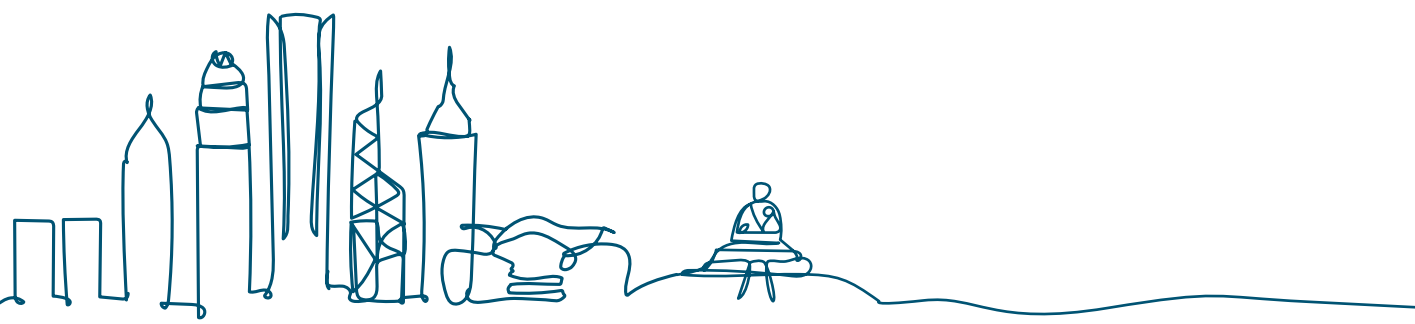


**A NEW ERA**  
新 一 章 新 紀 元



Annual Report  
年報 **2018**





## Who are we? 我們的角色

The mission of the Financial Reporting Council is to uphold the quality of financial reporting by listed entities in Hong Kong so as to enhance protection for investors and strengthen investor confidence in corporate reporting. The FRC is entrusted with statutory responsibilities to conduct independent investigations into possible auditing and reporting irregularities by auditors of listed entities, and enquiries into possible non-compliance with accounting requirements by listed entities.

財務匯報局致力維持香港上市實體財務匯報的質素，從而加強對投資者的保障，提高投資者對企業匯報的信心。財務匯報局獲賦予法定職責就上市實體核數師可能在審計或匯報方面的不當行為展開獨立調查，及就上市實體可能沒有遵從會計規定的事宜展開查訊。

## A New Era 新紀元

With the passage of the Financial Reporting Council (Amendment) Bill on 30 January 2019, our roles have been expanded. When the Ordinance takes effect, the FRC will become the independent listed entity auditor regulator for Hong Kong with direct powers of inspection, investigation, discipline concerning auditors of listed entities (PIE auditors) and oversight of the performance of the Hong Kong Institute of Certified Public Accountants in respect of their functions for registration; standards on professional ethics and auditing and assurance; and continuing professional development requirements in relation to PIE auditors. This will bring Hong Kong's auditor regulatory regime in line with other major capital markets worldwide and enable us to become a member of the International Forum of Independent Audit Regulators (IFIAR) whose members from around the world share their regulatory experience and inspection findings with the aim of enhancing audit quality.

The FRC is well-prepared to embrace the opportunities and challenges in this new era to further enhance investor protection.

財務匯報局(修訂)條例草案於2019年1月30日獲通過，使本局的職能擴大。隨著條例正式生效，財務匯報局將成為香港上市實體核數師的獨立監管機構，獲賦予直接行使查察、調查和紀律處分上市實體核數師的權力。本局亦獲賦予權力監察香港會計師公會履行對上市實體核數師的註冊、專業道德、審計及核證準則和專業進修規定的職能。這將使香港的核數師監管制度與其他國際資本市場接軌，並讓本局具備成為獨立審計監管機構國際論壇成員的資格，與其他成員分享他們的監管經驗和查察結果，以達至提升審計質素的目的。

財務匯報局已準備就緒，迎接這新紀元所帶來的機會和挑戰，進一步加強投資者保障。





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# CHAIRMAN'S STATEMENT

## 主席報告



“ **The FRC will adopt a regulatory approach that is transparent and conducive to the building of mutual trust and respect in the exercise of the expanded powers.** ”

財務匯報局在履行擴大職權時，將採取高透明度和有利於建立相互信任和尊重的監管模式。

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

Having served the Council since 2015 as a Council member, I am honoured to have been appointed as the Chairman of the Financial Reporting Council at the most exciting time as we enter a new era upon the enactment of the Financial Reporting Council (Amendment) Ordinance 2019 (“Amendment Ordinance”). As one of the leading international financial centres, it is imperative that Hong Kong have an effective, independent, and internationally aligned auditor regulatory regime under which investors’ interests can be duly protected. Therefore, the new era came at an opportune time.

### New Era, New Roles

Under the new era, the FRC will assume the role of the independent auditor regulator. We will be vested with the direct powers of inspection, investigation, discipline concerning auditors of public interest (PIE auditors) and oversight of the performance of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) in respect of their functions for registration, standards on professional ethics and auditing and assurance, and continuing professional development requirements in relation to PIE auditors. As the independent auditor regulator, we will defend the law and promote corporate governance for PIE auditors in Hong Kong.

As a defender of law, we are determined to bridge the long due gap of investor protection through effective regulation of PIE auditors in Hong Kong. This will complete the regulatory spectrum of Hong Kong.

隨着2019年財務匯報局(修訂)條例(「修訂條例」)的頒布，本局將進入新紀元。本人在2015年加入財務匯報局，很榮幸能在這最重要時刻獲任命為財務匯報局主席。作為首屈一指的國際金融中心之一，香港必須擁有一個有效、獨立並與國際接軌的核數師監管制度，使投資者的利益得到充分保障。因此，新時代的來臨適逢其時。

### 新紀元，新職能

在新紀元，財務匯報局將成為獨立核數師監管機構。我們將獲賦予對公眾利益實體核數師的查察、調查和紀律處分的直接權力，及就註冊、專業道德、審計及核證準則，以及與公眾利益實體核數師有關的持續專業進修規定的職能，監察香港會計師公會(香港會計師公會)的表現。作為獨立核數師監管機構，我們會捍衛法律及向香港公眾利益實體核數師推廣企業管治。

作為法律的捍衛者，我們決心透過對香港公眾利益實體核數師的有效監管從而填補對投資者保障長期存在的缺口。這將令香港的監管範圍趨向完整。



As a promoter of corporate governance, we will act as a thought leader to encourage and influence PIE auditors to establish best practices in relation to financial reporting. I firmly believe that our inspection and oversight functions will empower us to drive such change, which in the long run, will enhance audit quality and facilitate the healthy development of the audit profession.

Quality financial reporting is the backbone of an efficient financial market and auditors are at the forefront of assuring the quality of financial reporting, failing which public confidence and trust on listed companies will be undermined. It is therefore provident that the FRC is given the expanded powers and responsibilities to uphold the quality of financial reporting in Hong Kong.

The FRC will adopt a regulatory approach that is transparent and conducive to the building of mutual trust and respect in the exercise of the expanded powers. We will strive to work closely with our key stakeholders including the auditing professionals and the HKICPA with an aim of enhancing audit quality. Our decisions in relation to our inspection, investigation and disciplinary roles will be made based on sound evidence and detailed analysis and will be communicated clearly to those being regulated.

## Our Preparations

In order to embrace the new opportunities and challenges ahead, the FRC has prioritised the following tasks:

### Establish a new organisation structure

First of all, we are mapping out a new organisation structure that duly reflects our expanded roles under the new regime. As the Chairman, I will work closely with other members of the Council to formulate visionary strategies and a new organisation structure that are beneficial to the development of the FRC as an effective regulator.

### Retain, Recruit and Develop talents

Second, the FRC will further strengthen our team of staff to carry out our regulatory functions effectively. The FRC currently has a complement of 27 professional and dedicated staff without whom the FRC would not have come this far. In view of our expanded roles, my job is to ensure that our organisation is equipped with adequate human resources and has in place transparent management processes to discharge our responsibilities. In the near future, we will create a new organisation structure with divisional responsibilities and conduct a rigorous recruitment exercise to hire a significant number of qualified and competent new staff. We will benchmark our employment packages against market practice and introduce competitive terms and conditions in order to attract and retain talent. I have a firm belief that the strengthened staff force will contribute significantly to the effective functioning of the FRC in the new regime.

作為企業管治的推動者，我們將充當思維領袖，鼓勵和影響公眾利益實體核數師採納與財務匯報相關的最佳做法。本人堅信，我們的查察和監察職能將使我們能夠推動這種變革，長遠來看這將進一步提升審計質量及促進審計業界的健康發展。

高質素的財務匯報是一個高效能金融市場的支柱，而核數師則處於確保財務匯報質素的最前線。沒有高質素的財務匯報便會破壞公眾對上市公司的信心和信任。因此，財務匯報局獲賦予擴大權力和責任，以維護香港的財務匯報質素，確是明智之舉。

財務匯報局在履行擴大職權時，將採取高透明度和有利於建立相互信任和尊重的監管模式。我們將致力與主要持份者包括審計專業人士和香港會計師公會緊密合作，以提高審計質素。我們在查察、調查和紀律方面所作出的決定將建基於確實的證據和詳細的分析，並將明確傳達予受監管人士。

## 我們的準備工作

為了迎接面前的新機遇和挑戰，財務匯報局將肩負下列多項首要任務：

### 建立新組織架構

首先，我們正在規劃一個新的組織架構，適當地反映我們在新制度下的擴大職能。作為主席，我將與其他財務匯報局成員緊密合作，制定前瞻策略和新的組織架構，以驅動財務匯報局作為有效監管機構的發展。

### 保留，招聘和培養人才

第二，財務匯報局將進一步加強我們的員工隊伍，以有效履行我們的監管職能。財務匯報局目前擁有27名專業和竭誠服務的員工，沒有他們，財務匯報局就不會取得今天的成績。鑑於我們的擴大職能，我的責任是要確保本局備有充足的人力資源，並建立透明的管理程序以履行職責。在不久的將來，我們將建立一個分工清晰的新組織架構，並進行嚴謹的招聘工作，以聘請更多具備資格和勝任的新員工。我們將參考市場的薪酬方案，引入更具競爭力的條款，以吸引並留住人材。我堅信，輔以強化的員工團隊對財務匯報局在新體制下的有效運作有莫大益處。



### Develop policies, procedures and guidelines

Third, we are developing appropriate policies, procedures, and guidelines in anticipation of the expected commencement of the Amendment Ordinance in the fourth quarter of this year. In particular, we are now conducting consultation in relation to the sanctions guidelines which are required to be published for the FRC to impose any pecuniary penalty. To this end, we have arranged meetings and briefings with different stakeholders including audit firms and professional bodies to ensure voices are heard and views understood. Upon completion of our consultation towards late April, we will evaluate all the comments received. I have also invited two Council Members and an Honorary Advisor to provide an independent review of the market commentaries. We are confident that with their valuable inputs, a comprehensive set of guidelines can be in place soon for the smooth implementation of the new regime.

### Regulatory Collaboration

On the international front, the FRC will foster seamless collaborations with overseas and Mainland regulators. We are preparing for our application for membership of the International Forum of Independent Audit Regulators (IFIAR) which will benefit Hong Kong in two ways. First, this will enable us to benchmark Hong Kong's audit practice against international standards while ensuring that we remain relevant in the local context. Second, we will be entitled to share information on regulatory experience and inspection findings with members from around the world which will enhance audit quality globally in the long run.

We have also been engaging in regular and constructive dialogue with PRC's Ministry of Finance (MoF) in respect of strengthening future collaboration when the Amendment Ordinance takes effect. In February 2019, we paid a courtesy visit to the MoF and had a fruitful discussion on the draft of the Memorandum of Understanding ("MOU") that aims to facilitate closer cross-border cooperation in gaining access to audit working papers located in the Mainland.

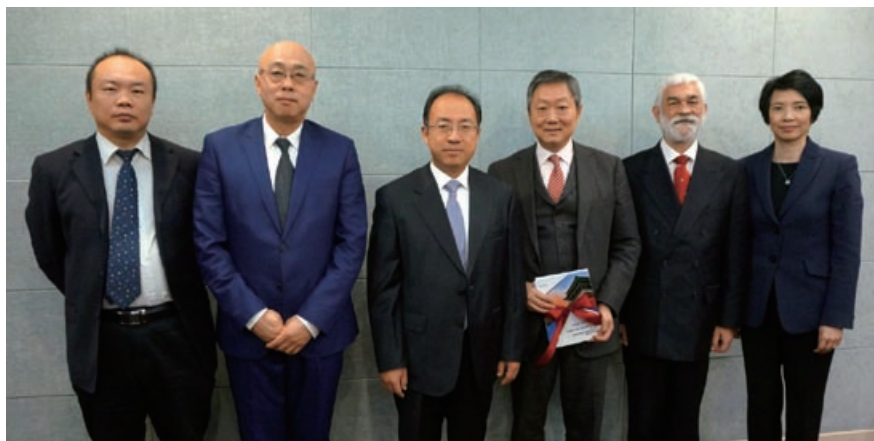
### 制定政策、程序和指引

第三，我們預期修訂條例在今年第四季度生效，並已開始制訂適當的政策、程序和指引。我們現正進行有關處分指引的諮詢，而這些指引須在財務匯報局今後施加罰款前予以公佈。為此，我們與不同的持份者包括會計師事務所和專業團體安排了會議和簡報會，以聽取不同聲音和意見。在4月底完成諮詢後，我們將評估收到的所有意見。我還邀請了兩名財務匯報局成員和一位名譽顧問，對收取的市場意見進行獨立審閱。我們相信，他們的寶貴意見能協助我們在不久將來制定一套全面的指引，以便順利實施新制度。

### 監管機構的合作

在國際方面，財務匯報局將與海外和內地監管機構合作無間。我們現正準備申請成為獨立審計監管機構國際論壇(IFIAR)的成員，這將在兩個方面對香港有益。首先，在確保本地履行監管相關性的同時，能夠將香港的審計慣例與國際標準參照對比。其次，我們可與世界各地的論壇成員分享有關監管經驗和查察結果的資訊，長遠而言將提升全球審計質素。

我們還與中華人民共和國財政部(財政部)就修訂條例生效時，如何加強未來合作進行定期和建設性的交流。我們於2019年2月拜訪了財政部，並就諒解備忘錄的草稿進行了富有成果的討論。該備忘錄旨在促進更密切的跨境合作，以獲取存放於內地的審計工作底稿。



Dr Kelvin Wong (3<sup>rd</sup> from right), Chairman of the FRC met with Mr Gao Jinxing (3<sup>rd</sup> from left), Director General, Supervision and Investigation Bureau, MoF.

財務匯報局主席黃天祐博士(右三)和財政部監督檢查局進興局長會面(左三)。



## Vote of Thanks

My first statement would not be complete without sharing with you my gratitude to my predecessors including past Chairmen Ms Sophia Kao and Dr John Poon and past CEOs Mr MT Shum, Dr PM Kam and Mr Mark Dickens who had led the FRC to become a strong and effective organisation. In particular, the 6-year efforts of Dr Poon has laid a solid foundation for the FRC to perform its new roles as a fully-fledged independent oversight body of auditors of listed entities. My earnest thanks also go to the past members including Mr Nicholas Sallnow-Smith, Mr Sin Chung-kai and Mr David Stannard who retired in November 2018, our present Council members and Honorary Advisors whose collective wisdom has steered the FRC throughout our journey to the new era.

My special thanks go to our CEO Mr Paul F. Winkelmann who will leave the FRC upon the completion of his contract in March. During his three-year service from 2016 and 2019, Paul has led the team to deal with the ever-increasing workload efficiently and professionally under his outstanding leadership. We are now in the process of recruiting a new CEO and believe that with the new regime underway, the position will attract candidates with outstanding leadership and professional expertise to take the FRC to the next level.

Last but not least, I would like to express my appreciation of, and thanks to the Financial Services and the Treasury Bureau and the four funding parties – the Companies Registry Trading Fund, the Hong Kong Exchanges and Clearing Limited (HKEX), the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Securities and Futures Commission (SFC) for their staunch support to the FRC.

## Looking Ahead

There is no time like the present. The FRC is on a strong foothold to take on the new challenges and our new roles and to discharge our responsibilities faithfully, honorably, transparently, and fairly as an internationally aligned independent auditor regulator for Hong Kong. As a closing note, I would like to share a Chinese poem which signifies the unwavering spirit of the FRC in the new regime.

Bamboos on the Rocks – by Zheng Banqiao

On the peak it firmly stands  
Deeply rooted strong in rocks and sands  
Against all the blows and wind  
The bamboo stays evergreen

## 致謝

我亦希望在這首份報告對本局各前領導表達感激之情，包括前任主席高靜芝女士和潘祖明博士以及前任行政總裁沈文燾先生、甘博文博士和狄勤思先生。在他們帶領下，財務匯報局得以成為一個堅實而有效的組織。特別是潘博士這6年來的努力，為財務匯報局成為全面獨立的上市實體核數師監管機構的新角色奠定了堅實的基礎。我也衷心感謝卸任的本局成員，包括於2018年11月卸任的蘇兆明先生、單仲偕先生和冼達能先生，以及現任本局成員和名譽顧問，他們的集體智慧引領了財務匯報局邁向新紀元。

我要特別感謝行政總裁衛皓民先生，他將在3月合約完成後離任。在其2016年到2019年的三年服務期內，衛皓民先生領導出眾，帶領團隊有效和專業地處理不斷增長的工作。我們正在招聘新的行政總裁，並相信隨著新制度的開展，該職位將吸引具有出色領導能力和專業知識的人選，帶領財務匯報局更上一層樓。

最後，我希望感謝財經事務及庫務局和四間撥款機構（公司註冊處營運基金、香港交易及結算有限公司（港交所）、香港會計師公會及證券及期貨監察委員會（證監會））對財務匯報局的鼎力支持。

## 展望未來

現在是前所未有的時刻。財務匯報局已準備就緒，承擔作為與國際接軌的香港獨立核數師監管機構的新挑戰和新職能，並忠誠地、莊重地、透明地和公平地履行職責。最後，我想和大家分享一首詩，以表達財務匯報局在新制度下堅毅不屈的精神。

「咬定青山不放鬆，立根原在破岩中。千磨萬擊還堅勁，任爾東西南北風。」（鄭板橋〈竹石〉）

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

# CHIEF EXECUTIVE OFFICER'S REPORT

## 行政總裁報告



“

**The most auspicious start to 2019 came on 30 January 2019 when LegCo resumed the second reading, completed the third reading and enacted the Ordinance. This was most welcome news and we are delighted that Hong Kong will now have an internationally recognised independent listed entity auditor regulator once it becomes effective.**

於2019年1月30日，立法會恢復二讀、完成三讀並將條例草案制定為法例，標誌著2019年最好的開始。這確是一大喜訊，法例生效後，香港便有一個受國際認同的獨立上市實體核數師監管機構。

”

Mr Paul F. Winkelmann *Chief Executive Officer*  
衛皓民先生 行政總裁

2018 turned out to be another very active year for the FRC. It was a year in which a Bill on auditor regulatory reform was presented to the Legislative Council (“LegCo”) and was examined in detail by a Bills Committee, a record number of investigation and enquiry cases were completed and 7 new staff members joined.

### Regulatory Reform

On 24 January 2018, the Government introduced the FRC (Amendment) Bill 2018 (“the Bill”) to LegCo. A Bills Committee was formed and 7 Bills Committee meetings examined the Bill clause by clause culminating with their final meeting on 17 December 2018. During that period we supported Government by preparing various research and analysis papers to assist them in their responses to questions raised. We also spent a considerable amount of time on our updated outreach programme whereby we gave presentations to all audit firms that audit listed entities to explain in detail not only the provisions of the Bill but also our views on how the legislation should be implemented in practice. We also included in our programme presentations to the media and updates to the accountancy professional bodies and other regulatory bodies in Hong Kong. More details on these activities are included in our special newsletter issued on 10 December 2018.

2018年是財務匯報局另一個非常活躍的年度。政府於今年向立法會提呈有關核數師監管改革的條例草案，並經法案委員會進行詳細審議。今年已完成調查及查訊個案數目再創新高，並有七名新員工加入。

### 監管改革

於2018年1月24日，政府向立法會提呈2018年財務匯報局（修訂）條例草案（「條例草案」）。法案委員會已予成立及舉行了7次會議以逐條審議草案，最後一次會議於2018年12月17日舉行。在此期間，我們擬備若干研究及分析文件以協助政府回覆議員的提問。在外展計劃方面，本局致力向所有負責審計上市實體的會計師事務所詳細解釋草案條例，及說明如何落實有關法例。我們亦向媒體解說及向香港的會計專業團體及其他監管機構詳述最新進展。有關該等活動的更多詳情請參閱於2018年12月10日刊發的電子簡訊（特別版）。





In May 2018, the CEO gave presentations on the FRC (Amendment) Bill to all audit firms that audit listed entities. 行政總裁於2018年5月向所有審計上市實體的會計師事務所詳述財務匯報局(修訂)條例草案。

Following completion of the clause by clause examination by the Bills Committee they issued their report to LegCo in late January 2019.

法案委員會於完成逐條審議後，於2019年1月底向立法會報告。

The most auspicious start to 2019 came on 30 January 2019 when LegCo resumed the second reading, completed the third reading and enacted the legislation. This was most welcome news and we are delighted that Hong Kong will now have an internationally recognised independent listed entity auditor regulator once it becomes effective.

於2019年1月30日，立法會恢復二讀、完成三讀並將條例草案制定為法例，標誌著2019年最好的開始。這確是一大喜訊，法例生效後，香港便有一個受國際認同的獨立上市實體核數師監管機構。

## 2018 Operations

Eliminating the anomalies created in 2017 and earlier years, the number of pursuable complaints received in 2018 increased by 38% over 2017. The percentage of pursuable complaints received from the public surpassed those received from other regulators for the first time in our history. I believe this is good news in that members of the public are now becoming more aware of the work that we do and support our mission to enhance financial reporting in Hong Kong.

## 2018年運作

撇除2017年及過往遇到的異常情況，2018年接獲的可跟進投訴數量比2017年增加38%。來自公眾的可跟進投訴百分比首次超過從其他監管機構接獲的投訴個案。我認為這絕對是好消息，反映公眾人士越來越了解本局的工作，並支持我們提高財務匯報質素的使命。

2018 also saw a record number of investigations and enquiries completed. A total of 16 investigations and 1 enquiry were completed which is not only a record since we commenced operations, but is an increase of 55% over 2017.

已完成調查及查訊個案數目於2018年再創新高。我們共完成16宗調查個案及1宗查訊個案，比2017年增加55%，是我們自開始運作以來的新紀錄。

Much of this success is due to the introduction of setting targets. Such targets are discussed and agreed with our investigation staff at the beginning of the year and are now monitored monthly. In addition, an ageing analysis and average age since inception is monitored by the case management team and reported to Council and Operations Oversight Committee every two months at their regular meetings. I am very pleased to report that we are within our targets, which have been decided following discussions with other auditor regulators in various jurisdictions and the average age of cases has come down during the year. All this has been achieved without affecting the quality and effectiveness of our operations and output.

取得成功很大程度上歸因於設定目標。本局在年初時與負責調查的員工就該等目標進行討論及達成共識，並每月監察進度。此外，管理團隊就年期分析及自立案起計算的平均年期進行監察，並於每兩個月舉行的定期會議上向財務匯報局及運作監察委員會報告。本人欣然報告，本局已達致經與各司法權區其他核數師監管機構討論後所決定的目標，且今年處理個案的平均年期有所下降。在達標的同時，並沒有影響本局運作的質素及有效性以及工作成果。

# CHIEF EXECUTIVE OFFICER'S REPORT (continued)

## 行政總裁報告 (續)

Further discussion and analysis of our operations can be found in the “Management and Operations Review” section on pages 26 to 41 of this annual report.

I reported last year that the changes made to our financial statements review programme had brought us up to date and had brought a better focus to areas of likely non-compliance and/or auditing irregularities. This is borne out by noting that in at least two recent complaints, we had already identified the issues and commenced investigations.

### Regulator Outreach

Our outreach to other regulators, both local and international, escalated this year. In addition to our regular liaison with the Securities and Futures Commission, the Hong Kong Exchanges and Clearing Limited and the Hong Kong Institute of Certified Public Accountants which continues to prove to be beneficial in terms of dealing with effective cross-referrals and common findings, we took the opportunity to also update each of them on the progress of the Bill by reference to the materials made public during the Bills Committee meetings.

An updated draft of a proposed Memorandum of Understanding (“MOU”) with the PRC Ministry of Finance (“MOF”) has been shared with them and we have received positive feedback from the MOF. We will meet with the MOF shortly to introduce our new Chairman and discuss their comments on the draft MOU.

As CEO, I attended a regional roundtable discussion held in Singapore on “Strengthening the governance and oversight of the audit-related standard setting in the public interest”. This was followed up by a second meeting in Hong Kong later in the year. The FRC was able to directly provide its views and comment on this topic on both occasions. In addition, I and my Deputy CEO held a meeting with a member of The International Auditing and Assurance Standards Board to discuss their proposed new and updated standards on quality controls, which will impact the audit firms and their regulators.

We also hosted a meeting with Mr Carl Renner from the International Forum of Independent Audit Regulators (“IFIAR”) in which we updated him on the progress of the Bill and discussed the requirements and procedures for application for membership. We have since notified IFIAR of the enactment of the Bill.



In June 2018, the CEO of the FRC updated Mr Carl Renner from IFIAR on the progress of the Bill.  
財務匯報局行政總裁於2018年6月向Carl Renner先生簡述草案的最新進展。

本局運作的進一步討論及分析載於本年報第26頁至第41頁「管理及運作回顧」一節。

本人在去年報告的財務報表審閱計劃變動，使我們能掌握最新資訊，從而更聚焦於可能出現不遵從會計規定事宜及／或審計不當行為的地方。最近至少有兩宗投訴證明，我們在接獲該兩宗投訴前，已發現問題及展開調查。

### 監管機構外展工作

今年，本局與本地及國際其他監管機構所進行的交流更加頻繁。我們與證券及期貨事務監察委員會、香港交易及結算所有限公司及香港會計師公會的定期聯繫，繼續讓我們在有效互相轉介及分享共同發現的問題方面有所得益，本局亦以法案委員會會議期間所公開的資料為本，向上述機構提供有關條例草案進展的最新消息。

我們與中國財政部（「財政部」）討論所草擬諒解備忘錄（「諒解備忘錄」）的草稿，並得到財政部的正面回應。我們將於短期內與財政部官員會面，介紹本局新任主席並就他們對諒解備忘錄草稿的意見作討論。

本人以行政總裁的身份，出席了在新加坡舉行的「加強涉及公眾利益的審計相關準則的管治及監督」地區圓桌會議。我亦出席了隨後於年內在香港舉行的第二次會議。本局能夠於這兩次會議就有關題目直接發表觀點及意見。此外，本人和副行政總裁及國際審計與鑒證委員會舉行會議，討論他們就質量控制準則所提出的更新及修訂建議。這些更新修訂將對會計師事務所及其監管機構有所影響。

本局亦與獨立審計監管機構國際論壇（IFIAR）的Carl Renner先生舉行會議，向他講述草案的進展情況及討論了申請成為會員的要求及程序。其後，我們將條例草案的通過通知了IFIAR。



The PRC Ministry of Finance visited the FRC in September 2018.  
中國財政部於2018年9月到訪財務匯報局。



## Staff Matters

Each year our professional staff attend various technical accounting and auditing courses to ensure they keep up to date with technical matters. In 2018 we also added a 3-day workshop on coaching and evaluation skills with a view to enhancing our team work and staff counselling and evaluation procedures.

None of the achievements mentioned above could have happened without the considerable support provided by all staff members to our various new initiatives for which I am very grateful. In addition, it is incumbent on me to express my gratitude to my core management team whose assistance, dedication and professionalism ensure that we continue to grow from strength to strength.



## 員工

本局的專業員工每年出席各類技術會計及審計課程，以確保他們掌握最新的技術事項。2018年，我們亦新增了為期三天的培訓及評估技能工作坊，旨在加強局內團隊合作、員工輔導及評估程序。

若沒有本局所有員工對各項新舉措的大力支持，上述成就是無法達致的。為此，本人深表謝意。此外，本人亦感激核心管理團隊的協助、投入和專業精神，使本局能不斷壯大發展。

Senior staff attending a 3-day workshop on coaching and evaluation skills.  
高級員工出席為期三天的培訓及評估技能工作坊。

## Concluding Observations

2019 will be an era of significant change for the FRC. Having enacted the legislation on regulatory reform the FRC is fully committed to preparing and implementing the changes necessary to bring effect to the legislation as soon as practicable. We look forward to further outreach in respect of various policies and guidelines as we move towards an effective date.

## Acknowledgement

I would like to acknowledge the considerable support I and my team have received from both the former and current Chairman, together with the Council and Committee members, the Honorary Advisory Panel, the Financial Reporting Review Panel, the Financial Services and the Treasury Bureau, and the Process Review Panel. Together, the FRC is scaling new heights and a new era is commencing.

## 總結

2019年將為財務匯報局推動重大變革的一年。在監管改革的法例頒佈後，本局正全力籌備及實行各種必要的變動，務求使法例盡快生效。隨著法例生效日期逐漸臨近，我們期待就各項政策及指引作進一步外展工作。

## 致謝

本人藉此機會對前任主席及現任主席、本局成員及委員會成員、名譽顧問團、財務匯報檢討委員會、財經事務及庫務局及程序覆檢委員會的大力支持表示衷心謝意。本局將與各位同心協力，再闢高峰，開展新紀元。

Mr Paul F. Winkelmann  
衛皓民先生  
Chief Executive Officer  
行政總裁



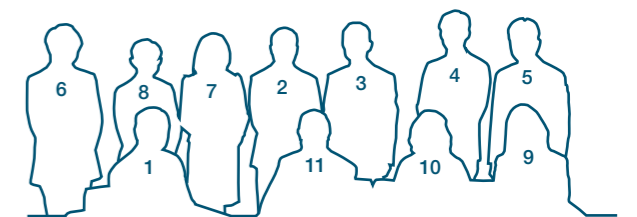


## Chairman 主席

- 1 Dr Kelvin Wong, JP  
黃天祐博士，太平紳士

## Members 成員

- 2 Mr Chan Tze Ching, BBS, JP  
陳子政先生，銅紫荊星章，太平紳士
- 3 Mr Wilson Fung  
馮英偉先生
- 4 Mr Eugene Fung, SC  
馮庭碩先生，資深大律師
- 5 Mr Stephen Hung  
熊運信先生
- 6 Ms Miranda Kwok  
郭珮芳女士
- 7 Ms Rosita Lee  
李佩珊女士
- 8 Mr Wong Kai Man, BBS, JP  
黃啟民先生，銅紫荊星章，太平紳士
- 9 Ms Eirene Yeung (Acting Chairman)  
楊逸芝女士（署理主席）
- 10 Ms Ada Chung, JP (ex-officio)  
鍾麗玲女士，太平紳士（當然成員）
- 11 Mr Paul F. Winkelmann (ex-officio)  
衛皓民先生（當然成員）



# PROFILES OF FRC MEMBERS

## 財務匯報局成員簡介

### Chairman

#### 主席

**Dr Kelvin Wong, JP** (appointment effective 15 December 2018; term expires on 30 November 2020)

Dr Wong is the Immediate Past Chairman of The Hong Kong Institute of Directors and a member of Operations Review Committee of Independent Commission Against Corruption. He is an Executive Director, a Deputy Managing Director and the Chairman of Corporate Governance Committee of COSCO SHIPPING Ports Limited. He is also an Independent Non-executive Director of seven listed companies in Hong Kong.

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

**黃天祐博士，太平紳士**（於2018年12月15日獲委任；任期至2020年11月30日屆滿）

黃博士為香港董事學會卸任主席及廉政公署審查貪污舉報諮詢委員會委員。他是中遠海運港口有限公司執行董事、董事副總經理及公司管治委員會主席。他亦為7間香港上市公司獨立非執行董事。

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

### Members

#### 成員

**Mr Chan Tze Ching, BBS, JP** (re-appointment effective 1 December 2018 on the nomination of the Hong Kong Exchanges and Clearing Limited; term expires on 30 November 2020)

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

**陳子政先生，銅紫荊星章，太平紳士**（由香港交易及結算所有限公司提名，於2018年12月1日再度獲委任；任期至2020年11月30日屆滿）

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





**Mr Eugene Fung, SC** (appointment effective 1 December 2018; term expires on 30 November 2020)

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

馮庭碩先生，資深大律師（於2018年12月1日獲委任；任期至2020年11月30日屆滿）

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

**Mr Wilson Fung** (re-appointment effective 1 December 2018 on the nomination of the Hong Kong Institute of Certified Public Accountants; term expires on 30 November 2020)

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

馮英偉先生（由香港會計師公會提名；於2018年12月1日再度獲委任；任期至2020年11月30日屆滿）

馮先生在香港及英國擁有逾17年審計經驗，曾於怡和管理有限公司工作超過21年，於2014年9月退休前為集團財務總監。他是香港會計師公會、特許公認會計師公會及英格蘭和威爾斯特許會計師公會的資深會員。他曾於2010年出任香港會計師公會會長。他曾於2007年7月至2013年7月期間出任財務匯報局的財務匯報檢討委員團召集人。馮先生是香港商界會計師協會創會會長，目前擔任多間志願團體及法定機構的董事、理事或成員。

**Mr Stephen Hung** (appointment effective 1 December 2018; term expires on 30 November 2020)

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

熊運信先生（於2018年12月1日獲委任；任期至2020年11月30日屆滿）

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



## PROFILES OF FRC MEMBERS (continued)

### 財務匯報局成員簡介 (續)

**Ms Miranda Kwok** (appointment effective 1 December 2018; term expires on 30 November 2020)

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

**郭珮芳女士** (於2018年12月1日獲委任；任期至2020年11月30日屆滿)

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

**Ms Rosita Lee** (appointment effective 1 December 2018; term expires on 30 November 2020)

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

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

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

**李佩珊女士** (於2018年12月1日獲委任；任期至2020年11月30日屆滿)

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

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

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

**Mr Wong Kai Man, BBS, JP** (re-appointment effective 1 December 2018 on the nomination of the Securities and Futures Commission; term expires on 30 November 2020)

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

**黃啟民先生，銅紫荊星章，太平紳士** (由證券及期貨事務監察委員會提名，於2018年12月1日再度獲委任；任期至2020年11月30日屆滿)

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



**Ms Eirene Yeung** (Acting Chairman) (re-appointment effective 1 December 2018; term expires on 30 November 2020)

Ms Yeung is Executive Committee Member and the Company Secretary of CK Asset Holdings Limited. She is also a member of the SFC (HKEC Listing) Committee of the Securities and Futures Commission, the Advisory Committee on Corruption of the Independent Commission Against Corruption and the Vice Chairman of the General Committee of The Chamber of Hong Kong Listed Companies. She is a solicitor of the High Court of the Hong Kong Special Administrative Region and a non-practising solicitor of the Senior Courts of England and Wales.

**楊逸芝女士** (署理主席) (於2018年12月1日再度獲委任；任期至2020年11月30日屆滿)

楊逸芝女士為長江實業集團有限公司執行委員會委員兼公司秘書。她為證券及期貨事務監察委員會之證監會(香港交易所上市)委員會委員、廉政公署貪污問題諮詢委員會委員及香港上市公司商會常務委員會副主席。她為香港特別行政區高等法院執業律師及英格蘭和威爾斯高級法院非執業律師。

**Ms Ada Chung, JP (ex-officio)** (appointment effective 27 August 2007)

Ms Chung is the Registrar of Companies. As a representative of the Financial Secretary, she is an ex-officio council member of the Hong Kong Institute of Certified Public Accountants. 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, she was a Deputy Law Officer of the Department of Justice. She is qualified as a certified public accountant and a barrister-at-law.

**鍾麗玲女士，太平紳士(當然成員)** (任期由2007年8月27日起)

鍾女士為公司註冊處處長。她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。她於2007年8月獲委任為處長前，為律政司副民事法律專員。她具備執業會計師及大律師資格。

**Mr Paul F. Winkelmann (ex-officio)** (appointment effective on 1 April 2016; term expires on 31 March 2019)

Mr Winkelmann is the Chief Executive Officer of the Financial Reporting Council. He has rich experience in the accounting profession. He was the partner-in-charge of PricewaterhouseCoopers' Risk and Quality team in Greater China (2002-2014) and was the President of the Hong Kong Institute of Certified Public Accountants in 2009. He also served as the Chairman of the Financial Reporting Standards Committee of the Hong Kong Institute of Certified Public Accountants (2004-2009) which oversaw the full convergence of Hong Kong's accounting standards with the international standards. He is a former member of the Operations Oversight Committee of the Financial Reporting Council from August 2013 until his appointment as Chief Executive Officer.

**衛皓民先生(當然成員)** (任期由2016年4月1日起至2019年3月31日屆滿)

衛皓民先生是財務匯報局行政總裁。他在會計專業方面具豐富的經驗。他曾為羅兵咸永道會計師事務所大中華區負責風險管理及質素的主管合夥人(2002-2014)，並曾在2009年擔任香港會計師公會會長。他亦曾擔任香港會計師公會轄下財務報告準則委員會的主席(2004-2009)，領導香港會計師公會在會計準則方面與國際標準全面接軌。他是財務匯報局運作監察委員會前任成員，任期由2013年8月起直至其獲委任為行政總裁。

# CORPORATE GOVERNANCE

## 機構管治

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

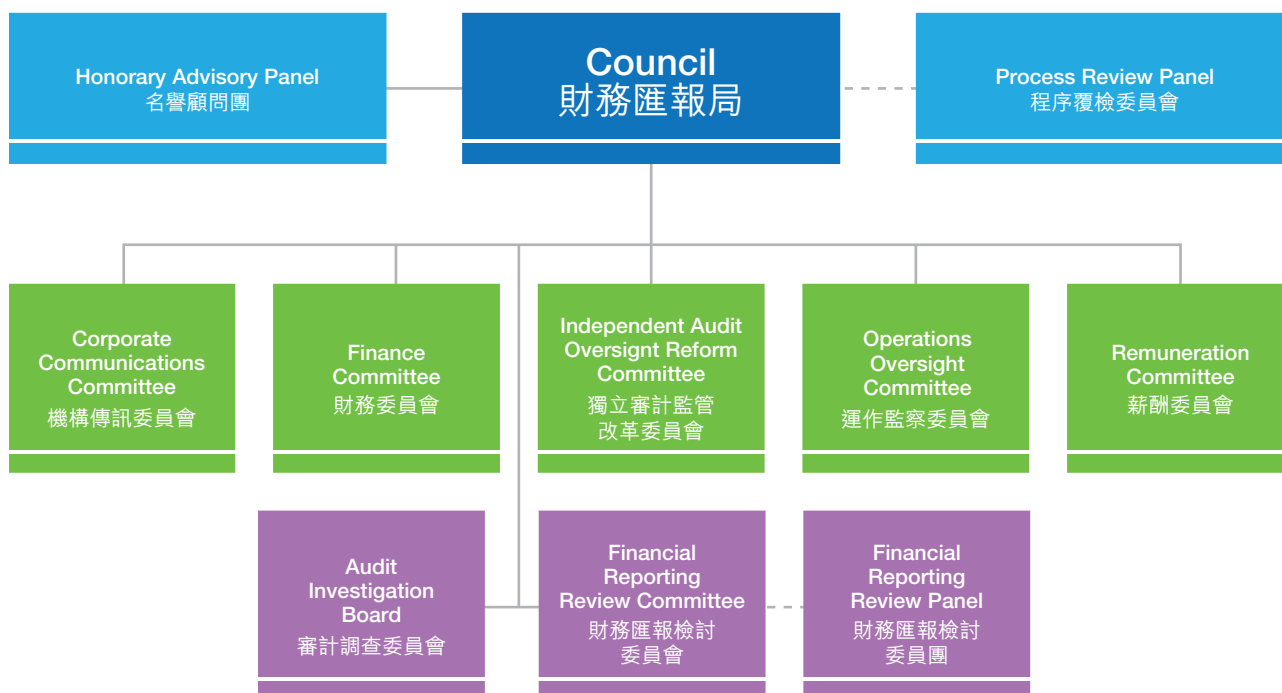
The FRC is committed to high standards of corporate governance and operates within a comprehensive framework of values and guidelines that emphasises integrity, proficiency, independence and impartiality, accountability and transparency. To facilitate effective operations and management of the organisation,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

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

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

## Organisation Structure

### 組織架構







## The Council

The FRC is governed by its Members, who operate as a Council. A majority of Council Members, including the Chairman, are lay persons, i.e., non-accountants. All members are independent of the audit profession. This ensures the Council's independence in carrying out its functions.

The primary functions of the Council are set out in the FRCO and include:

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

The FRC's Chief Executive Officer (CEO) is appointed by the Chief Executive of the Hong Kong Special Administrative Region (HKSAR) on the recommendation of the Council. As at 31 December 2018, there were 11 Members on the Council. Three of these 11 members are nominated by Hong Kong Exchanges and Clearing Limited (HKEX), the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Securities and Futures Commission (SFC) respectively. The Registrar of Companies or her representative, and the FRC's CEO, are ex-officio members.

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

Council members come from a variety of backgrounds with diversified and relevant skills which includes accountants, lawyers and members with extensive business experience. While there is no ruling on gender diversification, four of the eleven members are female. Profiles for each member can be found on pages 12 to 15 of this report. Not only do Council members attend meetings of the Council, but each member is involved in at least two of the underlying committees thus ensuring they are involved extensively in the affairs of the Council.

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

## 財務匯報局成員

財務匯報局成員負責監管財務匯報局的運作。本局的大部分成員(包括主席)均為業外人士，即非會計師。本局的所有成員均獨立於審計業界，這確保本局能夠獨立履行職能。

根據《財務匯報局條例》，本局的主要職能包括：

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

本局的行政總裁由香港特別行政區行政長官經本局推薦委任。財務匯報局於2018年12月31日的成員共11人，其中三名成員分別由香港交易及結算有限公司(港交所)、香港會計師公會以及證券及期貨事務監察委員會(證監會)提名委任。本局的兩名當然成員分別是公司註冊處處長或其代表，以及本局的行政總裁。

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

本局成員來自不同背景並具備各種相關技能，包括會計師、律師及從商經驗豐富的成員。雖然本局並無有關性別多元化的規定，但十一名成員中有四名為女性。各成員的簡介載於本年報第12頁至第15頁。除了出席財務匯報局成員會議，各成員亦會參與屬下最少兩個委員會，從而確保他們全面參與本局事務。

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

# CORPORATE GOVERNANCE (continued)

## 機構管治 (續)

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

### Council Meetings

The Council meets once every two months and holds additional meetings as and when necessary. In addition to discussing specific agenda items, progress reports on all ongoing cases, management accounts and other operating statistics are submitted for review at each regular meeting. In 2018, the Council held six meetings, all of which were conducted in accordance with the provisions of the FRCO.

Membership and attendance at Council meetings in 2018 was as follows:

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

### 財務匯報局成員會議

財務匯報局成員每兩個月舉行一次會議，並會按需要召開額外會議。定期會議上，除了討論特定的議程項目之外，所有處理中的個案的進度報告、管理賬目及其他運作數據亦會被提呈審閱。本局成員於2018年共舉行了六次會議，所有會議均按照《財務匯報局條例》的條文進行。

財務匯報局於2018年的會議出席成員及出席率如下：

		Meetings attended/held 會議出席／舉行次數
Dr John Poon, BBS, JP <sup>1</sup> (Chairman)	潘祖明博士，銅紫荊星章，太平紳士 <sup>1</sup> (主席)	6/6
Dr Kelvin Wong, JP <sup>2</sup>	黃天祐博士，太平紳士 <sup>2</sup>	3/6
Mr Chan Tze Ching, BBS, JP	陳子政先生，銅紫荊星章，太平紳士	6/6
Mr Eugene Fung, SC <sup>3</sup>	馮庭碩先生，資深大律師 <sup>3</sup>	N/A
Mr Wilson Fung	馮英偉先生	5/6
Mr Stephen Hung <sup>3</sup>	熊運信先生 <sup>3</sup>	N/A
Ms Miranda Kwok <sup>3</sup>	郭珮芳女士 <sup>3</sup>	N/A
Ms Rosita Lee <sup>3</sup>	李佩珊女士 <sup>3</sup>	N/A
Mr Nicholas Sallnow-Smith <sup>4</sup>	蘇兆明先生 <sup>4</sup>	4/6
Mr Sin Chung Kai, SBS, JP <sup>4</sup>	單仲偕先生，銀紫荊星章，太平紳士 <sup>4</sup>	6/6
Mr David Stannard <sup>4</sup>	冼達能先生 <sup>4</sup>	4/6
Mr Wong Kai Man, BBS, JP	黃啟民先生，銅紫荊星章，太平紳士	6/6
Ms Eirene Yeung	楊逸芝女士	5/6
Ms Ada Chung, JP (ex-officio)	鍾麗玲女士，太平紳士(當然成員)	6/6
Mr Paul F. Winkelman (CEO) (ex-officio)	衛皓民先生(行政總裁)(當然成員)	6/6

The average attendance rate at meetings was 86%.

會議平均出席率為86%。

<sup>1</sup> Term expired on 14 December 2018.

<sup>2</sup> Appointed as Chairman with effect from 15 December 2018.

<sup>3</sup> Appointed with effect from 1 December 2018.

<sup>4</sup> Term expired on 30 November 2018.

<sup>1</sup> 任期於2018年12月14日屆滿。

<sup>2</sup> 於2018年12月15日獲委任為主席。

<sup>3</sup> 任期於2018年12月1日生效。

<sup>4</sup> 任期於2018年11月30日屆滿。





Pursuant to the FRCO, the Chief Executive of the HKSAR may appoint temporary members to the FRC to serve on a rotating basis with respect to cases whereby the Council is not able to meet the statutory quorum in relation to matters in which members had disclosed their interests. During 2018, the following persons were the temporary members of the FRC:

Mr Stephen Hung<sup>1</sup>  
Mr Edward Kwan, MH  
Ms Rosita Lee<sup>1</sup>  
Mr Michael Scales  
Ms Anna Wong<sup>2</sup>

<sup>1</sup> Retired with effect from 1 December 2018 upon appointment as a Council Member.

<sup>2</sup> Re-appointed with effect from 1 December 2018.

The in-house General Counsel attends all Council meetings, and has been appointed as the Secretary of the meetings. Minutes of meetings are circulated to the Chairman for review and comment and then to all members for comment. All members have access to the General Counsel.

## Council Committees

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

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

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

根據《財務匯報局條例》，香港特別行政區行政長官可委任臨時成員，在任何現任委任成員因披露利益關係以致未能符合會議法定人數以執行成員職能時，以輪流方式替代該些成員。於2018年12月31日，下列人士為臨時成員：

熊運信先生<sup>1</sup>  
關百忠先生，榮譽勳章  
李佩珊女士<sup>1</sup>  
施米高先生  
黃慧群女士<sup>2</sup>

<sup>1</sup> 自2018年12月1日起獲委任為財務匯報局成員，並卸任臨時成員職位。

<sup>2</sup> 於2018年12月1日再度獲委任。

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

## 財務匯報局屬下委員會

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

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

本局會根據工作需要，不時檢討各委員會的職權範圍。



# CORPORATE GOVERNANCE (continued)

## 機構管治 (續)

Corporate Communications Committee (CCC)		機構傳訊委員會
<b>Terms of reference</b>		<b>職權範圍</b>
<ul style="list-style-type: none"> <li>To formulate corporate communications policies and strategies to increase publicity about the work of the FRC.</li> <li>To oversee the implementation of corporate communications strategies approved by the Council, and to utilise appropriate communications tools, such as press statements, publications, electronic communications, and conferences, to reach the media and external parties.</li> <li>To recommend an annual promotion plan and budget to the Council.</li> <li>To oversee the review and updating of FRC website layouts and contents, printed brochures, promotional materials and other publications of the FRC.</li> <li>To oversee publicity campaigns launched from time to time by the FRC.</li> <li>To decide on matters which the Council delegates from time to time.</li> </ul>		<ul style="list-style-type: none"> <li>制定機構傳訊政策及策略，加強宣傳本局的工作。</li> <li>監督本局成員核准的機構傳訊策略的執行，以及透過合適的渠道（如新聞稿、刊物、電子通訊及會議等）與傳媒和外部溝通。</li> <li>向本局成員提交年度宣傳計劃及預算。</li> <li>監督有關本局的網頁設計及內容、小冊子、宣傳資料及其他出版刊物的審閱和更新。</li> <li>監督本局不時舉辦的宣傳活動。</li> <li>就本局成員不時委託的事宜作出決定。</li> </ul>
<b>Membership and attendance at CCC meetings in 2018 was as follows:</b>		<b>機構傳訊委員會於2018年的會議出席成員及出席率如下：</b>
		<b>Meetings attended/held</b> 會議出席／舉行次數
Mr Chan Tze Ching, BBS, JP (Chairman)	陳子政先生，銅紫荊星章，太平紳士（主席）	5/5
Ms Ada Chung, JP	鍾麗玲女士，太平紳士	4/5
Mr Michael Scales	施米高先生	4/5
Mr Sin Chung Kai, SBS, JP <sup>1</sup>	單仲偕先生，銀紫荊星章，太平紳士 <sup>1</sup>	3/5
Ms Eirene Yeung	楊逸芝女士	5/5
Mr Paul F. Winkelmann (CEO) (ex-officio)	衛皓民先生（行政總裁）（當然成員）	5/5
Average attendance rate	平均出席率	87%
<sup>1</sup> Term expired on 30 November 2018 (re-appointed with effect from 1 January 2019).		<sup>1</sup> 任期於2018年11月30日屆滿（於2019年1月1日再度獲委任）。
Finance Committee (FC)		財務委員會
<b>Terms of reference</b>		<b>職權範圍</b>
<ul style="list-style-type: none"> <li>To review the FRC's treasury, internal control, and financial and risk management policies and strategies.</li> <li>To approve tenders for procurement with an estimated value exceeding HK\$500,000 (other than legal services relating to vetting of investigation or enquiry reports).</li> <li>To advise the FRC on the short, medium and long term financial implications of the Council's strategic plans.</li> <li>To review and make recommendations to the FRC on the Council's annual budget.</li> <li>To review the FRC's draft annual financial statements before submission to the Council.</li> <li>To provide advice on the future funding model of the FRC once the independent audit oversight reform proposal is finalised.</li> <li>To decide on matters which the Council delegates from time to time.</li> </ul>		<ul style="list-style-type: none"> <li>審閱本局的庫務、內部控制以及財務與風險管理政策及策略。</li> <li>批准估計金額超過50萬港元的採購項目（有關審閱調查或查訊報告的法律費用除外）。</li> <li>就本局策略性計劃的短期、中期及長期財務影響，向本局成員提供意見。</li> <li>審閱本局的年度預算，以向本局成員提供意見。</li> <li>審閱本局年度財務報表的草稿，以提交本局成員省覽。</li> <li>於獨立審計監管改革建議方案落實時，提供對本局日後資金模式的意見。</li> <li>就本局成員不時委託的事宜作出決定。</li> </ul>





**Membership and attendance at FC meetings in 2018 was as follows:**

財務委員會於2018年的會議出席人員及出席率如下：

		Meetings attended/held 會議出席／舉行次數
Dr Kelvin Wong, JP <sup>1</sup> (Chairman)	黃天祐博士，太平紳士 <sup>1</sup> (主席)	4/4
Mr Wilson Fung <sup>2</sup>	馮英偉先生 <sup>2</sup>	3/4
Dr PM Kam	甘博文博士	2/4
Mr David Stannard <sup>3</sup>	冼達能先生 <sup>3</sup>	3/4
Mr Paul F. Winkelmann (CEO) (ex-officio)	衛皓民先生 (行政總裁) (當然成員)	3/4
Average attendance rate	平均出席率	75%

<sup>1</sup> Retired with effect from 1 December 2018.

<sup>2</sup> Term expired on 30 November 2018 (appointed as Chairman with effect from 1 January 2019).

<sup>3</sup> Term expired on 30 November 2018 (re-appointed with effect from 1 January 2019).

<sup>1</sup> 於2018年12月1日卸任。

<sup>2</sup> 任期於2018年11月30日屆滿(於2019年1月1日獲委任為主席)。

<sup>3</sup> 任期於2018年11月30日屆滿(於2019年1月1日再度獲委任)。

**Independent Audit Oversight Reform Committee (IAORC)**

**獨立審計監管改革委員會**

**Terms of reference**

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

**職權範圍**

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

**Membership and attendance at IAORC meetings in 2018 was as follows:**

獨立審計監管改革委員會於2018年的會議出席成員及出席率如下：

		Meetings attended/held 會議出席／舉行次數
Dr John Poon, BBS, JP <sup>1</sup> (Chairman)	潘祖明博士，銅紫荊星章，太平紳士 <sup>1</sup> (主席)	4/4
Dr Kelvin Wong, JP <sup>2</sup>	黃天祐博士，太平紳士 <sup>2</sup>	3/4
Mr Chew Fook Aun	周福安先生	3/4
Mr Eugene Fung, SC	馮庭碩先生，資深大律師	2/4
Mr Nicholas Sallnow-Smith <sup>3</sup>	蘇兆明先生 <sup>3</sup>	4/4
Mr Sin Chung Kai, SBS, JP <sup>3</sup>	單仲偕先生，銀紫荊星章，太平紳士 <sup>3</sup>	4/4
Mr David Stannard <sup>4</sup>	冼達能先生 <sup>4</sup>	4/4
Mr Paul F. Winkelmann (CEO) (ex-officio)	衛皓民先生 (行政總裁) (當然成員)	4/4
Average attendance rate	平均出席率	87.5%

<sup>1</sup> Term expired on 14 December 2018.

<sup>2</sup> Term expired on 30 November 2018 (appointed as Chairman with effect from 1 January 2019).

<sup>3</sup> Term expired on 30 November 2018.

<sup>4</sup> Term expired on 30 November 2018 (re-appointed with effect from 1 January 2019).

<sup>1</sup> 任期於2018年12月14日屆滿。

<sup>2</sup> 任期於2018年11月30日屆滿(於2019年1月1日獲委任為主席)。

<sup>3</sup> 任期於2018年11月30日屆滿。

<sup>4</sup> 任期於2018年11月30日屆滿(於2019年1月1日再度獲委任)。



Operations Oversight Committee (OOC)		運作監察委員會
<b>Terms of reference</b>		<b>職權範圍</b>
<ul style="list-style-type: none"> <li>To formulate policies, strategies, guidelines and procedures for the operation of the FRC.</li> <li>To provide advice to the FRC and its operational staff on technical and business issues.</li> <li>To consider the progress of enquiries, investigations, complaints and reviews currently being dealt with by staff.</li> <li>To consider enquiry reports approved by the Financial Reporting Review Committees before submission to the Council.</li> <li>To consider investigation reports approved by the Audit Investigation Board before submission to the Council.</li> <li>To consider recommendations in the complaint/review assessment reports before submission to the Council, and to endorse those complaint/review assessment reports requiring no follow-up action.</li> <li>To consider and approve recommendations made in the review handling reports in relation to financial statements selected for review under the financial statements review programme.</li> <li>To decide on matters which the Council delegates from time to time.</li> </ul>		<ul style="list-style-type: none"> <li>制定本局的運作政策、策略、指引和程序。</li> <li>向本局及執行法定職責的員工提供技術性及業務性的意見。</li> <li>審議員工現時處理的查訊、調查、投訴及審閱工作的進度。</li> <li>審議經財務匯報檢討委員會批准的查訊報告，以提交本局成員省覽。</li> <li>審議經審計調查委員會批准的調查報告，以提交本局成員省覽。</li> <li>審議投訴／審閱評估報告所載的建議，以提交本局成員省覽。審批無需要採取跟進行動的投訴／審閱評估報告。</li> <li>審議根據財務報表審閱計劃抽查的財務報表的審閱處理報告所載的建議。</li> <li>就本局成員不時委託的事宜作出決定。</li> </ul>
<b>Membership and attendance at OOC meetings in 2018 was as follows:</b>		<b>運作監察委員會於2018年的會議出席人員及出席率如下：</b>
		<b>Meetings attended/held</b> 會議出席／舉行次數
Mr Wong Kai Man, BBS, JP (Chairman)	黃啟民先生，銅紫荊星章，太平紳士(主席)	6/6
Mr Jamie Allen	艾哲明先生	4/6
Mr Chan Tze Ching, BBS, JP	陳子政先生，銅紫荊星章，太平紳士	4/6
Ms Wilson Fung	馮英偉先生	6/6
Mr Kenneth Morrison	文禮信先生	4/6
Mr Nicholas Sallnow-Smith <sup>1</sup>	蘇兆明先生 <sup>1</sup>	3/6
Mr Michael Scales <sup>1</sup>	施米高先生 <sup>1</sup>	4/6
Mr Stephen Taylor	Stephen Taylor 先生	4/6
Mr Paul F. Winkelmann (CEO) (ex-officio)	衛皓民先生(行政總裁)(當然成員)	6/6
Average attendance rate	平均出席率	76%
<sup>1</sup> Term expired on 30 November 2018.		<sup>1</sup> 任期於2018年11月30日屆滿。

Remuneration Committee (RC)		薪酬委員會
<b>Terms of reference</b>		<b>職權範圍</b>
<ul style="list-style-type: none"> <li>To formulate remuneration policies, strategies, guidelines and procedures for the operation of the FRC in accordance with all applicable legal and regulatory requirements.</li> <li>To make recommendations to the FRC on staffing, remuneration and employment policies and strategies including salary structure, terms and conditions of employment, and staff fringe benefits.</li> <li>To make recommendations on the annual pay adjustment and the amount of variable compensation payable to individual staff members.</li> <li>To make recommendations on the amount of variable compensation payable to the CEO.</li> <li>To decide on matters which may be delegated by the Council from time to time.</li> </ul>		<ul style="list-style-type: none"> <li>根據所有適用法律及監管規定，制定有關本局運作的薪酬政策、策略、指引和程序。</li> <li>就有關員工招聘、薪酬、聘用政策及策略，其中包括薪酬架構、聘用條款及條件和員工福利，向本局成員提供意見。</li> <li>提供有關個別員工的年度薪酬調整和浮動薪酬金額的意見。</li> <li>提供有關行政總裁的浮動薪酬金額的意見。</li> <li>就本局成員不時委託的事宜作出決定。</li> </ul>





**Membership and attendance at RC meetings in 2018 was as follows:**

薪酬委員會於2018年的會議出席人員及出席率如下：

		Meetings attended/held 會議出席／舉行次數
Dr John Poon, BBS, JP <sup>1</sup> (Chairman)	潘祖明博士，銅紫荊星章，太平紳士 <sup>1</sup> (主席)	3/3
Mr Roger Best	路沛翹先生，太平紳士	3/3
Mr Nicholas Sallnow-Smith <sup>2</sup>	蘇兆明先生 <sup>2</sup>	3/3
Ms Eirene Yeung	楊逸芝女士	2/3
Mr Paul F. Winkelmann (CEO) (ex-officio)	衛皓民先生(行政總裁)(當然成員)	3/3
Average attendance rate	平均出席率	93%

<sup>1</sup> Term expired on 14 December 2018.

<sup>2</sup> Term expired on 30 November 2018 (re-appointed with effect from 1 January 2019).

<sup>1</sup> 任期於2018年12月14日屆滿。

<sup>2</sup> 任期於2018年11月30日屆滿(於2019年1月1日再度獲委任)。

## Operations

### Enquiry – Financial Reporting Review Panel and Committee

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

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

Members of the FRRP are appointed by the Chief Executive of the HKSAR in consultation with the Council. As at 31 December 2018, the FRRP had 46 members, including 8 Convenors. They are appointed based on their experience in accounting, auditing, finance, banking, law, administration, or management. A list of FRRP members can be found in the section “Membership of Board and Panels” of this annual report.

In 2018, the FRC dealt with two enquiry cases brought forward from previous years and 2 cases initiated during the year. One enquiry case was completed.

## 運作

### 查訊 – 財務匯報檢討委員會及委員會

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

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

財務匯報檢討委員會成員由香港特別行政區行政長官經諮詢本局後委任。於2018年12月31日，財務匯報檢討委員會共有46名成員，當中八名為召集人。成員均由於其會計、審計、金融、銀行、法律、行政或管理經驗而獲委任。財務匯報檢討委員會成員的名單載於本年報「委員會及委員會成員」一節。

財務匯報局於2018年處理兩宗於過去年度展開的查訊個案及兩宗於年內展開的查訊個案，並完成一宗查訊個案。



### Investigation – Audit Investigation Board (AIB)

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

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

In 2018, the AIB dealt with 40 investigation cases brought forward from previous years and 19 cases initiated during the year. It completed 16 investigation cases.

### Internal Controls

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

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

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

### Code of Conduct

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

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

### 調查 – 審計調查委員會

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

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

審計調查委員會於2018年處理於過去年度仍在調查的40宗個案以及於年內展開的19宗個案，並完成了16宗調查個案。

### 內部控制

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

本局定期檢討內部的人事管理、採購、交易審批及資產保護的政策及指引。

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

### 操守準則

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

財務匯報局定期檢討及更新操守準則，確保符合本局運作範疇內的最佳作業標準。



## Communications with Stakeholders

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

The FRC publishes annual reports and eNews to keep the public informed about the progress of its work and its development. Operations statistics and press releases about completed cases are regularly posted on the FRC website ([www.frc.org.hk](http://www.frc.org.hk)), which has recently been revamped to provide the public a user-friendly way to search for updated information.

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

## Checks and Balances

### Accountability and Audit

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

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

### Process Review Panel (PRP)

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

### Ombudsman

The Ombudsman also indirectly oversees the work of the FRC by dealing with any public complaints regarding alleged maladministration made against the FRC and its staff. The FRC did not receive any enquiries from the Ombudsman in 2018.

### Best Practice

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

## 與持份者溝通

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

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

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

## 制衡措施

### 問責及審計

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

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

### 程序覆檢委員會

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

### 申訴專員

申訴專員亦透過處理針對本局及其員工管理不善的任何公眾投訴，間接監管本局的工作。本局於2018年並無收到來自申訴專員的任何查詢。

## 最佳作業標準

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



## MANAGEMENT AND OPERATIONS REVIEW

### 管理及運作回顧

We currently have a complement of 27 staff in the FRC, comprising a strong team of professionally qualified accountants with audit background, a legally qualified in-house General Counsel and dedicated administrative staff.

財務匯報局目前有 27 名員工，由一支具備審計經驗的優秀專業會計師團隊、一名內部法律顧問及一班對工作充滿熱誠的行政人員組成。

The key management team is:

主要管理團隊包括：



Front: Mr Paul F. Winkelmann, CEO, Ms Wincey Lam, Deputy CEO  
(前排)：衛皓民先生(行政總裁)·林穎志女士(副行政總裁)

Back (from left): Mr Alfred Chan (General Counsel), Ms Florence Wong (Senior Director), Ms Teresa Au (Senior Director), Mr Chan Tak Shing (Senior Director)  
後排(左起)：陳鴻興先生(內部法律顧問)·王蕙湄女士(高級調查總監)·歐敏兒女士(高級調查總監)·陳德成先生(高級調查總監)



## Key Operations Statistics

### 主要運作數據

	2014	2015	2016	2017	2018
Pursuable complaints received 接獲的可跟進投訴	33	46 <sup>#</sup>	118 <sup>#</sup>	126 <sup>#</sup>	85 <sup>#</sup>
Investigations initiated 年內展開調查的個案	22	11	18	14	19
Investigations completed 完成調查的個案	4	9	11	11	16
Enquiries initiated 年內展開查訊的個案	1	1	1	–	2
Enquiries completed 完成查訊的個案	1	–	1	–	1

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

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



# MANAGEMENT AND OPERATIONS REVIEW (continued)

## 管理及運作回顧 (續)

### Review of Complaints

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

The FRC received 85 pursuable complaints in 2018. Of these, 3 related to auditing or reporting irregularities and 4 related to non-compliance with accounting requirements. A further 78 complaints involved both auditing or reporting irregularities and non-compliance with accounting requirements.

		2018	2017
Complaints from the public	來自公眾的投訴	68	112
Complaints from listed entity	來自上市實體的投訴	-	-
Complaints from the HKEX	來自港交所的投訴	12	7
Complaints from the HKICPA	來自香港會計師公會的投訴	3	4
Complaints from the SFC	來自證監會的投訴	1	3
Complaints from Companies Registry	來自公司註冊處的投訴	1	-
<b>Total</b>	<b>總計</b>	<b>85</b>	<b>126</b>

The FRC handled the 14 complaints brought forward from the previous year, along with the 85 pursuable complaints received during the year. At the end of the year, 11 complaints were still being evaluated.

The FRC targets to complete its evaluation of complaints within 90 working days from receipt. At 31st December, this target has been met.

### 審閱投訴

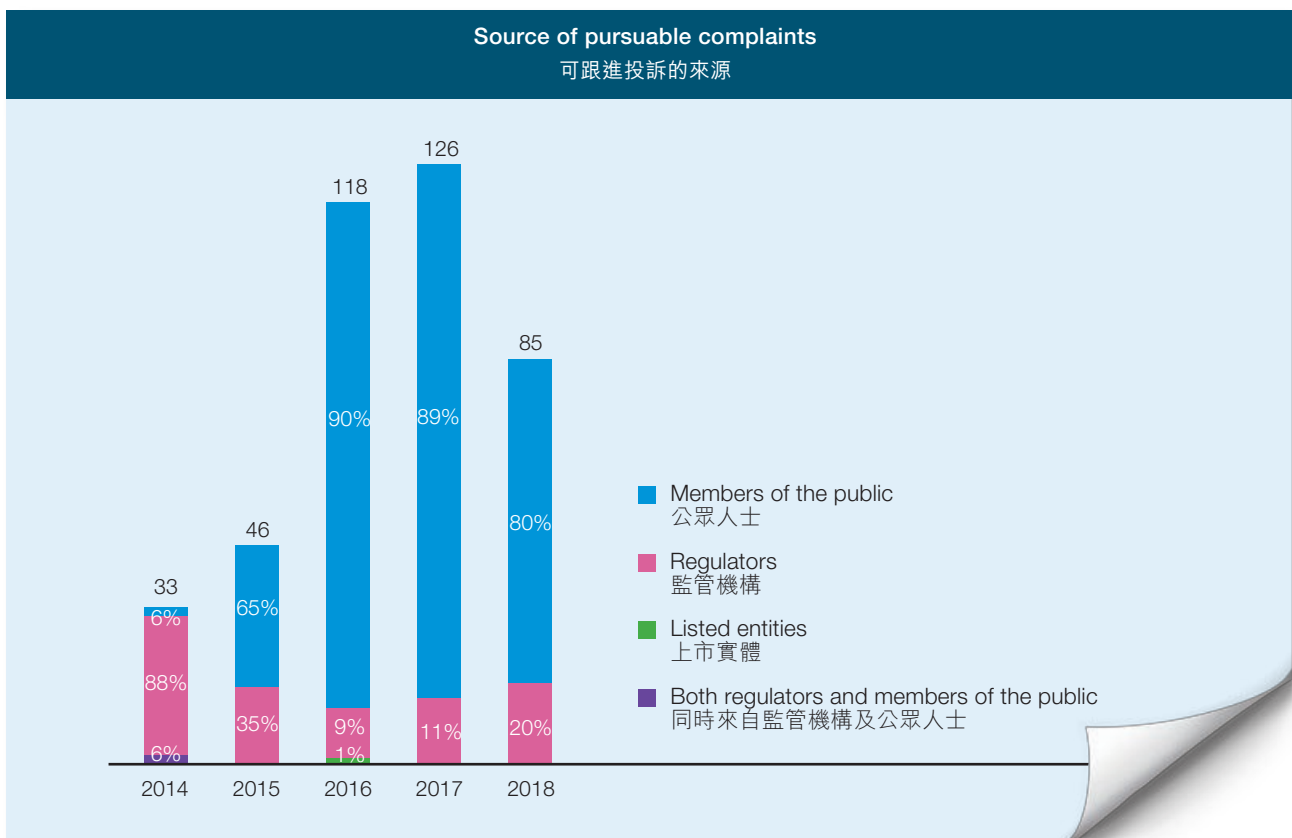
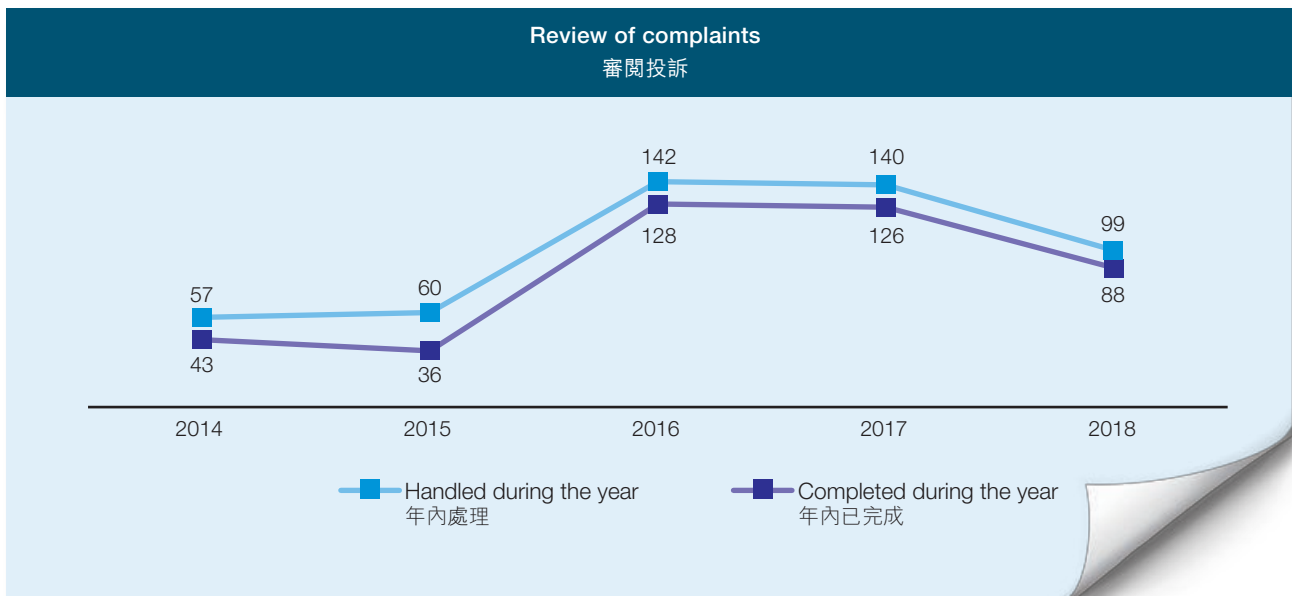
本局謹慎審閱所接獲的每宗投訴，以決定是否結束案件或展開調查及／或查訊。

本局於2018年共接獲85宗可跟進投訴。當中，三宗涉及審計或匯報不當行為，四宗涉及不遵從會計規定事宜。另外78宗同時涉及審計或匯報不當行為及不遵從會計規定事宜。

本局於年內共處理14宗於上一年度接獲的投訴，以及85宗於本年接獲的可跟進投訴。截至本年年末，本局仍在審閱11宗投訴。

本局致力於在接獲投訴的90個工作日的目標期限內完成對投訴的審閱。於12月31日，此目標已達成。

		2018	2017
Brought forward	年初審閱中的個案	14	14
Pursuable complaints received	接獲的可跟進投訴	85	126
Completed with no follow-up action	已完成而無需要跟進的個案	(43)	(10)
Referred to specified enforcement agencies	轉介予特定執行機構的個案	(36)	(104)
Initiated investigation and/or enquiry	展開調查及／或查詢的個案	(9)	(12)
<b>In progress at end of year</b>	<b>年末仍在審閱中的個案</b>	<b>11</b>	<b>14</b>



Of the pursuable complaints received, 50 (2017: 101) appear to have come from the same source and were directed at a single audit firm.

我們接獲的可跟進投訴中，有50宗(2017年：101宗)疑來自同一來源，並針對同一間會計師行。

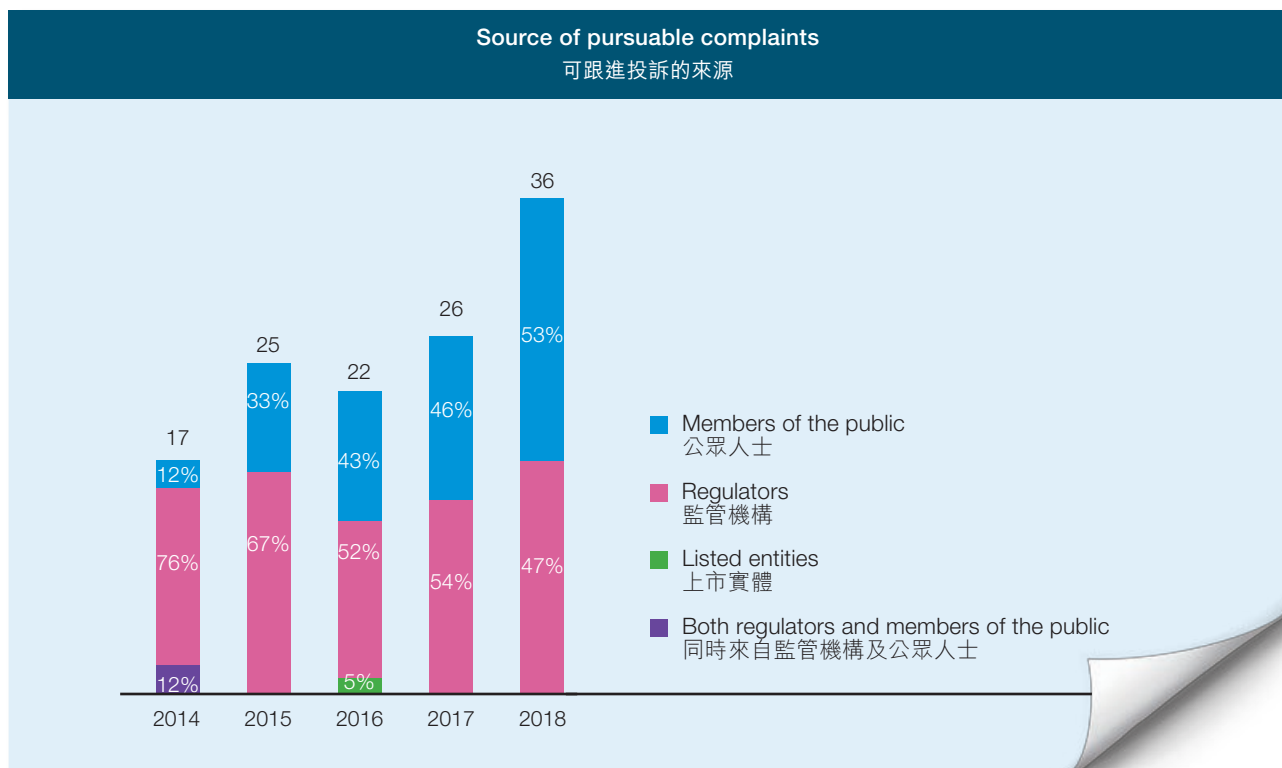


# MANAGEMENT AND OPERATIONS REVIEW (continued)

## 管理及運作回顧 (續)

By also eliminating the anomalies created in 2014, 2015, 2016, 2017 and 2018 mentioned in the chart on source of pursuable complaints, a different picture emerges.

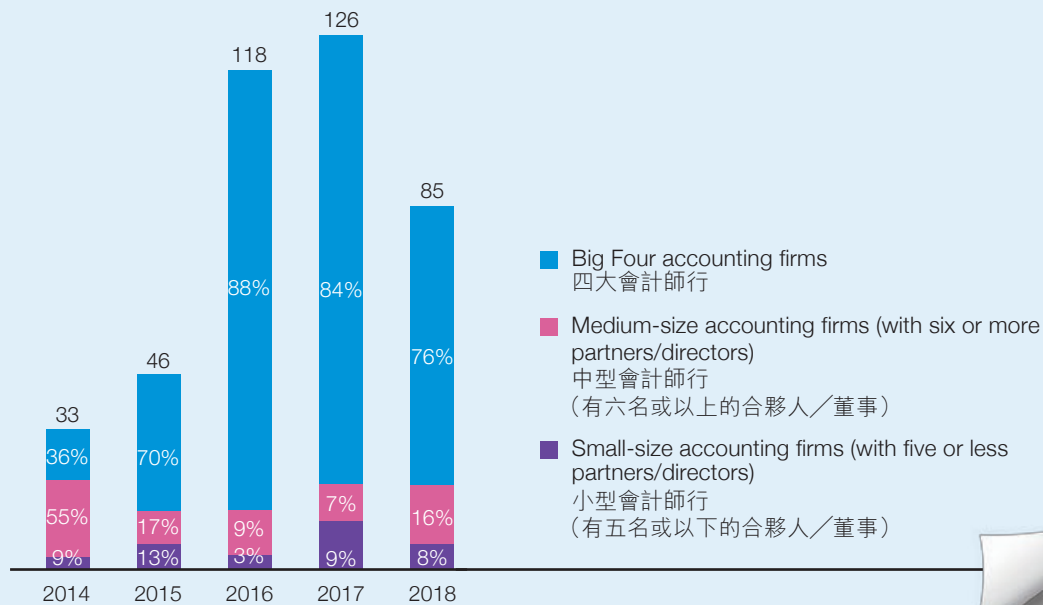
撇除於投訴的來源圖表中提到的於2014年、2015年、2016年、2017年及2018年產生的異常情況，可跟進投訴來源的分佈有所分別。





### Size of accounting firms involved in complaints

涉及投訴的會計師行的規模

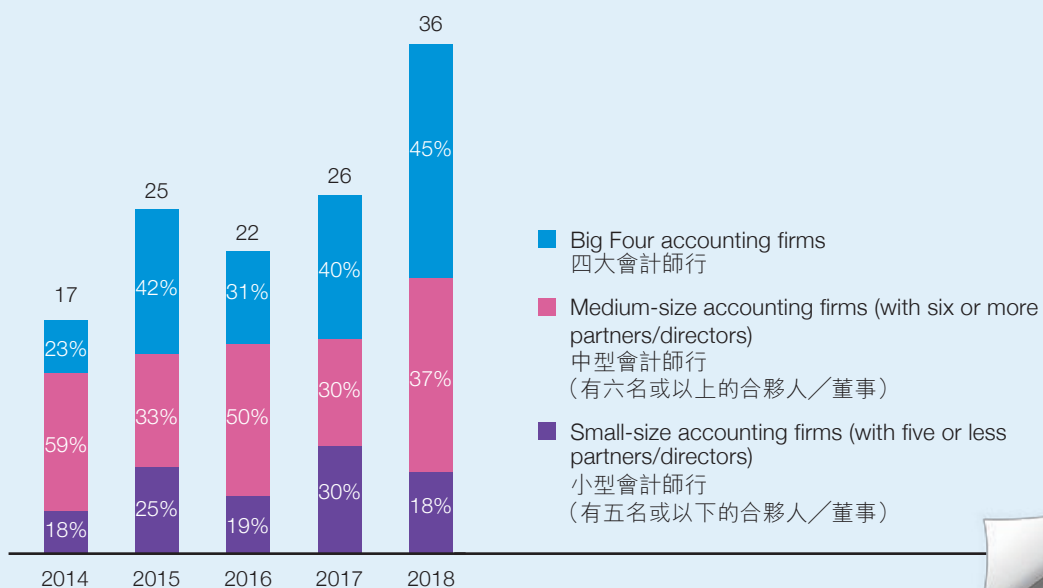


By also eliminating the anomalies created in 2014, 2015, 2016, 2017 and 2018 mentioned in the chart on source of pursuable complaints, once again a different picture emerges.

撇除於可跟進投訴的來源圖表中提到的於2014年、2015年、2016年、2017年及2018年產生的異常情況，涉及投訴的會計師行的規模的分佈仍有所分別。

### Size of accounting firms involved in complaints

涉及投訴的會計師行的規模



### Investigations

The FRC handled 40 investigations brought forward from 2017 and initiated 19 investigations in 2018. In total, 16 investigations were completed and the investigation reports have been referred to the HKICPA who will determine whether any disciplinary or other action is warranted. A summary of the findings from the investigations completed in 2018 can be found on pages 36 to 40 of this annual report.

During the year, the HKICPA's disciplinary committees took disciplinary action in response to 13 investigations completed and referred to it by the FRC in earlier years. The certified public accountants and corporate practices involved in these cases were reprimanded and ordered to pay penalties and costs.

At the end of the year, there were 43 investigations (2017: 40) in progress. In 2018, we focused on the longer outstanding cases and at the year end only 3 cases exist which originated from prior to 2016. These are complicated cases involving multiple years' audits and multiple auditors. The increase in the number of outstanding cases in 2018 was due to our focus to resolve complaints in accordance with our target of 90 working days, and the significant increase in investigations initiated during the year. At year end, the average age of outstanding investigations is within our target of approximately 2 years.

### 調查

本局於2018年處理在2017年已展開的40宗調查個案並展開19宗調查個案。本局總共完成16宗調查個案，並已將該等調查報告轉介香港會計師公會，以決定是否需要進行任何紀律處分或其他行動。2018年完成的調查個案結果的摘要載於本年報第36頁至第40頁。

今年，香港會計師公會的紀律委員會就本局於較早年度完成及向其轉介的13宗調查個案採取紀律處分。該等個案涉及的執業會計師及執業法團被譴責及勒令支付罰款及費用。

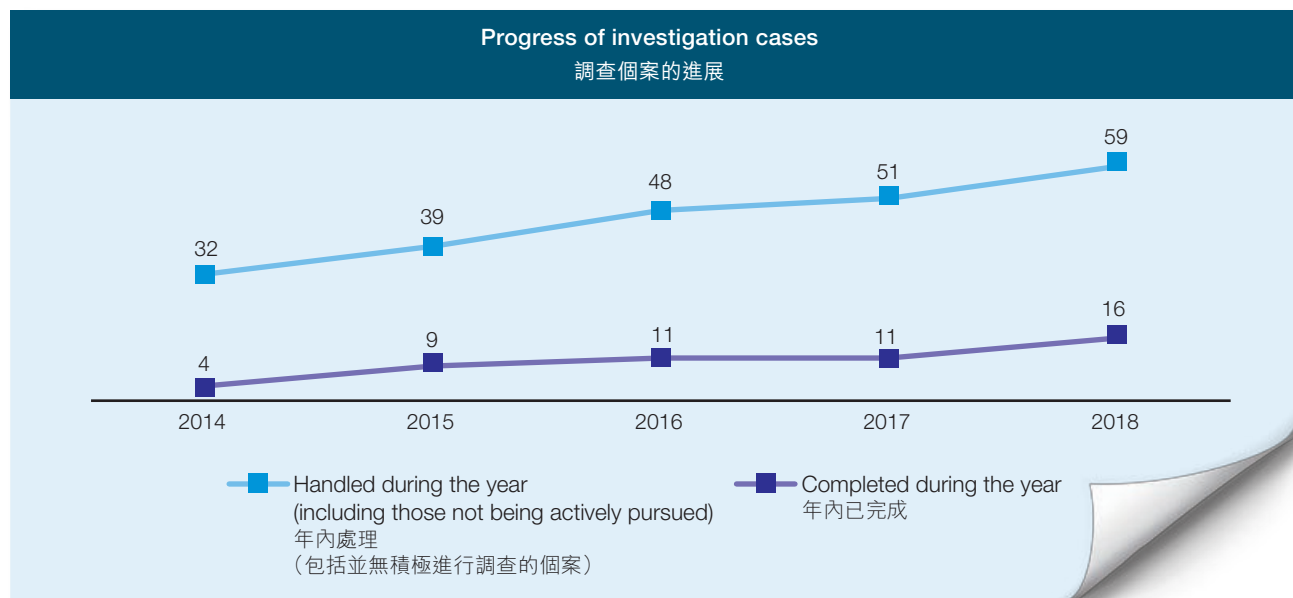
截至本年年末，本局有43宗調查個案(2017年：40宗)尚待完成。於2018年，本局專注於積存較久的個案，而於年末，僅剩於2016年之前產生的3個個案仍在調查。這些都是涉及多年審計及多名核數師的複雜個案。由於本局致力於在90個工作日的目標期限內處理投訴，以及於年內展開的調查個案的大幅增長，因此2018年仍在調查的個案數量有所上升。截至年末，仍在調查的個案的平均年期在本局的目標年期約兩年內。



The outstanding investigations include those where we await finalisation of the Memorandum of Understanding with the Ministry of Finance. In the meantime, we have not pursued these investigations and will not do so until there is an arrangement on gaining access to audit working papers in the Mainland.

仍在調查中的個案包括本局有待與中國財政部落實諒解備忘錄的個案。目前，我們在取得存放於內地的審計工作底稿的安排落實前，並未對該等個案進行調查。

		2018	2017
In progress at beginning of year	年初調查中的個案	40	37
Initiated in the year	年內展開調查的個案	19	14
Handled during the year	年內處理的個案	59	51
Completed	已完成	(16)	(11)
In progress at end of year	年末仍在調查中的個案	43	40





# MANAGEMENT AND OPERATIONS REVIEW (continued)

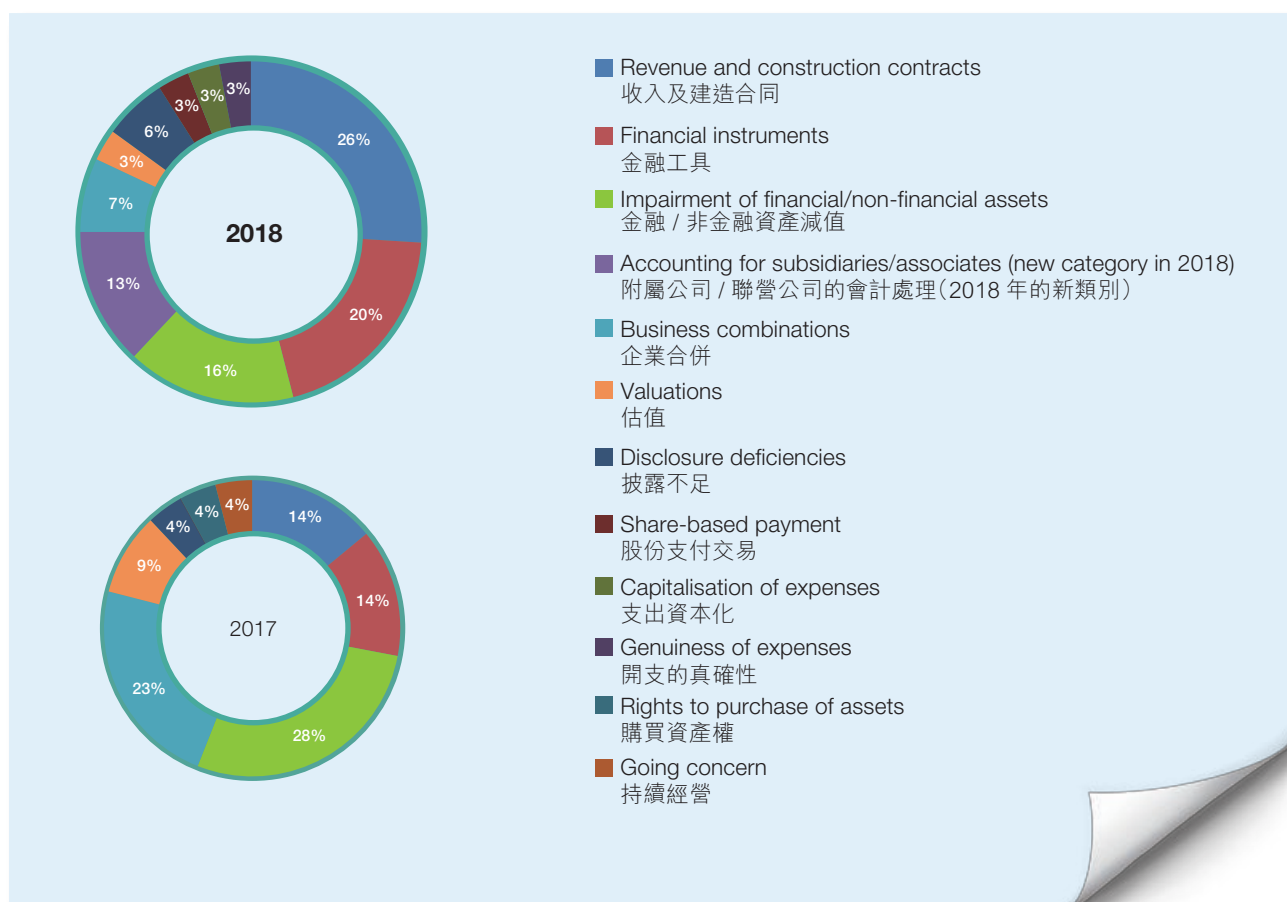
## 管理及運作回顧 (續)

### Key issues and findings in completed investigations

The major audit deficiency identified continues to be the failure of auditors to identify inappropriate accounting treatments by companies. This indicates that the auditors had not performed appropriate audit procedures or properly evaluated the evidence to support the accounting treatments proposed by the management in respect of the following areas:

### 已完成調查個案的主要問題及發現

本局發現核數師無法識別公司使用不適當的會計處理方法仍然是審計不足的主因。這顯示了核數師未有進行適當審計程序或適當評估證據以支持管理層就下列範疇所使用的會計處理方法：





## Enquiries

The FRC brought forward two enquiries from last year.

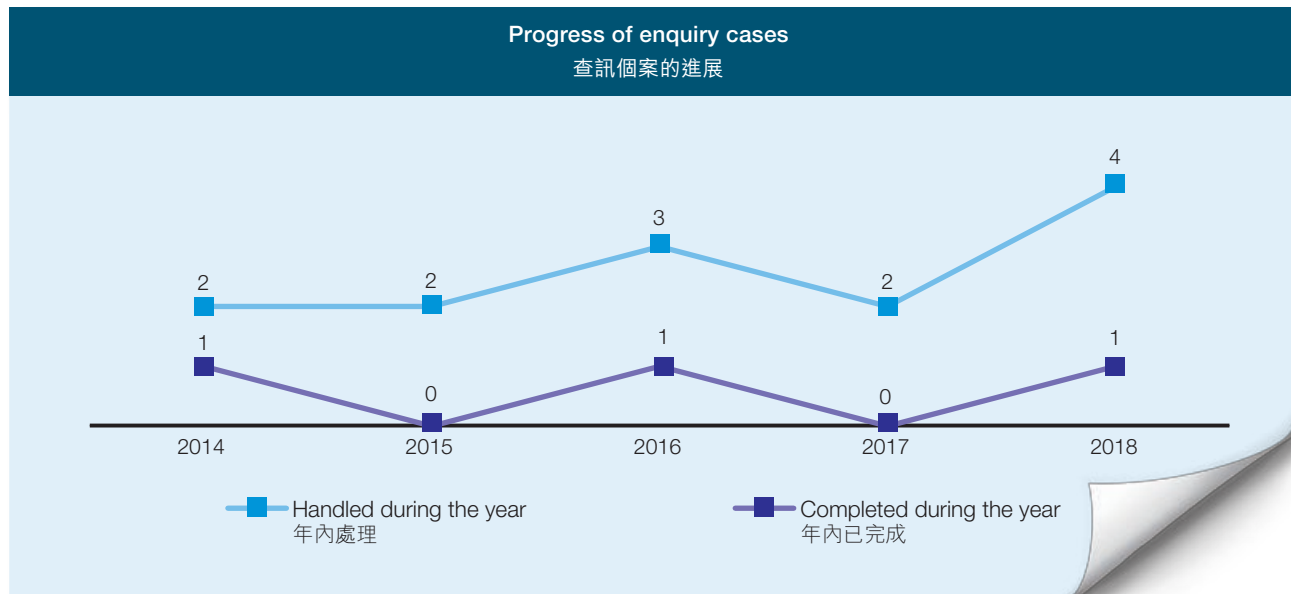
Each enquiry is handled by a Financial Reporting Review Committee with support from staff of the FRC. The time taken to complete an enquiry depends on the circumstances and complexity of individual cases.

## 查訊

本局處理於上年末仍在查訊的兩宗查訊個案。

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

		2018	2017
In progress at beginning of year	年初查訊中的個案	2	2
Initiated in the year	年內展開查訊的個案	2	-
Handled during the year	年內處理的個案	4	2
Completed	完成查訊的個案	(1)	-
In progress at end of year	年末仍在查訊中的個案	3	2



### Summary of completed investigations

In 2018 the FRC completed 16 audit investigations. The investigation results findings provide cause for concern in that the audit areas relating to the findings continue to be those identified in prior years – namely the audits of impairments, accounting estimates, revenue and financial instruments classifications and valuations. In particular, we noted the lack of professional scepticism in the performance of audits. There were situations where auditors placed excessive or sometimes unquestioned reliance on management's representations and/or other expert's reports without adequately performing procedures to evaluate the relevance and reasonableness of the methodology and approach applied, the source data used in estimations and assumptions made by management.

In many cases, the investigation also revealed that engagement quality control reviewers failed to identify significant audit deficiencies. The purpose of an engagement quality control review in an audit is to serve as a meaningful check on the work performed and decisions made by an engagement team. The weakness identified in engagement quality reviews may have been caused by (a) over-reliance on review checklists; (b) the absence of a critical review of the working papers and the support for significant judgements made by the audit team; and (c) a failure to adequately challenge the decisions made and document the challenges made and the basis on which the issues were resolved.

The following is a brief summary of some of the investigation findings:

#### Auditing accounting estimates

1. A listed entity recognised a general provision for inventory obsolescence with reference to an ageing analysis of the inventories at the year-end. The auditor's procedures on this provision were principally limited to the re-performance of management's calculations without a comprehensive understanding of the procedures and method used by management together with considering the appropriateness of the provision policy in assessing the reasonableness of the relevant accounting estimate. It was also found that the auditor failed to (a) properly perform sampling tests on the measurement of the inventories; (b) appropriately project misstatements found in the sample to a population; and (c) adequately test and appropriately follow-up the result of the test on the estimation of the net realisable value of the inventory. This is a good example where an enquiring mindset would have identified the misstatement in the financial statements.

### 已完成的調查個案摘要

於2018年本局已完成16宗審計調查。調查結果發現，值得關注的審計領域仍與以前年度的相同，即對減值、會計估計、收入及金融工具的分類及估值的審計。我們特別注意到，核數師在審計工作中缺乏專業的懷疑態度。一些情況顯示，核數師過於或有時毫無疑問的依賴管理層的陳述及／或其他專家的報告，而沒有充分進行程序來評估所用方法和途徑的相關性和合理性，及用於管理層估值及假設的數據來源。

在許多情況下，調查還發現審計質量控制覆核人員未能識別重要的審計不足情況。審計質量控制覆核的目的是對審計團隊的工作表現及所作的決定作有意義的檢查。所發現項目質量覆核方面的不足可能是由下列原因導致：(a)過度依賴審查清單；(b)對審計團隊的工作文件和所做的重大決定的支持理據缺乏批判性審查；及(c)沒有對所做的決定提出充分質疑，並為所提出質疑及解決問題的基礎作存檔。

以下是本局一些調查結果的簡單摘要：

#### 審計會計估計

1. 上市實體參考庫存的賬齡分析，於年末時確認報廢存貨的一般撥備。核數師對有關撥備進行的程序主要限於重新執行管理層的計算，而沒有全面瞭解管理層所使用的程序及方法，並在評估相關會計估計的合理性時考慮撥備政策的適當性。調查還發現核數師沒有(a)適當地對存貨的計量進行抽樣測試；(b)適當地將抽樣中發現的錯誤陳述反映到總體；及(c)就存貨的可變現淨值的估計，充分測試及適當跟進測試結果。這是一個很好的例子說明若核數師擁有探究心態，該能發現財務報表中的錯報。



2. A listed entity recognised revenue relating to variations in contract work and claims in its financial statements when there was a lack of evidence that the relevant amounts could be reliably measured. The investigation revealed that the auditor's procedures were inadequate and substantially relied on management's representations on the outcome and amounts relating to variations and claims. It was found that the auditor's procedures could not provide sufficient appropriate evidence to support the recognition and measurement of contract revenue in the relevant financial statements.
  3. In relation to a construction contract, another investigation revealed that the auditor failed to design and perform appropriate audit procedures to test the relevant transaction and challenge management's contention on the progress of the construction and the justification for not recognising any contract revenue and contract cost in profit or loss over two financial years.
  4. A listed entity omitted to recognise certain consultancy fee relating to a property development project. The error was retrospectively adjusted in the subsequent financial statements and the entire amount of consultancy fee was capitalised as part of the construction costs. The investigation found that the auditor relied on management's representation without inspecting the underlying agreement and other supporting evidence which resulted in an undetected understatement of liabilities. In the subsequent year, it was found that the auditor failed to question management as to whether the capitalisation of the consultancy fee was in compliance with the relevant accounting requirement. The investigation also revealed that the auditor substantially relied on management's representation and failed to sufficiently evaluate the recoverability of a receivable and the disclosure of a possible related party transaction and balances.
  5. In a case where there were inconsistencies in audit evidence obtained which might affect the accounting for a business combination, in particular the recognition and measurement of goodwill, the investigation revealed that the auditor failed to properly perform procedures to resolve the inconsistencies. The auditor also failed to properly evaluate whether the evidence that they had obtained in the prior year's audit was of continuing relevance.
2. 上市實體在沒有證據證明相關金額能夠可靠計量時，於財務報告中確認與合同工作變更和索賠相關的收入。調查顯示，核數師的程序不夠充分，十分依賴於管理層對變更及索賠相關的結果及金額的陳述。我們發現，核數師的程序並不能夠提供充分適當的證據來支持相關財務報表中合約收入的確認及計量。
  3. 另一宗關於一項建造合同的調查發現，核數師沒有設計及執行合適的審計程序以測試相關交易及質疑管理層對施工進度的爭論以及認為合同收入及合同成本不應於兩個財政年度的損益中確認的理據。
  4. 一家上市實體遺漏確認與房地產開發項目有關的一些諮詢費用。上市實體在隨後的財務報表對該錯誤進行追溯調整，將全數諮詢費用資本化成為建造成本的一部分。調查發現，核數師只依賴管理層的陳述而沒有檢查相關協議和其他支持證據，導致被低估的負債未被發現。調查亦發現，在隨後一年，核數師沒有質疑管理層將全數諮詢費用資本化是否符合相關的會計要求。調查還發現，核數師在很大程度上依賴管理層的陳述，並沒有就一筆應收帳款的可收回性以及一宗可能的關聯方交易和餘額的披露作出充分評估。
  5. 在一個案中，審計證據不一致可能會影響企業合併的會計處理，特別是商譽的確認及計量。調查發現，核數師沒有適當地执行程序來解決不一致的情況。核數師亦沒有適當地評估在前一年的審計中獲得的證據是否具有持續的相關性。



## MANAGEMENT AND OPERATIONS REVIEW (continued)

### 管理及運作回顧 (續)

6. A listed entity amortised an intangible asset acquired in an acquisition over the remaining short term contractual period of several months. For the purpose of impairment assessment, the listed entity used cash flow projections over a significantly longer period to determine the recoverable amount of the intangible asset. The investigation found that the auditor failed to adequately perform procedures, including the consideration of relevant contractual terms, management's plans, expectations and assumptions, and events after the end of the reporting period, to assess the reasonableness of the amortisation period. The auditor also failed to sufficiently document details of the nature and extent of their audit procedures.
7. In another investigation we found that the auditor failed to critically evaluate and challenge management on the reasonableness of the forecast period, the expected timing of production and sales, and the volume and pricing of the expected transactions in determining the recoverable amounts of certain rights and related goodwill for the purpose of year-end impairment assessment, given that the then market condition was unfavorable and, consistent with earlier years, the production operations had been suspended for a prolonged period of time.
6. 一家上市實體將於收購中所獲得的無形資產在剩餘的短期合約期內攤銷。但上市實體在評估無形資產減值時，以較長的年期預測現金流量從而釐定無形資產的可收回金額。調查發現，核數師沒有充分執行程序，包括考慮相關合約條款、管理層的計劃、預期和假設以及報告期末的日後事項，以評估攤銷期的合理性。核數師也沒有充分記錄其審計程序的性質和範圍的細節。
7. 在另一宗調查中，我們發現核數師就年末減值評估而釐定某些權利和相關商譽的可收回金額時，沒有考慮當時市場的不利狀況，及生產業務已暫停了一段長時間的因素，從而批判性評估和質疑管理層有關預測期、生產和銷售的預期時間及預期交易數量和定價之合理性。

#### Revenue

#### 收入

1. In a situation where the auditor identified that the making of cut-off adjustments in relation to sales of goods was one of the significant accounting and auditing issues, it was found that the auditor failed to (a) properly assess the risks of material misstatement in revenue recognition; (b) address the potential risk on inappropriate recognition of revenue from sales of goods; and (c) properly evaluate and consider additional procedures in relation to exceptions identified in the substantive tests.
2. A listed entity failed to properly recognise the sales proceeds of the unutilised portions of prepaid service contracts as deferred revenue. Two separate investigations found that the auditors failed to properly consider the substance of the contractual arrangements in planning and performing audit procedures to test the prepaid service contracts to ensure the recognition of revenue was in compliance with the applicable accounting requirements.
1. 當核數師發現就貨品銷售作出截止調整是重大的會計及審計問題之一時，我們發現核數師沒有 (a) 對收入確認的嚴重誤報的風險作出適當評估；(b) 處理銷售貨品收入不合理確認的潛在風險；及 (c) 就實質測試中所發現的例外情況，恰當評估及考慮加入其他程序。
2. 一家上市實體沒有將預繳服務合約中未使用部分的銷售所得款項確認為遞延收入。兩項單獨進行的調查發現，核數師沒有在計劃和執行測試預繳服務合約的審計程序時，適當地考慮合約安排的實質，以確保收入的真確符合適用的會計要求。





3. A listed entity recognised a very significant trading transaction in a financial year with a single and new customer. The investigation revealed that the auditor failed to (a) maintain a questioning mind to critically assess the evidence obtained, (b) properly assess the risks of material misstatements in relation to the transaction and plan the audit accordingly, (c) properly perform various substantive procedures to obtain sufficient appropriate audit evidence in relation to the transaction, the customer, the supplier and relevant accounts balance, and (d) discuss the relevant transaction with those charge with governance.
4. In another audit, although the auditor identified revenue recognition from retail sales as one of the significant accounting and auditing issues, the investigation found that the auditor failed to properly design and perform audit procedures to address the assessed risks. The auditor also failed to understand the nature and causes of the identified errors, consider extending the tests, including the effects on opening balance and comparatives, and ascertain whether the adjustments to the relevant financial statements were appropriately determined.
3. 一家上市實體在一個財政年度中確認了一宗與單一的新客戶進行的非常重大交易。調查發現，核數師沒有(a)以質疑態度嚴格地評估所取得的證據；(b)適當評估與交易有關的錯報風險，並就此計劃審計；(c)妥善進行各種實質性程序，以取得與交易、客戶、供應商和相關賬戶餘額有關的充分合適的審計證據，以及(d)與負責管治的人士討論相關交易。
4. 在另一項審計中，儘管核數師將零售業務收入的確認確定為重大的會計和審計問題之一，但調查發現核數師沒有適當設計和執行審計程序以針對評估所得的風險。核數師也沒有理解所發現誤差的性質和原因，並考慮擴大測試範圍，及有關誤差對期初結餘和比較數據的影響，從而確定對相關財務報表作出的調整是否適當。

## Financial instruments

## 金融工具

1. A listed entity reclassified part of its quoted investment portfolio from “fair value through profit or loss” category to available-for-sale investment. The accounting standards allow such reclassification only under rare circumstances and impose additional disclosure requirements when such reclassification takes place. Our findings demonstrated that the auditor failed to (a) actively challenge management regarding the basis for the reclassification; (b) properly analyse whether “rare circumstances” existed, and carry out a proper evaluation of the appropriateness of the reclassification, supported by reliable audit evidence; and (c) identify that the financial statements omitted the required disclosures in relation to the reclassification. These findings are particularly disappointing as there is an enormous amount of technical guidance on this matter available including clarification by IASB.
1. 上市實體將其部分報價投資組合從「按公允價值計入損益」類別重新分類為可供出售投資。會計準則僅於罕有情況下允許有關重新分類及規定於進行有關重新分類時須作額外披露。我們的調查結果顯示核數師沒有(a)積極質疑管理層有關重新分類的基礎；(b)適當地分析是否存在「罕有情況」及根據可靠的審計數據，對重新分類的合適性進行適當的評估；及(c)發現財務報表遺漏有關重新分類的規定披露事項。這些調查結果實在令人失望，因在此一項項上，已有大量技術指引，包括國際會計準則委員會的澄清。

## MANAGEMENT AND OPERATIONS REVIEW (continued)

### 管理及運作回顧 (續)

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>2. A listed entity issued convertible notes to settle an amount due to a director who was also a substantial shareholder. The convertible notes were recognised in equity and measured at the amount due to the director recorded. The investigation discovered that the auditor failed to (a) properly plan and assess the risks of material misstatement relating to the accounting treatment of the transaction; (b) document their evaluation on the appropriateness of the classification of the convertible notes; (c) perform adequate procedures on the initial measurement of the convertible notes; and (d) question the appropriateness of the accounting treatment of the transaction.</p>                                                                                                                                                                                                                         | <p>2. 一家上市實體發行可換股票據以償還對一位身兼董事和主要股東的欠款。上市實體確認可換股票據為權益，並按應付給董事的款項計量。調查發現，核數師沒有(a)適當地計劃和評估與交易的會計處理有關的重大錯報風險；(b)記錄他們對可換股票據分類的適當性的評估；(c)就可換股票據在初次確認時的計量執行足夠程序；(d)質疑交易的會計處理的適當性。</p>                                            |
| <p>3. A listed entity's wholly owned subsidiary issued a number of preferred shares which resulted in a deemed disposal with the listed entity's interest being reduced to less than 50%. The listed entity continued to account for the investee as a subsidiary. The terms of the preferred shares included specific events and conditions that might trigger the repayment of the principal amount of the preferred shares and accrued dividends, and required the consent of the holders of the preferred shares on a number of matters. The investigation found that the auditor failed to properly consider the substance of the contractual arrangements, definitions of financial liability and equity in accordance with the relevant accounting standard and the impact of the rights provided to the holders of the preferred shares on the Group's ability to control the investee following the deemed disposal.</p> | <p>3. 一家上市實體的全資附屬公司發行若干優先股，令其持有的權益減少至百分之五十以下以致被視為上市實體出售附屬公司的權益，唯上市實體繼續將被投資方作為附屬公司處理。優先股的條款包括可能觸發償還優先股本金額和應計股息的特定事項和條件，並需要優先股持有人同意的若干事項。調查發現，核數師沒有正確考慮合約安排的實質、根據相關會計準則對金融負債和權益的定義，以及考慮在被視作變賣後優先股持有人的權利對集團控制被投資方的能力之影響。</p> |

#### Other findings

#### 其他發現

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. A listed entity granted share options to certain directors and staff and recognised the entire amount of services, measured by reference to the fair value of the equity instruments granted in the financial statements as an expense rather than recognising the share options expense over the one-year vesting period which was non-compliance with HKFRS 2. The investigation found that the auditor failed to properly evaluate the effect of the uncorrected misstatement relating to the recognition of share option expense, which individually exceeded the materiality level determined by the auditor for the relevant audit.</p> | <p>1. 一家上市實體向某些董事和員工授予購股權，上市實體在財務報表中按授予日權益工具的公允價值計量有關支出，並即時作出確認，而不是在購股權所需的一年歸屬期確認有關開支。這違反香港財務報告準則第2號的規定。調查發現，核數師沒有適當評估與確認購股權費用的有關而未經糾正的錯報。有關誤差已超出核數師為相關審計確定的重要性水平。</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|





## Recommended Improvements

When evaluating complaints or reviewing financial statements, the FRC may decide that while the complaint or review does not warrant being taken further to an investigation or enquiry, it is appropriate to write to the listed entities and their auditors highlighting certain issues for their attention and suggesting improvement measures. The following findings gave rise to such letters in 2018:

1. HKFRS 13 categorises the inputs used in the measurement of fair value into three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. In relation to fair value measurement of investment properties with reference to recent market transactions of similar properties in the same location, the inputs used would not meet the criteria and should not be categorised under Level 1 fair value hierarchy for financial reporting.
2. In respect of fair value measurements categorised within Level 2 and Level 3 of the fair value hierarchy under HKFRS 13, i.e. observable inputs other than quoted prices in Level 1 and unobservable inputs respectively, preparers of financial statements are reminded to provide descriptions of the valuation techniques and inputs used in the valuations. Besides, when there is a change in the valuation technique adopted, the preparer is required to disclose that fact and the reason for such change.
3. When management is aware of any material uncertainties relating to events or conditions which might cast significant doubt on the reporting entity's ability to continue as a going concern, relevant and adequate disclosures should be made on those uncertainties and the management's plans to deal with these events or conditions and such disclosures should be within the discussion on the going concern basis of preparation rather than in another section of the financial statements.
4. Preparers of financial statements are reminded to correctly disclose the measurement bases of relevant financial statement items as these bases would affect the readers' analysis and understanding of the judgements exercised in preparing the financial statements.
5. Preparers of financial statements are reminded that the par value per share or the fact that the shares have no par value are required to be disclosed under HKAS 1.

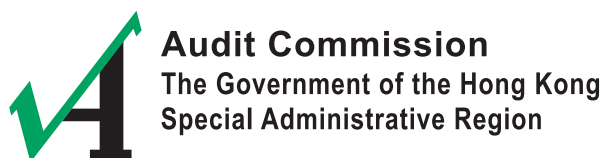
## 改善建議

在評估投訴或審閱財務報表時，財務匯報局可決定不展開調查或查訊，代之而是致函上市實體及其核數師，列明若干他們需要關注的事項及建議改善措施。以下是2018年本局發出相關函件的發現：

1. 香港財務報告準則第13號將公允價值計量所用的輸入數據分類為三個層級。第一級輸入數據為實體於計量日可取得的相同資產或負債於活躍市場之報價（未經調整）。就參考相同位置類似物業的近期市場交易的投資物業公平價值計量而言，所用的輸入數據並不符合標準及不應被分類為第一級公允價值層級以進行財務匯報。
2. 就根據香港財務報告準則第13號分類為第二級及第三級公允價值層級的公允價值計量（即分別為可觀察輸入數據（而非第一級之報價）及不可觀察輸入數據）而言，財務報表編製者應提供估值所採用的估值技術及輸入數據的詳情。此外，當所採納的估值技術出現變動時，編製者須披露有關變動的事實及原因。
3. 當管理層發覺有關存在可能對匯報實體持續經營能力構成重大疑問的事件或情況的重大不明朗因素，則須對該等不明朗因素及管理層處理該等事件或情況的計劃作出相關及充分的披露。有關披露應在有關持續經營編製基準的討論之內，而不是在財務報表的另一章節。
4. 財務報表的編製者須注意準確披露相關財務報表項目的計量基準，因該等基準會影響讀者對編製財務報表所採用的判斷的分析及理解。
5. 財務報表編製者須根據香港會計準則第1號披露每股面值或股份無面值的事實。



# REPORT OF THE DIRECTOR OF AUDIT 審計署署長報告



香港特別行政區政府  
審計署

## Independent Auditor's Report To the Financial Reporting Council

## 獨立審計師報告 致財務匯報局

### Opinion

I have audited the financial statements of the Financial Reporting Council set out on pages 45 to 57, which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

### 意見

我已審計列載於第45至57頁的財務匯報局財務報表，該等財務報表包括於2018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，以及財務報表的附註，包括主要會計政策。

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 2018, 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 (Cap. 588).

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2018年12月31日的事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588章）第18(2)條妥為擬備。

### Basis for opinion

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

### 意見的基礎

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

### Other information

The Financial Reporting Council is responsible for the other information. The other information comprises all the information included in the Financial Reporting Council's 2018 Annual Report, other than the financial statements and my auditor's report thereon.

### 其他資料

財務匯報局須對其他資料負責。其他資料包括財務匯報局2018年年報內的所有資料，但不包括財務報表及我的審計師報告。



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

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

## Responsibilities of the Financial Reporting Council for the financial statements

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

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

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

## Auditor's responsibilities for the audit of the financial statements

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

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

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

## 財務匯報局就財務報表而須承擔的責任

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

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

財務匯報局下設的財務委員會協助其履行監督財務報告過程的責任。

## 審計師就財務報表審計而須承擔的責任

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

# REPORT OF THE DIRECTOR OF AUDIT (continued)

## 審計署署長報告 (續)

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

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

Kenneth Ho  
Assistant Director of Audit  
for Director of Audit

6 March 2019

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

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

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

審計署署長  
審計署助理署長  
何作柱代行

2019年3月6日

審計署  
香港灣仔  
告士打道7號  
入境事務大樓26樓



# FINANCIAL STATEMENTS

## 財務報表



### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018  
(Amounts expressed in Hong Kong dollars)

### 綜合收入表

截至2018年12月31日止年度  
(金額以港元列示)

		Note 附註	2018	2017
<b>Income</b>	<b>收入</b>			
Annual contribution	每年投入資金	4	<b>32,367,196</b>	30,825,900
Interest income	利息收入	5	<b>787,030</b>	596,414
Recovery of costs of investigations	調查成本收回	5	<b>742,951</b>	159,628
			<b>33,897,177</b>	31,581,942
<b>Expenditure</b>	<b>支出</b>			
Staff costs	員工成本	6	<b>(31,829,961)</b>	(25,409,620)
Audit oversight research and related expenses	審計監管研究及相關支出		<b>(103,990)</b>	(413,560)
Corporate communications expenses	機構傳訊支出	7	<b>(1,204,681)</b>	(1,045,403)
Legal and professional fees	法律及專業費用		<b>(895,023)</b>	(1,851,375)
Depreciation charge	折舊支出	10	<b>(349,574)</b>	(255,598)
Other operating expenses	其他營運支出	8	<b>(814,474)</b>	(752,238)
			<b>(35,197,703)</b>	(29,727,794)
<b>(Deficit)/surplus and total comprehensive income for the year</b>	<b>年內(虧絀)/盈餘及總綜合收入</b>		<b>(1,300,526)</b>	1,854,148

The notes on pages 49 to 57 form part of these financial statements.

第49頁至57頁的附註為本財務報表的一部份



# FINANCIAL STATEMENTS (continued)

## 財務報表 (續)

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

(Amounts expressed in Hong Kong dollars)

### 財務狀況表

於2018年12月31日

(金額以港元列示)

		Note 附註	2018	2017
<b>Non-current assets</b>	<b>非流動資產</b>			
Office furniture, fixtures and equipment	辦公室傢具、裝置及設備	10	680,176	279,646
<b>Current assets</b>	<b>流動資產</b>			
Receivables and prepayments	應收賬款及預付款項	11	833,120	594,755
Time deposits with original maturities over three months	原到期日多於三個月的定期存款	12	38,000,000	38,000,000
Cash and cash equivalents	現金及現金等價物	13	6,586,060	7,753,247
<b>Total current assets</b>	<b>流動資產總值</b>		<b>45,419,180</b>	46,348,002
<b>Current liabilities</b>	<b>流動負債</b>			
Accounts payable and accruals	應付賬款及應計費用		(4,113,047)	(3,340,813)
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>41,306,133</b>	43,007,189
<b>Net assets</b>	<b>資產淨值</b>		<b>41,986,309</b>	43,286,835
<b>Funds</b>	<b>資金</b>			
General fund	一般資金	14	21,986,309	23,286,835
Reserve fund	儲備金	14	20,000,000	20,000,000
<b>Total funds</b>	<b>總資金</b>		<b>41,986,309</b>	43,286,835

Approved and authorised for issue by the Council on 6 March 2019

於2019年3月6日獲財務匯報局批准及授權刊發



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



Mr Paul F. Winkelmann 衛皓民先生  
Chief Executive Officer 行政總裁

The notes on pages 49 to 57 form part of these financial statements.

第49頁至57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 2018  
(Amounts expressed in Hong Kong dollars)

## 資金變動表

截至2018年12月31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 1 January 2017	於2017年1月1日	21,432,687	20,000,000	41,432,687
Surplus and total comprehensive income for 2017	2017年盈餘及總綜合收入	1,854,148	–	1,854,148
At 31 December 2017	於2017年12月31日	23,286,835	20,000,000	43,286,835
At 1 January 2018	於2018年1月1日	23,286,835	20,000,000	43,286,835
Deficit and total comprehensive income for 2018	2018年虧絀及總綜合收入	(1,300,526)	–	(1,300,526)
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>21,986,309</b>	<b>20,000,000</b>	<b>41,986,309</b>

The notes on pages 49 to 57 form part of these financial statements.

第49頁至57頁的附註為本財務報表的一部分。

# FINANCIAL STATEMENTS (continued)

## 財務報表 (續)

### STATEMENT OF CASH FLOWS

For the year ended 31 December 2018  
(Amounts expressed in Hong Kong dollars)

### 現金流量表

截至2018年12月31日止年度  
(金額以港元列示)

	Note 附註	2018	2017
<b>Cash flows from operating activities</b>	<b>經營活動產生的現金流量</b>		
(Deficit)/surplus for the year	年內(虧絀)/盈餘	(1,300,526)	1,854,148
Adjustments for:	調整項目:		
Depreciation charge	折舊支出	349,574	255,598
Interest income	利息收入	(787,030)	(596,414)
Loss on disposal of office furniture, fixtures and equipment	處置辦公室傢具、裝置及設備虧損	7,242	-
		(1,730,740)	1,513,332
Changes in working capital:	營運資金變動:		
Increase in receivables and prepayments	應收賬款及預付款項增加	(93,251)	(63,672)
Increase in accounts payable and accruals	應付賬款及應計費用增加	772,234	641,634
<b>Net cash (outflow)/inflow from operating activities</b>	<b>經營活動產生的現金(流出)/流入淨額</b>	<b>(1,051,757)</b>	<b>2,091,294</b>
<b>Cash flows from investing activities</b>	<b>投資活動產生的現金流量</b>		
Payment for the purchase of office furniture, fixtures and equipment	購買辦公室傢具、裝置及設備款項	(757,346)	(95,100)
Interest received	已收利息	641,916	883,753
<b>Net cash (outflow)/inflow from investing activities</b>	<b>投資活動產生的現金(流出)/流入淨額</b>	<b>(115,430)</b>	<b>788,653</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)/增加淨額</b>	<b>(1,167,187)</b>	<b>2,879,947</b>
<b>Cash and cash equivalents at 1 January</b>	<b>於1月1日之現金及現金等價物</b>	<b>7,753,247</b>	<b>4,873,300</b>
<b>Cash and cash equivalents at 31 December</b>	<b>於12月31日之現金及現金等價物</b>	<b>6,586,060</b>	<b>7,753,247</b>

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The notes on pages 49 to 57 form part of these financial statements.

第49頁至57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 2018  
(Amounts expressed in Hong Kong dollars)

### 1. General Information

The Financial Reporting Council (FRC) was established in Hong Kong in 2006 under the Financial Reporting Council Ordinance (Cap. 588) (FRCO). Its office address is 29th Floor, High Block, Queensway Government Offices, 66 Queensway, Hong Kong.

### 2. Principal Activities

As set out in the FRCO, the FRC is empowered to conduct investigations concerning auditing and reporting irregularities by auditors of entities listed in Hong Kong, and to make enquiries into non-compliance with accounting requirements by listed entities in Hong Kong.

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

#### (a) Statement of compliance

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

#### (b) Basis of preparation

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

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

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

## 財務報表附註

截至2018年12月31日止年度  
(金額以港元列示)

### 1. 一般資料

財務匯報局於2006年根據《財務匯報局條例》(第588章)在香港設立。其地址為香港金鐘道66號金鐘道政府合署高座29樓。

### 2. 主要活動

如《財務匯報局條例》所列明，財務匯報局獲賦予權力就香港上市實體的核數師在審計及匯報方面的不當行為進行調查，以及就香港上市實體不遵從會計規定的事宜展開查訊。

### 3. 合規聲明及財務報表編製基準

#### (a) 合規聲明

本財務報表乃按國際財務報告準則編製而成。

#### (b) 編製基準

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

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

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



# FINANCIAL STATEMENTS (continued)

## 財務報表 (續)

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

#### (c) Adoption of new/revised IFRSs

The following IFRSs became effective in 2018 and have been adopted by the FRC:

IFRS 9 *Financial Instruments* (revised in July 2014)

IFRS 15 *Revenue from Contracts with Customers*

The adoption of the above IFRSs does not have any impact on the results or financial position for the current and prior periods presented.

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

### 4. Annual Contribution

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

The Companies Registry Trading Fund (CRTF), the Hong Kong Institute of Certified Public Accountants (HKICPA), the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEX) signed a Memorandum of Understanding (MoU) regarding the funding arrangements of the FRC up to and including the 2019 financial year. Each party agreed to contribute an annual amount of \$8.1 million to the FRC in 2018 (2017: \$7.7 million) for the recurring expenditure. To cater for inflation adjustments and to provide greater certainty to the FRC, the annual contribution from each party shall be increased to approximately \$8.5 million for 2019.

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.

### 3. 合規聲明及財務報表編製基準 (續)

#### (c) 採納新訂／經修訂國際財務報告準則

以下國際財務報告準則於2018年生效並被財務匯報局採納：

國際財務報告準則第9號 *金融工具* (於2014年7月經修訂)

國際財務報告準則第15號 *客戶合約的收入*

以上國際財務報告準則的採納對當期及過往期間業績或財務狀況並無任何影響。

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

### 4. 每年投入資金

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

公司註冊處營運基金、香港會計師公會、證券及期貨事務監察委員會(證監會)及香港交易及結算所有限公司(港交所)已就財務匯報局直至及包括2019年財政年度的資金安排簽署諒解備忘錄。各機構同意於2018年向財務匯報局投入810萬元(2017年：770萬元)年度資金，以應付經常性營運支出。為抗衡通脹並為財務匯報局帶來更高穩定性，各機構亦同意於2019年，增加各自投入的資金至約850萬元。

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. Interest Income and Recovery of Costs of Investigations

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

Recovery of costs of investigations are recognised once the decision of the HKICPA's Disciplinary Committee becomes finalised.

## 6. Staff Costs

Salaries, variable pay, bonuses and gratuities	薪酬、浮動酬金、花紅及賞金
MPF contributions	強制性公積金供款
Staff recruitment expenses	招募員工支出
Medical and life insurance	醫療及人壽保險
Staff training and development	員工培訓及技能發展
Others	其他

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

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

## 5. 利息收入及調查成本收回

利息收入來自定期存款及儲蓄存款。利息收入採用實際利率法按應計基準確認。

香港會計師公會轄下的紀律委員會的決定一經確定，調查成本收回就會被確認。

## 6. 員工成本

	2018	2017
	<b>29,521,212</b>	23,207,359
	<b>1,221,854</b>	845,031
	<b>53,050</b>	512,353
	<b>631,764</b>	516,235
	<b>195,881</b>	136,607
	<b>206,200</b>	192,035
	<b>31,829,961</b>	25,409,620

薪酬、浮動酬金、花紅、賞金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，會確認花紅費用。

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

# FINANCIAL STATEMENTS (continued)

## 財務報表 (續)

### 6. Staff Costs (continued)

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

		Salary and variable pay 薪酬及浮動酬金	2018 MPF contributions 強制性 公積金供款	Total 總額
Paul F. Winkelmann	衛皓民	4,158,000	18,000	4,176,000
		Salaries and variable pay 薪酬及浮動酬金	2017 MPF contributions 強制性 公積金供款	Total 總額
Paul F. Winkelmann	衛皓民	4,200,000	18,000	4,218,000

### 6. 員工成本 (續)

除行政總裁外，財務匯報局成員並無酬金。以上員工成本已包括下述的行政總裁酬金：

### 7. Corporate Communications Expenses

		2018	2017
Promotion and public education	推廣及公共教育	841,568	468,669
Events	活動	33,111	309,940
Publications	出版刊物	151,907	149,798
Others	其他	178,095	116,996
		1,204,681	1,045,403

### 7. 機構傳訊支出

### 8. Other Operating Expenses

		2018	2017
Conferences and duty visits	會議及差旅費用	107,900	59,279
Professional liability insurance	專業責任保險	25,155	25,150
Office equipment and furniture expensed	辦公室設備及傢具開支	74,936	105,556
Printing, stationery and office expenses	打印、文具及辦公室開支	606,483	562,253
		814,474	752,238

### 8. 其他營運支出

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

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





## 9. Taxation

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

## 9. 稅項

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

## 10. Office Furniture, Fixtures and Equipment

## 10. 辦公室傢具、裝置及設備

		Office furniture and fixtures 辦公室 傢具及裝置	Computers 電腦	Other office equipment 其他 辦公室設備	Total 總額
<b>Cost</b>	<b>成本</b>				
At 1 January 2017	於2017年1月1日	507,074	592,110	149,141	1,248,325
Additions	購入	93,300	70,100	–	163,400
At 31 December 2017	於2017年12月31日	600,374	662,210	149,141	1,411,725
At 1 January 2018	於2018年1月1日	600,374	662,210	149,141	1,411,725
Additions	購入	–	687,356	69,990	757,346
Disposals	處置	–	–	(55,300)	(55,300)
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>600,374</b>	<b>1,349,566</b>	<b>163,831</b>	<b>2,113,771</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 January 2017	於2017年1月1日	(269,091)	(532,220)	(75,170)	(876,481)
Charge for the year	年內支出	(200,106)	(38,914)	(16,578)	(255,598)
At 31 December 2017	於2017年12月31日	(469,197)	(571,134)	(91,748)	(1,132,079)
At 1 January 2018	於2018年1月1日	(469,197)	(571,134)	(91,748)	(1,132,079)
Charge for the year	年內支出	(125,182)	(205,779)	(18,613)	(349,574)
Written back on disposals	處置時撥回	–	–	48,058	48,058
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>(594,379)</b>	<b>(776,913)</b>	<b>(62,303)</b>	<b>(1,433,595)</b>
<b>Net book value</b>	<b>賬面淨值</b>				
<b>At 31 December 2018</b>	<b>於2018年12月31日</b>	<b>5,995</b>	<b>572,653</b>	<b>101,528</b>	<b>680,176</b>
At 31 December 2017	於2017年12月31日	131,177	91,076	57,393	279,646



## 10. Office Furniture, Fixtures and Equipment

(continued)

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

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

Office furniture and fixtures	1 to 10 years
Computers	3 years
Other office equipment	7 years

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

At the end of each reporting period, the FRC assesses whether there is any indication that an item of office furniture, fixtures and equipment may be impaired or a previously recognised impairment loss no longer exists or may have decreased. Following this year's review, no impairment loss has been recognised (2017: nil).

## 10. 辦公室傢俱、裝置及設備 (續)

辦公室傢俱、裝置及設備按成本減累計折舊及減值損失(如有)列賬，惟成本低於5,000元的項目則於產生時支銷。辦公室傢俱、裝置及設備項目的成本，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傢俱、裝置及設備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：

辦公室傢俱及裝置	1至10年
電腦	3年
其他辦公室設備	7年

殘值、可使用壽命及折舊方法至少於每個報告期期末進行檢討，及作出適當調整。

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

於每個報告期期末，財務匯報局評估是否出現任何跡象顯示辦公室傢俱、裝置及設備項目出現減值，或過往確認的減值損失是否不再存在或已經減少。經本年度審閱後，未有確認任何減值損失(2017年：無)。



## 11. Receivables and Prepayments

		2018	2017
Interest receivable	應收利息	264,619	119,505
Prepayments	預付款項		
– Medical and life insurance	– 醫療及人壽保險	359,150	314,796
– Staff benefits	– 員工福利	4,000	27,147
– Professional liability insurance	– 專業責任保險	13,595	13,589
– Others	– 其他	191,756	119,718
		<b>833,120</b>	<b>594,755</b>

## 12. Time Deposits with Original Maturities Over Three Months

Time deposits with original maturities over three months carried fixed interest rates ranging from 2.06% to 2.40% (2017: 0.88% to 1.42%) per annum. The balances outstanding at 31 December 2018 and 2017 had maturities less than 12 months from the end of the reporting period.

## 13. Cash and Cash Equivalents

		2018	2017
Cash on hand	手頭現金	4,899	2,374
Current accounts	支票活期存款	487,315	501,532
Savings account	儲蓄存款	6,093,846	849,341
Time deposits with original maturities within three months	原到期日不超過三個月 的定期存款	–	6,400,000
		<b>6,586,060</b>	<b>7,753,247</b>

## 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.

## 11. 應收賬款及預付款項

		2018	2017
Interest receivable	應收利息	264,619	119,505
Prepayments	預付款項		
– Medical and life insurance	– 醫療及人壽保險	359,150	314,796
– Staff benefits	– 員工福利	4,000	27,147
– Professional liability insurance	– 專業責任保險	13,595	13,589
– Others	– 其他	191,756	119,718
		<b>833,120</b>	<b>594,755</b>

## 12. 原到期日多於三個月的定期存款

原到期日多於三個月的定期存款，按固定年利率由2.06厘至2.40厘計息（2017年：0.88厘至1.42厘）。於2018年及2017年12月31日的結餘於報告期期末12個月內到期。

## 13. 現金及現金等價物

		2018	2017
Cash on hand	手頭現金	4,899	2,374
Current accounts	支票活期存款	487,315	501,532
Savings account	儲蓄存款	6,093,846	849,341
Time deposits with original maturities within three months	原到期日不超過三個月 的定期存款	–	6,400,000
		<b>6,586,060</b>	<b>7,753,247</b>

## 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於設立財務匯報局時所投入的非經常性資金。各機構投入一筆不可發還，為數500萬元的資金。儲備金可於經常性資金不足及其他緊急情況下動用。

# FINANCIAL STATEMENTS (continued)

## 財務報表 (續)

### 15. Financial Instruments

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

		2018	2017
<b>Financial assets</b>	<b>金融資產</b>		
Interest receivable	應收利息	264,619	119,505
Time deposits with original maturities over three months	原到期日超過三個月的定期存款	38,000,000	38,000,000
Cash and cash equivalents	現金及現金等價物	6,586,060	7,753,247
		<b>44,850,679</b>	<b>45,872,752</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Accounts payable and accruals	應付賬款及應計費用	4,113,047	3,340,813

The carrying amounts of the FRC's financial assets and financial liabilities approximate to their fair values as at 31 December 2018 and 2017.

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

#### Financial assets

The objective of holding financial assets is to collect contractual cash flows, which are solely payments of principal and interest on the principal amount outstanding. The recognition of a loss allowance for expected credit losses on a financial asset measured at amortised cost is based on the probability of default upon initial recognition and on-going assessment of whether there has been a significant increase in credit risk. No impairment loss has been recognised in 2018 (2017: nil).

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

#### Financial liabilities

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

### 15. 金融工具

各類金融工具的賬面金額如下：

	2018	2017
<b>金融資產</b>		
應收利息	264,619	119,505
原到期日超過三個月的定期存款	38,000,000	38,000,000
現金及現金等價物	6,586,060	7,753,247
	<b>44,850,679</b>	<b>45,872,752</b>
<b>金融負債</b>		
應付賬款及應計費用	4,113,047	3,340,813

於2018年及2017年12月31日，財務匯報局的金融資產及金融負債的賬面金額接近其公允價值。

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

#### 金融資產

持有金融資產的目的是收取合同現金流量，該等現金流量僅為償付本金及未償本金的利息。根據對信用風險是否顯著增加的初始確認及持續評估得出的違約可能性，就金融資產以攤銷成本計量的預期信貸虧損確認虧損撥備。2018年並無確認減值損失(2017年：無)。

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

#### 金融負債

金融負債於相關的義務解除、取消或到期時終止確認。



## 16. Financial Risks

### (a) Credit risk

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

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

The Council approved an investment policy which, subject to other limits, only allows the FRC to place deposits with licensed banks in Hong Kong having regard to their credit rating. The policy also limits the amount placed with each bank and the maximum duration the deposit is placed in order to manage its credit risk.

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

### (b) Liquidity risk

The FRC has a strong cash position and therefore has a very low level of liquidity risk. The FRC maintains sufficient levels of cash and cash equivalents and manages its working capital by carefully reviewing forecasts on a regular basis. All financial liabilities were due to be repaid within three months (2017: three months) from the end of the reporting period.

### (c) Market risk

#### **Currency risk**

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

#### **Interest rate risk**

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

## 17. Event After the Reporting Period

On 30 January 2019, the FRC (Amendment) Ordinance 2019 was enacted, which changes the role of the FRC. The FRC's operating expenditure is estimated to be no less than \$100 million per annum after the commencement of operation of the Ordinance.

## 16. 金融風險

### (a) 信用風險

財務匯報局所承擔的信用風險主要涉及應收賬款、定期存款及其他銀行結餘。

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

根據財務匯報局成員已通過的投資政策，財務匯報局僅可在符合其他限制規定下，根據信用評級於香港持牌銀行設立存款。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，並且每月向財務委員會及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。

### (b) 流動資金風險

財務匯報局的現金狀況充裕，因此流動性風險相當低。財務匯報局維持充足水平的現金及現金等價物，並透過定期審慎檢討預測以管理其營運資金。所有金融負債於報告期末起三個月內(2017年：三個月)到期償還。

### (c) 市場風險

#### **貨幣風險**

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

#### **利率風險**

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

## 17. 報告期後事項

於2019年1月30日，《2019年財務匯報局(修訂)條例》獲得通過，改變了財務匯報局的職責。於條例開始實行後，財務匯報局每年的營運開支估計將不少於1億元。



# MEMBERSHIP OF BOARD AND PANELS

## 委員會及委員團成員

### Honorary Advisory Panel

#### 名譽顧問團

The function of the Honorary Advisors is to advise the FRC, including its committees and staff, with respect to any matter referred to the Honorary Advisors by the FRC. Currently, the Panel comprises highly respected individuals from different sectors encompassing accounting, auditing, business and legal. By leveraging on their wealth of experience, the FRC has been able to grow from strength to strength.

名譽顧問負責就任何由財務匯報局轉介的事項，向財務匯報局(包括其委員會及員工)提供意見。現時，名譽顧問團由來自包括會計、審計、商業和法律等不同界別的社會賢達組成。憑藉他們豐富的經驗，財務匯報局能夠不斷進步，做得更好。

### Panel Members During 2018

#### 2018年顧問團成員



**Mr Roger Best, JP**  
路沛翹先生，太平紳士

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

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



**Mr Clement Chan**  
陳錦榮先生

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

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



**Dr Moses Cheng, GBM, GBS, OBE, JP<sup>1</sup>**  
鄭慕智博士，大紫荊勳章，金紫荊星章，英帝國官佐勳章，太平紳士

Dr Cheng is currently the Chairman of the Insurance Authority. He is also a consultant of PC Woo & Co. after serving as its Senior Partner for 21 years. He has extensive experience in listing matters.

鄭博士是保險業監管局主席及胡百全律師事務所的顧問律師。他曾任該所的首席合夥人共二十一年，並在上市事務上擁有豐富的經驗。



**Mr Chew Fook Aun**  
周福安先生

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

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



**Mr Eugene Fung, SC<sup>2</sup>**  
馮庭碩先生，資深大律師

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

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



**Dr PM Kam, BBS**  
甘博文博士，銅紫荊星章

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

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



**Mr Edward Kwan, MH**  
關百忠先生，榮譽勳章

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

關先生曾任匯豐金融服務(亞洲)有限公司行政總裁。



**Mr Clement Kwok**  
郭敬文先生

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

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

## MEMBERSHIP OF BOARD AND PANELS (continued)

### 委員會及委員團成員 (續)



**Mr Anthony Leung**

梁小東先生

Mr Leung is the Assurance Leader of EY member firms for Hong Kong and Macau. He is a former member of the Listing Committee of SEHK from 2009 and completed the six-year term in 2015. He had previously served on the Professional Conduct Committee of the HKICPA.

梁小東先生現任安永香港及澳門審計服務主管合夥人，曾任香港聯交所上市委員會委員（在2009至2015年度完成六年任期）。他亦曾任香港會計師公會專業行為委員會委員。



**Mr Albert Li<sup>1</sup>**

李國基先生

Mr Li was formerly a partner of KPMG Hong Kong and his main responsibilities were technical advisory and audit.

李先生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。



**Dr Eric Li, GBS, JP<sup>3</sup>**

李家祥博士，金紫荊星章，太平紳士

Dr Li is a senior partner of Li, Tang, Chen & Co, Certified Public Accountants and an Independent Non-Executive Director of a number of listed companies in Hong Kong. He is also a member of the 12th National Committee of the Chinese People's Political Consultative Conference.

李博士為李湯陳會計師事務所首席合夥人，亦是香港多家上市公司的獨立非執行董事。他也是中國人民政治協商會議第12屆全國委員會委員。



**Mr Tim Lui, SBS, JP<sup>4</sup>**

雷添良先生，銀紫荊星章，太平紳士

Mr Lui is a former partner of PwC Hong Kong and a deputy of The National People's Congress of the People's Republic of China.

雷先生是羅兵咸永道會計師事務所的前合夥人，現任全國人大代表。



**Ms Teresa Ma**

馬嘉明女士

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

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



**Mr Stephen Mercer**

麥尚雅先生

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

麥尚雅先生是畢馬威香港合夥人，目前還擔任畢馬威中國審計服務副主管合夥人。



**Mr Kenneth Morrison**  
文禮信先生

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

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



**Mr Keith Pogson**  
包凱先生

Mr Pogson is the Global Assurance Leader for Banking & Capital Markets at EY. He is a former President of the HKICPA and continues to be a member of the Regulatory Oversight Board, the Audit Committee and the Disciplinary Panel of the HKICPA. He is a member of the Listing Committee of SEHK and a member of the Standing Committee on Hong Kong Company Law Reform.

包凱先生現任安永的銀行及資本市場環球審計業務主管。他曾出任香港會計師公會會長，現任其專業監管監督委員會、審核委員會及紀律小組的成員。他是聯交所上市委員會以及公司法改革常務委員會的成員。



**Mr Nicholas Sallnow-Smith<sup>5</sup>**  
蘇兆明先生

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

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



**Mr Michael Scales**  
施米高先生

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

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



**Mr Sin Chung-kai, SBS, JP<sup>5</sup>**  
單仲偕先生，銀紫荊星章，太平紳士

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

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



## MEMBERSHIP OF BOARD AND PANELS (continued)

### 委員會及委員團成員 (續)



**Mr David Stannard<sup>5</sup>**  
洗達能先生

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

洗達能先生為常駐香港的公司律師。他於1999年1月至2001年9月出任證券及期貨事務監察委員會企業融資部執行董事，2003年至2008年為香港聯合交易所有限公司主板和創業板上市委員會成員，2003年至2010年為公司法改革常務委員會成員。



**Mr Stephen Taylor**  
Stephen Taylor 先生

Mr Taylor is senior partner in national audit and assurance technical department of Deloitte China and Head of the Deloitte Asia Pacific IFRS centre of excellence based in Hong Kong. He is a former member of the International Accounting Standards Board IFRS Advisory Council and a former Chairman of The Hong Kong Stock Exchange Listing Committee.

Stephen Taylor 先生為德勤中國全國審計和監證業務專業技術部資深合夥人，同時兼任德勤亞太區國際財務報告準則卓越中心駐香港主管。他也是國際會計準則理事會國際財務報告準則顧問委員會的前成員，以及前任香港聯合交易所上市委員會的主席。



**Mr Huen Wong, BBS, JP**  
王桂壘先生，銅紫荊星章，太平紳士

Mr Wong is the Principal of Fried Frank, Hong Kong and Shanghai offices. He is the former Chairman of the Communications Authority. He is also the former President of the Inter-Pacific Bar Association and the Law Society of Hong Kong.

王先生是法朗克律師行香港及上海分行主理人。他曾任通訊事務管理局主席，亦是前任環太平洋律師會會長及香港律師會會長。



**Mr Elton Yeung**  
楊偉志先生

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

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

1. Term expired on 10 December 2018.

1. 任期於2018年12月10日屆滿。

2. Resigned with effect from 1 December 2018 on being appointed as Council Member of the FRC.

2. 於2018年12月1日獲委任為財務匯報局成員後辭任。

3. Term expired on 9 January 2019.

3. 任期於2019年1月9日屆滿。

4. Resigned with effect from 19 October 2018.

4. 於2018年10月19日辭任。

5. Appointed with effect from 11 December 2018

5. 於2018年12月11日獲委任。





## Financial Reporting Review Panel

### Panel Convenors

Mr Eugene Fung, SC<sup>1</sup>  
Mr Robert Gazzi<sup>2</sup>  
Mr Mark Johnson<sup>3</sup>  
Dr PM Kam, BBS  
Mr Carmelo Lee, JP  
Mr Andrew Mak, BBS, JP<sup>4</sup>  
Mrs Catherine Morley  
Ms Edith Shih<sup>4</sup>  
Mr Paul Shieh, SC  
Mr Tang Kwai Chang<sup>3</sup>  
Ms Priscilla Wong, BBS, JP  
Mrs Betty Yuen, JP<sup>3</sup>

### Members

Prof Gary Biddle  
Mr Abraham Chan, SC<sup>3</sup>  
Mr Edmund Chan  
Prof Cheng Cheng Shing  
Prof Peter Cheng  
Ms Yvonne Cheng, SC  
Mr Ambrose Cheung, BBS, MH, JP<sup>4</sup>  
Ms Ivy Cheung  
Mr Cheung Kwan Hoi  
Mr Jeckle Chiu  
Mr Louis Chow<sup>3</sup>  
Mr Mohan Datwani<sup>4</sup>  
Ms Ding Chen<sup>4</sup>  
Mr Ian Farrar  
Mr Tommy Fung  
Mr Paul Hebditch  
Ms Joan Ho  
Mr Carlyon Knight-Evans  
Ms Kelly Kong  
Mr Nelson Lam  
Mr Leo Lee<sup>3</sup>  
Mr Ernest Lee<sup>3</sup>  
Mr Lee Yin-toa  
Ms Cynthia Lim  
Mr William Lim  
Ms Fanny Lung<sup>3</sup>  
Mr Roy Lo<sup>4</sup>  
Dr Guy Look<sup>4</sup>  
Mr Bernard Mak  
Mr Christopher Morley  
Ms Agnes Nardi  
Mr Hong Ng  
Mr Paul Phenix  
Mr Eric Tang<sup>3</sup>  
Mr Hamilton Tang  
Ms Teo Chew Ping  
Mr Tsui Hon Man

## 財務匯報檢討委員會

### 委員會召集人

馮庭碩先生，資深大律師<sup>1</sup>  
Robert Gazzi 先生<sup>2</sup>  
莊智宇先生<sup>3</sup>  
甘博文博士，銅紫荊星章  
李嘉士太平紳士  
麥業成先生，銅紫荊星章，太平紳士<sup>4</sup>  
莫莉女士  
施熙德女士<sup>4</sup>  
石永泰先生，資深大律師  
鄧貴彰先生<sup>3</sup>  
王沛詩女士，銅紫荊星章，太平紳士  
阮蘇少湄女士，太平紳士<sup>3</sup>

### 成員

Gary Biddle 教授  
陳樂信先生，資深大律師<sup>3</sup>  
陳偉文先生  
鄭振興教授  
鄭樹棠教授  
鄭蕙心女士，資深大律師  
張永森先生，銅紫荊星章，榮譽勳章，太平紳士<sup>4</sup>  
張穎嫻女士  
張鈞海先生  
招仲濠先生  
周嘉亮先生<sup>3</sup>  
高朗先生<sup>4</sup>  
丁晨女士<sup>4</sup>  
方毅賢先生  
馮漢光先生  
Paul Hebditch 先生  
何玉慧女士  
黎嘉揚先生  
鄭瑞怡女士  
林智遠先生  
李志明先生<sup>3</sup>  
李俊豪先生<sup>3</sup>  
李彥韜先生  
林慧鈿女士  
林俊學先生  
龍雁儀女士<sup>3</sup>  
蘆華基先生<sup>4</sup>  
陸楷博士<sup>4</sup>  
麥兆祥先生  
麥樂賢先生  
李家慧女士  
伍兆康先生  
馮保羅先生  
鄧迎章先生<sup>3</sup>  
唐維鐘先生  
張秋萍女士  
徐漢文先生

## MEMBERSHIP OF BOARD AND PANELS (continued)

### 委員會及委員團成員 (續)

Mr Wong Kim Man  
Mr Stephen Wong  
Mr Thomas Wong  
Ms Wendy Yuen  
Ms Wendy Yung  
Prof Zhang Guo Chang

- 1 Resigned with effect from 1 December 2018 on being appointed as Council Member of the FRC.
- 2 Resigned with effect from 12 November 2018.
- 3 Appointed with effect from 16 July 2018.
- 4 Term expired on 15 July 2018.

黃劍文先生  
王德文先生  
黃汝霖先生  
袁妙齡女士  
容韻儀女士  
張國昌教授

- 1 於2018年12月1日獲委任為財務匯報局成員後辭任。
- 2 於2018年11月12日辭任。
- 3 於2018年7月16日獲委任。
- 4 任期於2018年7月15日屆滿。

### Audit Investigation Board during 2018

#### Chairman

Mr Paul F. Winkelmann (ex-officio)

#### Members

Mr TS Chan  
Mr Andes Kwok  
Ms Wincey Lam  
Ms Anna Lau  
Ms Florence Wong  
Ms Joyce Woo

### Process Review Panel

#### Chairman

Mr Anthony Chow, SBS, JP

#### Members

Ms Florence Chan  
Prof Low Chee Keong  
Ms Edith Shih  
Mr Tse Kam Keung  
Dr John Poon, BBS, JP<sup>1</sup> (ex-officio)  
Dr Kelvin Wong, JP<sup>2</sup> (ex-officio)

- 1 Term expired on 14 December 2018.
- 2 Appointed with effect from 15 December 2018.

### 2018年審計調查委員會名單

#### 主席

衛皓民先生 (當然主席)

#### 成員

陳德成先生  
郭志峰先生  
林穎志女士  
劉惠玲女士  
王蕙湄女士  
胡珮茵女士

### 程序覆檢委員會

#### 主席

周永健先生，銀紫荊星章，太平紳士

#### 成員

陳苑芬女士  
劉殖強教授  
施熙德女士  
謝錦強先生  
潘祖明博士，銅紫荊星章，太平紳士<sup>1</sup> (當然成員)  
黃天祐博士，太平紳士<sup>2</sup> (當然成員)

- 1 任期於2018年12月14日屆滿。
- 2 於2018年12月15日獲委任。



# ORGANISATION INFORMATION

## 機構資料

### Financial Reporting Council

29<sup>th</sup> Floor, High Block  
Queensway Government Offices  
66 Queensway, Hong Kong

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Fax 傳真 : (852) 2810 6320  
Email 電郵 : general@frc.org.hk (General enquiry 一般查詢)  
: complaints@frc.org.hk (Complaints 投訴)  
Website 網址 : www.frc.org.hk  
Corporate video 視訊 : www.frc.org.hk/en-us/about-the-frc/history (English 英文)  
: www.frc.org.hk/zh-hk/about-the-frc/history (Cantonese 廣東話)  
: www.frc.org.hk/zh-cn/about-the-frc/history (Putonghua 普通話)





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