advisory Panel

To facilitate the work of the AIB, the Council has appointed a panel of Honorary Advisers to advise on investigation cases. They are all distinguished, reputable, and recently retired individuals from the accounting profession with exceptional expertise in auditing.

顧問團

為協助審計調查委員會的工作，財務匯報局成員已委任一組名譽顧問，為所調查的個案提供意見。他們均為近年退休的傑出和知名會計師，在審計方面擁有卓越的專業知識。

Honorary Advisers	名譽顧問
Mr. Nicholas Allen (from 1 August 2010)	聶雅倫先生 (由二零一零年八月一日起)
Mr. Roger Thomas Best, J.P. (from 1 August 2010)	路沛翹先生, J.P. (由二零一零年八月一日起)
Mr. Stephen Chang	張祖同先生
Mr. Francis Ching (from 1 August 2010)	程國豪先生 (由二零一零年八月一日起)

Process Review Panel

The Process Review Panel (PRP) was established on 1 November 2008 to review cases handled by the FRC with a view to ensuring that the FRC deals with individual cases in a consistent manner, and actions taken and decisions made adhere to internal procedures and guidelines. The establishment of and appointment to the PRP were approved by the Chief Executive of the Hong Kong Special Administrative Region.

程序覆檢委員會

程序覆檢委員會於二零零八年十一月一日成立，負責審閱財務匯報局所處理的個案，確保財務匯報局以一致的方式處理個別個案，並在採取行動或作出決定時遵守其內部程序及指引。程序覆檢委員會乃由香港特別行政區行政長官批准成立及委任。

Chairman	主席
Ir. Leung Kwong-ho, Edmund, S.B.S., J.P.	梁廣灝先生, S.B.S., J.P.
Members	成員
Ms. Angelina Agnes Kwan (from 1 November 2010)	關蕙女士 (由二零一零年十一月一日起)
Ms. Elizabeth Law, M.H., J.P.	羅君美女士, M.H., J.P.
Mr. Lo Chi-lik, Peter	羅志力先生
Mr. Pang Yuk-wing, Joseph, J.P.	彭玉榮先生, J.P.
Ms. Sophia Kao, S.B.S., J.P. (ex-officio)	高靜芝女士, S.B.S., J.P. (當然成員)

AIB 審計調查委員會	Audit Investigation Board 審計調查委員會
CEO 行政總裁	Chief Executive Officer of the Financial Reporting Council 財務匯報局行政總裁
Council 財務匯報局成員	Members of the Financial Reporting Council in meeting 財務匯報局會議成員
CRTF 公司註冊處營運基金	Companies Registry Trading Fund 公司註冊處營運基金
FRC 財務匯報局	Financial Reporting Council 財務匯報局
FRC Ordinance 《財務匯報局條例》	Financial Reporting Council Ordinance 《財務匯報局條例》
FRRC 財務匯報檢討委員會	Financial Reporting Review Committee 財務匯報檢討委員會
FRRP 財務匯報檢討委員團	Financial Reporting Review Panel 財務匯報檢討委員團
HKEx 港交所	Hong Kong Exchanges and Clearing Limited 香港交易及結算所有限公司
HKICPA 香港會計師公會	Hong Kong Institute of Certified Public Accountants 香港會計師公會
HKSAR 香港特別行政區	Hong Kong Special Administrative Region 香港特別行政區
IFRS 國際財務報告準則	International Financial Reporting Standards 國際財務報告準則
MoF 財政部	Ministry of Finance 財政部
MoU 諒解備忘錄	Memorandum of Understanding 諒解備忘錄
OOC 運作監察委員會	Operations Oversight Committee 運作監察委員會
PRP 程序覆檢委員會	Process Review Panel 程序覆檢委員會
Secretariat 秘書處	Secretariat of the Financial Reporting Council 財務匯報局秘書處
SFC 證監會	Securities and Futures Commission 證券及期貨事務監察委員會

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