

# Impartiality 公平公正



# THE ROLE OF THE FRC

## 財務匯報局的職責

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

就有關上市實體可能在審計及 / 或匯報方面的不當行為展開獨立調查

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

就上市實體可能沒有遵從會計規定的事宜展開查訊

## Impartiality

### 公平公正



The FRC builds its impartiality upon the core values of independence, robustness and transparency, making 'Newton's Cradle' an apt symbol of its work. Though each sphere is separate, each carries equal momentum and is integral to the working of the entire system. Likewise, the FRC's core values generate powerful momentum: building public trust in the integrity of the financial reporting of listed entities, maintaining Hong Kong's status as an international financial centre, and contributing to audit regulatory reform.

財務匯報局以獨立、穩健及透明的核心價值秉持公平公正的運作，而「牛頓擺」正是貼切的象徵。儘管每個搖珠各自獨立，但均以相同動力帶動牛頓擺運作。同樣地，財務匯報局的核心價值能夠產生強大動力，建立公眾對上市實體財務匯報誠信方面的信心，藉此鞏固香港作為國際金融中心的地位，以及為審計監管改革作出貢獻。



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# CHAIRMAN'S STATEMENT

## 主席報告



As a world-leading financial centre, Hong Kong enjoys one of the world's best reputations for openness, fairness, and the rule of law. As an independent audit regulator, the FRC plays a significant part in upholding this enviable status, and in protecting the interests of investors in our world renowned capital market.

### New Initiatives to Enhance Operations

Over the year, the FRC has continued to enhance its core to meet the demands of a broadening portfolio of work, along with new regulatory developments. We have significantly strengthened the composition and profile of our committees in order to deal with our increasingly complex case load. We have also expanded the scope of the work of some of our committees, to reflect the changing market environment and the developing roles of the FRC.

During the year, we also refined our corporate communication strategies with the aim of delivering messages to our stakeholders more effectively. For instance, we proactively engaged stakeholders by organizing press events to discuss regulatory issues directly, an example of which is the release of our international comparative study on independent audit oversight. We also improved our website and added richer content in a way that successfully attracted more online visitors.

### Fostering a Culture of Excellence

This is now my second year as Chairman of the FRC. Since joining, my emphasis has been on three essential qualities: impartiality, transparency and simplicity. We have worked to infuse these qualities throughout our organization at every level.

香港作為主要的環球金融中心，以擁有公平開放的營商環境及完善的法律制度譽滿全球。財務匯報局作為獨立的審計監管機構，在維持香港的地位以及保障投資者在這個全球知名的資本市場中的利益，擔當重要角色。

### 提升運作效率的新措施

於過去一年，財務匯報局持續完善和加強其核心運作以滿足不斷擴闊的工作範圍和新監管發展的需要。本局已大力強化各委員會的組成及職能，以處理日益複雜的個案。本局亦擴大部分委員會的工作範圍，藉以反映不斷轉變的市場環境及財務匯報局持續發展的角色。

年內，本局亦已完善機構傳訊策略，藉此更有效地向持份者提供資訊。例如，本局透過舉辦傳媒活動主動直接與持份者探討監管事宜，其中包括發表有關獨立審計監管的國際性比較研究報告。同時，本局亦豐富網站內容，並成功吸引更多網上瀏覽人次。

### 培育卓越文化

本人擔任財務匯報局主席已踏入第二年。自加入財務匯報局以來，本人一直強調三個必備要素：公平公正、透明度及簡明。本局一直致力於整個機構上下注入這些特質。



Oversight of the audit profession is clearly moving from self-regulation towards a regime that emphasizes independence, transparency and robustness.

審計監管已經由自我監管的模式，逐步演變成重視獨立性、透明度和穩健的監管制度。



**John Poon, JP** *Chairman*  
**潘祖明太平紳士** *主席*

Alongside the impartiality that comes with our independence as an audit regulator, we aim to operate as transparently as possible and in a manner that is both highly efficient, and powerfully robust.

These are qualities that I believe are essential in building public trust and ensuring the financial statements of listed entities are reliably accurate and informative.

I am pleased to report that, over the past year, the FRC's commitment to its task of strengthening regulatory oversight of the financial reporting of listed entities has been unwavering. As a result we have had a busy and active year, undertaking a number of initiatives, such as improving our risk-based financial statements review programme and creating a new "FRC's Decision" section on our website, and making considerable progress with activities under development. At the same time, we have been very active in laying the groundwork for audit regulatory reform to come to fruition.

## Preparing for Audit Regulatory Reform

A major aspect of the FRC's work over the past year has concerned preparations for audit regulatory reform in Hong Kong.

### Evolving regulatory landscape

The collapse of Enron in 2002 had a significant impact on global financial systems, sparking changes in the global audit regulatory framework that are still taking place. Over a decade later, many international financial centres have moved away from the previous norm of industry self-regulation and instead adopted a much more impartial and transparent system of independent audit oversight.

In the United States, for example, the 2002 Sarbanes-Oxley Act created the Public Company Accounting Oversight Board (PCAOB), making auditors of

本局作為審計監管機構，除了保持公正和獨立外，亦致力維持機構的透明度，並以高效率及穩健的方式運作。

本人認為，上述核心價值對建立公眾信任極其重要，並確保上市實體的財務報表乃可靠準確，及能夠提供實用的資料。

本人欣然匯報，財務匯報局於過去一年堅定不移地加強對上市實體財務匯報的監管工作。本局的工作繁忙，年內落實了多項措施，包括改善本局的根據風險抽查財務報表審閱計劃以及在網站新增「財務匯報局決策」一節，而正在進行的項目亦取得理想進展。與此同時，本局為實現審計監管改革積極進行準備工作。

## 審計監管改革的準備工作

本局過往一年的主要任務是為香港的審計監管改革進行準備工作。

### 不斷演變的監管環境

安然於2002年倒閉一事對環球金融市場構成巨大影響，導致環球審計監管框架重大演變，至今仍在不斷發展。十年以來，多個國際金融中心逐步摒棄原先的業界自我監管模式，改為採納更公正和透明的獨立審計監管制度。

美國於2002年根據《薩班斯－奧克斯利法案》成立美國上市公司會計監督委員會，規定美國上市公司





# CHAIRMAN'S STATEMENT *(Continued)*

## 主席報告 (續)

US public companies subject to external and independent oversight, as they had not been previously. In 2006, the European Commission (EC) tightened the regulation of auditors within its member states with its Statutory Audit Directive, which required the audit oversight bodies of member states to be both independent and governed by non-practitioners. Also in 2006, the International Forum of Independent Audit Regulators (IFIAR) was established to enable independent regulators of the auditing profession to share their experiences and findings from recent audit inspections, engage in dialogue with international stakeholders on how audit regulators can enhance investor protection and receive updates on recent developments in audit policy and enforcement matters.

These examples make clear the global trend; oversight of the audit profession is clearly moving from self-regulation towards a regime that emphasizes independence, transparency and robustness.

### The Hong Kong context

Hong Kong's position as an international financial centre makes it imperative that our business and financial sectors continue to be underpinned by a robust regulatory regime for auditors of listed entities. We currently have an established system of audit oversight, but enhancing it further to align it with international benchmarks will require legislative reforms. The FRC has been assisting the Government in its efforts to develop proposals for reform suitable for Hong Kong. To this end, we commissioned an international comparative study by Deloitte LLP (UK) on the topic of independent audit oversight, which was published in October 2013.

Of 40 jurisdictions around the world, the report examined six in detail: the European Union, the United Kingdom, the United States, Canada, Australia and Singapore. The report reveals that the audit regulators of these six jurisdictions are all independent of the profession, and all have authority over, at the least, auditors of listed entities. It further shows that all the relevant regulators in these 40 jurisdictions currently meet the regulatory or equivalence requirements of the EC, and are members of IFIAR. This is important and highly relevant because the EC and IFIAR are the two major international institutions involved in fostering cross-border cooperation and reciprocity in enforcement between regulators globally.

EC regulatory equivalence requires audit regulators to have ultimate responsibility for the oversight of registration, inspection, investigation, enforcement, standards of professional ethics and auditing, and continuing professional education. Membership of IFIAR is restricted to independent regulators that are responsible for the inspection of audit firms, and that have comprehensive enforcement powers, including the ability to administer fines and to remove audit licenses or registration.

Under its current regulatory set-up, Hong Kong does not meet the requirements for EC Equivalence, nor for membership of IFIAR. Both require audit regulators to be independent of the profession, and to be governed by non-practitioners.

的核數師須接受外部獨立監察(在此之前並無此規定)。歐洲委員會於2006年透過其法定審計指令收緊對成員國核數師的監管，要求成員國的審計監管機構必須為獨立並受業外人士監管。獨立審計監管機構國際論壇亦於2006年成立，其宗旨是讓獨立審計監管機構分享最近的審計檢查經驗和結果，與國際持份者討論如何加強投資者保障，以及接收有關審計政策和執行事宜的最新資訊。

這些例子清楚說明了環球趨勢，即是審計監管已經由自我監管的模式，逐步演變成重視獨立性、透明度和穩健的監管制度。

### 香港的形勢

香港作為國際金融中心，必需透過穩健的監管制度監察上市實體的核數師，以支持商業和金融業的發展。本港早已建立一套審計監管制度，然而要進一步加強制度以及使其與國際標準接軌，則必須透過立法改革。本局現正協助政府制定切合香港市場需要的改革方案。就此而言，本局委託了英國Deloitte LLP就獨立審計監管的議題進行國際性比較研究，並於2013年10月發表有關報告。

上述報告在全球40個司法權區中揀選六個進行詳細分析，包括歐洲聯盟、英國、美國、加拿大、澳洲及新加坡。根據報告所披露，這六個司法權區的審計監管機構均獨立於業界，並至少對上市實體的核數師具有監管權。報告亦提及，這40個司法權區的所有相關監管機構現時均符合歐洲委員會的監管或等效規定，並為獨立審計監管機構國際論壇的會員。由於歐洲委員會及獨立審計監管機構國際論壇是促進各地監管機構的跨境合作和執行監管互惠安排的兩大國際組織，故上述資格對香港而言重要且息息相關。

根據歐洲委員會監管等效資格的要求，審計監管機構對於註冊、檢查、調查、執法、職業道德及審計的標準以及持續專業教育負有最終責任。獨立審計監管機構國際論壇的會員資格僅限於負責對會計師事務所進行檢查及擁有全面執行權力的獨立監管機構，其執行權力必須包括施行罰款，以及撤銷審計牌照或註冊。

香港現行的監管架構並不符合歐洲委員會等效資格的規定和獨立審計監管機構國際論壇的要求。上述組織均要求審計監管機構獨立於業界，並受業外人士監管。

## Publicizing the report

Given the significance of the report for the investing public, the FRC held a special press briefing. I am delighted to report that the event was a major success, in terms both of the public interest aroused and the positive media coverage it received. Our goal was to communicate clearly to Hong Kong the pressing need for audit oversight reform and to generate public discussion on the options for reform available, and I believe the briefing certainly achieved that goal.

## 發表報告

由於獨立審計監管報告對投資者十分重要，本局特別就此舉行傳媒簡介會。傳媒簡介會成功吸引公眾關注獨立審計監管的議題，並且獲得廣泛及正面的傳媒報導。我們的目的是重申審計監管改革的迫切性，引起公眾對可行的改革方案進行討論。本人認為傳媒簡介會已成功達到上述目的。



On 10 October 2013, Mr John Poon (right) and Mr Mark Dickens (left) hosted a press briefing on the publication of the report on independent audit oversight.  
潘祖明先生(右)及狄勤思先生(左)於2013年10月10日就發表獨立審計監管報告主持傳媒簡介會。

Our understanding is that the Government plans to carry out a public consultation regarding regulatory reform in 2014. This is when reform proposals will be made available to the public for comment and these reform proposals will offer suggestions on matters such as the general direction, objectives and scope of reform required. We are very confident that these proposals can provide Hong Kong with an enhanced regulatory regime that will better protect the investing public, and will also strengthen confidence in the integrity of our financial reporting. Ultimately, the proposals should further entrench Hong Kong's status and reputation as a major international financial centre.

The process of regulatory reform is still evolving, however. Our immediate energies will be devoted to actively supporting the process, and seeing it successfully completed and implemented. We do anticipate that the reform will bring a greater range of responsibilities and duties for the FRC, and we are already making preparations for this.

據本局了解，政府計劃於2014年就監管改革展開公眾諮詢，讓公眾人士提出意見。改革建議方案將就改革所需的若干事項提出建議，包括整體方向、目標及範圍。本局相信，改革方案能夠完善香港的監管制度，為投資者提供更佳保障，加強各界對財務匯報誠信方面的信心，進一步鞏固香港作為國際金融中心的地位及聲譽。

監管改革的過程仍在發展中，本局會全力支持整個改革進程，使其成功完成及落實執行。本局預期，改革會為本局帶來更重大的職責，而我們正為此作出準備。



# CHAIRMAN'S STATEMENT *(Continued)*

## 主席報告 (續)

### Impartiality: fundamental to the FRC

Within the FRC, impartiality is guarded by a stringent system of internal controls, checks and balances, and accountability and audit procedures. These are constraints that are built into our organization; they are further supplemented by emphasis on a culture of transparency and accountability.

Our Council Members take their responsibilities very seriously and ensure that matters are dealt with free from conflict of interest as defined under the Financial Reporting Council Ordinance. The FRC also maintains a sound and effective internal control system, and an organizational structure within which authority is clearly defined so that it includes a proper segregation of duties. At the same time, our Honorary Advisory Panel and Financial Reporting Review Panel (FRRP) enhance the standard of our work by providing professional advice on cases in hand. In addition, the Process Review Panel (PRP) ensures that cases coming before the FRC are handled strictly in accordance with established procedures.

### Ensuring Operational Excellence

Each year, the PRP reviews a representative selection of the cases handled by the FRC over the preceding calendar year to ensure that the FRC had handled all the cases in accordance with its internal procedures. In 2013, the PRP reviewed nine such cases. The PRP targets to publish its annual report in April 2014.

### Encouraging Multi-level Collaboration

One of the roles of the FRC that has been growing in importance is that of generating discussion and debate among its stakeholders, particularly on issues such as injecting new elements of independence into the regulatory framework for auditors. This has involved us actively engaging in dialogue and discussion with the Government, other regulators, professional bodies and the investing public throughout the year.

Collaboration with other regulators has continued in an open, cooperative manner. We have held regular meetings with other regulators in which we have shared insights and opinions on regulatory developments; these meetings have also been important in achieving across-the-board efficiencies in enforcing regulations in the Hong Kong capital market. These are in addition to our regular programmes of referrals and joint reviews of individual cases.

Around the world, there is a continuing trend towards developing consistent global principles and practices relating to the financial reporting of listed entities and their auditors, and the regulations that apply to them. We have kept abreast of debates and new developments globally by participating in a number of international conferences, seminars and workshops throughout the year. In 2013, FRC delegates attended global conferences and workshops hosted by the PCAOB in the United States, as well as meetings of the International Auditing and Assurance Standards Board and IFIAR.

### 公平公正：財務匯報局的核心價值

本局透過嚴謹的內部控制、制衡以及問責與審計程序，確保其運作公平公正。這些具約束性的政策已融入本局的運作中，而重視透明度及問責性的機構文化則可相輔相成。

財務匯報局成員認真履行職責，確保所有事項按照《財務匯報局條例》中有關避免利益衝突的規定處理。本局亦保持卓越及有效的內控制度及權責分明的組織架構，以作出恰當的職責分工。與此同時，名譽顧問團及財務匯報檢討委員會就本局的個案提供專業意見，提高工作質素。此外，程序覆檢委員會負責確保財務匯報局處理個案時，均嚴格遵照內部程序。

### 確保卓越的運作

程序覆檢委員會每年會覆檢財務匯報局於過去一年所處理的部份具代表性的個案，確保本局已按照內部程序處理所有個案。程序覆檢委員會於2013年覆檢了九宗個案。程序覆檢委員會預計於2014年4月發表其周年報告。

### 鼓勵多方面合作

財務匯報局其中一個越趨重要的角色是引起持份者討論及辯論議題，尤其是關於現行審計監管制度注入新獨立性的議題。有鑑於此，本局年內積極與政府、其他監管機構、專業團體及投資者進行溝通和討論。

本局繼續以開放和協作的模式與其他監管機構合作。本局除了與其他監管機構定期轉介及共同審閱個別個案外，亦會透過定期會議分享對監管制度發展的看法及意見，這對於提高香港資本市場監管方面的整體效率尤為重要。

現時，環球趨勢是就上市實體及其核數師的財務匯報與監管制定一致的原則及作業標準。本局年內出席多個國際會議、研討會及工作坊，緊貼各項環球議題及最新發展。本局於2013年派員出席由美國上市公司會計監督委員會主辦的環球會議及工作坊，以及國際審計及鑒證準則理事會及獨立審計監管機構國際論壇的會議。



## Vote of Thanks

Within the FRC, we experienced an important transition in the past year, when Dr PM Kam retired as Chief Executive Officer (CEO) on 31 March 2013. I would like to express my gratitude to Dr Kam for the dedicated commitment he has shown to the FRC in the years of his tenure as CEO.

On 1 April 2013 our new CEO, Mr Mark Dickens, came on board. Mr Dickens brings with him substantial experience as a financial regulator both in Hong Kong and overseas jurisdictions. Having previously been a Council Member of the FRC, he has already made a valuable contribution to the organization's development; I look forward to his further contributions at the helm.

More recently, the FRC welcomed Ms Wincey Lam, our new Deputy CEO, who joined us in December 2013. Ms Lam comes to the FRC with over 15 years of experience in financial reporting and auditing. This new position was created in the light of the increasingly heavy workload of the FRC, which has arisen due to increase in both case load and complexity of cases and the need to prepare for reform of the audit regulatory system in Hong Kong.

After an exceptionally busy year that brought with it many challenges, I would like to offer my heartfelt thanks to our Council Members, our Honorary Advisers, Members of the FRRP and PRP for the enormous contributions they have made to the FRC.

The FRC team has demonstrated high levels of professionalism and commitment and I wish to thank all of them for their dedication and support throughout.

## Looking Forward

The move towards regulatory reform has generated powerful momentum over the past year. It will continue, and inevitably reach its eventual conclusion. In response, at the FRC we will strive to take on any possible increase in responsibilities that reform will bring, while enhancing the quality of our existing work. Our aim is to contribute fully to maintaining an effective audit regulatory regime for Hong Kong.

We are truly, I believe, on the threshold of an era of historic transformation in audit regulation in Hong Kong. I am confident that, with the support of our stakeholders, the FRC will negotiate this transformation with energy, commitment, and competence, and we will see Hong Kong emerge as a full-fledged independent audit regulator jurisdiction, operating on a full par with best global practice.

## 致謝

本局年內經歷重要的管理層交接，行政總裁甘博文博士已於2013年3月31日退休。我藉此感謝甘博士任內於本局竭誠服務及貢獻良多。

狄勤思先生於2013年4月1日接任行政總裁一職。狄勤思先生於香港及海外的金融監管機構擁有豐富經驗，亦曾任財務匯報局成員，至今已為本局的發展作出重大貢獻。我熱切期待狄勤思先生繼續為本局作出更多貢獻。

林穎志女士於2013年12月出任財務匯報局的新副行政總裁。林女士於財務匯報及審計方面擁有逾15年經驗。本局決定新增副行政總裁一職，是由於個案量增及日趨複雜，以及為香港的審計監管制度改革作出準備導致工作量日漸繁重所致。

儘管過去一年的工作繁忙，亦挑戰重重，我謹在此向財務匯報局成員、名譽顧問、財務匯報檢討委員會及程序覆檢委員會的成員致謝，感謝他們對本局作出的重大貢獻。

本局的團隊一直以專業及熱誠的態度履行職責，本人藉此感謝他們對工作的投入以及對本局的支持。

## 展望未來

於過去一年，監管改革的步伐已產生強大動力，並將繼續達到最終成果。為應對有關改革，財務匯報局除了會致力承擔改革可能帶來的責任外，亦將提升工作質素。本局將緊守宗旨，全力協助香港維持一套有效的審計監管制度。

我相信，本港的審計監管制度即開始歷史性的改革。在持份者的支持下，本人深信，財務匯報局定能盡心竭力、具承擔地及妥善地達致改革目標，務求使香港成為擁有完善獨立審計監管機構的司法權區，以符合國際最佳做法的模式運作。



John Poon, JP  
潘祖明太平紳士  
Chairman  
主席

13 March 2014  
2014年3月13日

# CHIEF EXECUTIVE OFFICER'S REPORT

## 行政總裁報告



I am pleased to report on the FRC's work over the past year in this, my first Annual Report as Chief Executive Officer. I must begin, however, by offering my warmest thanks to my predecessor, Dr PM Kam, for the time he devoted and the dedication he displayed to the work of the FRC during his tenure.

One of the most important characteristics of the FRC is the fact that it operates in a completely fair and impartial manner. Fairness and impartiality are indeed core values upon which we base our work of enhancing the protection of investors, through our promotion of high quality financial reporting in Hong Kong.

Acting fairly and impartially involves avoiding any situations where conflicts of interest arise, and we have stringent procedures to ensure that such situations cannot occur. For instance, members of the Council, the Audit Investigation Board (AIB), the Financial Reporting Review Panel (FRRP) and other committees, as well as individual staff members, are all required to declare their interests in any matter that arises in the course of their performing any function under the Financial Reporting Council Ordinance (FRCO). Once an interest has been declared, that person may not be present during any deliberation regarding, or take part in any decision relating to, the matter in which they have declared an interest. Indeed, they may not even be given any document, or relevant part of a document, concerning the issue and the deliberations or decisions surrounding it.

本人欣然提呈出任財務匯報局行政總裁後的首份年報，報告本局過去一年的工作。本人首先藉此對前任行政總裁甘博文博士於本局的辛勤貢獻表示衷心的謝意。

本局的運作重視公平公正，這亦是我們工作的核心價值，藉此在香港提倡高質素的財務匯報，加強投資者保障。

公平公正亦包括避免出現任何利益衝突的情況，我們已制定嚴謹的內部程序，確保不會出現利益衝突。財務匯報局成員、審計調查委員會、財務匯報檢討委員團及其他委員會的成員和各員工，必須申報其根據《財務匯報局條例》履行職務時所產生的事項中擁有的利益。該名人士於申報擁有利益後，將不得參與有關事項所涉及的討論或決策，亦不會獲得有關該事項及其討論或決策的任何文件或文件的相關部分。



We have put much effort into assisting the Government in developing reform proposals that will further enhance the independence of Hong Kong's audit regulatory system.

本局正致力協助政府制定改革方案，以進一步加強香港審計監管制度的獨立性。



**Mark Dickens, JP**, *Chief Executive Officer*  
**狄勤思太平紳士** 行政總裁

These stringent procedures have given rise to some challenges for our Council over the past year. Specifically, on some occasions our Council has found it difficult to achieve a quorum at meetings because four or more Council members have declared an interest in one or more of the matters under discussion. Together with the Financial Services and Treasury Bureau, we have been looking at ways of avoiding this without compromising our core principles. This problem has been resolved by the appointment of temporary members under the FRCO.

Regulatory reform has been one of the major focuses of our work in 2013. We have put much effort into assisting the Government in developing reform proposals that will further enhance the independence of Hong Kong's audit regulatory system. For the FRC, this has involved devoting much manpower, time and expenditure to preparing discussion papers and organizing the commissioning and publication of the independent consultant's report on independent audit oversight.

Despite the heavy workload brought about by our involvement in the audit regulatory reform process, I am pleased to report that both our general operations and our handling of individual cases over the past 12 months have proceeded smoothly, with good results having been achieved.

這些嚴謹的內部程序在過去一年為本局成員帶來挑戰。這是由於本局在若干情況下，會因為四名或以上成員於一項或多項事項申報擁有利益而難以達法定開會人數。有見及此，本局與財經事務及庫務局研究不會違反核心原則及可避免此情況發生的方法。問題現已透過根據《財務匯報局條例》委任臨時成員解決。

監管改革是2013年的主要工作之一。本局正致力協助政府制定改革方案，以進一步加強香港審計監管制度的獨立性。本局就此投放大量人力、時間及經費準備討論文件，以及委聘獨立顧問進行和發表有關獨立審計監管的報告。

儘管審計監管改革的工作量繁重，本局過去12個月的運作及個案處理進展順利，取得理想成果。





# CHIEF EXECUTIVE OFFICER'S REPORT (Continued)

## 行政總裁報告 (續)

### Operational Review

#### Review of complaints

In 2013, the FRC received 20 complaints, up from 19 in 2012.

		2013 二零一三年	2012 二零一二年
Complaints from the public	來自公眾的投訴	3	1
Complaints from HKEx	來自港交所的投訴	13	4
Complaints from HKICPA	來自香港會計師公會的投訴	1	12
Complaints from SFC	來自證監會的投訴	2	1
Complaints from both SFC and the public	同時來自證監會及公眾的投訴	1	–
Complaints from HKMA	來自金管局的投訴	–	1
		<b>20</b>	<b>19</b>

In 2013, the FRC handled five complaints which were brought forward from the previous year. Among the complaints received in 2013, five related to auditing or reporting irregularities, two related to non-compliance with accounting requirements, and 13 involved both auditing or reporting irregularities and non-compliance with accounting requirements. A total of four investigations were initiated in response to these complaints.

At the end of 2013, 22 complaints were under review.

		2013 二零一三年	2012 二零一二年
Under review at beginning of year	年初審閱中的個案	5	1
Pursuable complaints received	接獲可跟進的投訴	20	19
Suspended complaints	暫停審閱的個案	(1)	–
Recommended complaints	重新開始審閱的個案	3	–
Completed with no follow-up action	已完成而無需要採取跟進行動的個案	(1)	(4)
Referred to other regulators	轉介予其他監管機構的個案	–	(2)
Initiated investigation/enquiry	展開調查/查訊的個案	(4)	(9)
Under review at end of year	年底仍在審閱中的個案	<b>22</b>	<b>5</b>

### 運作回顧

#### 審閱投訴

本局於2013年接獲20宗投訴，較2012年的19宗輕微上升。

於2013年，本局審閱了五宗於上一年度接獲的投訴。於2013年接獲的投訴當中，五宗涉及審計或匯報不當行為，兩宗涉及不遵從會計規定事宜，13宗同時涉及審計或匯報不當行為及不遵從會計規定事宜。本局就這些投訴展開四宗調查。

於2013年年底，共有22宗投訴仍在審閱中。

## Review of modified auditors' reports

The FRC screened all modified auditors' reports published by Hong Kong listed entities during 2013. Of these 168 (2012:138) reports, 100 (2012:75) contained no apparent auditing irregularities or non-compliance with accounting requirements. All other modified auditors' reports were reviewed by the FRC, and follow-up enquiries made where appropriate.

The FRC changed its review policy at the end of June 2013. Up until then, cases where the initial review of a modified auditor's report identified potential auditing or reporting irregularities, or non-compliance with accounting requirements, were followed up by subjecting the company's full set of financial statements to external reviewers for a comprehensive review under the FRC's risk-based financial statements review programme. Only one set of financial statements warranted a comprehensive review of this kind in the six months to the end of June 2013.

## 審閱非無保留意見核數師報告

本局於2013年檢閱所有由香港上市實體發出的非無保留意見核數師報告。於已發出的168份(2012年：138份)非無保留意見核數師報告中，100份(2012年：75份)並無明顯的審計不當行為或不遵從會計規定的事宜。財務匯報局審閱了所有其他非無保留意見核數師報告，並於適當時進行跟進查詢。

本局於2013年6月底修改審閱準則。在此之前，於初步審閱非無保留意見核數師報告時識別到的涉嫌有審計或匯報不當行為或不遵從會計規定事宜，本局會將整份財務報表撥入根據風險抽查財務報表審閱計劃交由外部審閱人員進行全面審閱。截至2013年6月底的六個月，僅有一份財務報表需要據此全面審閱。

		2013 二零一三年	2012 二零一二年
Under review at beginning of year	年初審閱中的個案	3	1
Required review during the year	年內需要審閱的個案	68	63
Completed with no follow-up action	已完成而無需要採取跟進行動的個案	(57)	(60)
Required review of full set of financial statements	需要審閱整份財務報表的個案	(1)	(1)
Under review at end of year	年底仍在審閱中的個案	13	3

From July 2013, however, the review policy was modified. Under the new policy, if an audit qualification indicates prior period errors that were not identified in the prior period report, the FRC will now follow up the matter directly, without having first to send the financial statements to external reviewers for comprehensive review under the risk-based financial statements review programme.

本局已於2013年7月修訂審閱準則。根據新準則，如審計意見表示過往期間的錯誤未有於過往期間的報告內識別，本局將會直接採取跟進行動，無需要將財務報表撥入根據風險抽查財務報表審閱計劃交由外部審閱人員進行全面審閱。



# CHIEF EXECUTIVE OFFICER'S REPORT *(Continued)*

## 行政總裁報告 (續)

### Risk-based financial statements review programme

The FRC's risk-based financial statements review programme has been in place since 2011. For the 2013/2014 review cycle, we revised the criteria by which we select financial statements for review. As a result, the programme now selects accountants' reports of newly listed companies which significantly underperformed in the first year of listing, financial statements from companies that frequently change their directors or senior management, and those of listed companies which engage audit firms that are small in relation to the complexity of the audit. In addition, the financial statements of companies that have been subject to intervention by Hong Kong Exchanges and Clearing Limited (HKEx) may be reviewed, as may those of long suspended companies.

We have also expanded the criteria to include financial statements with significant prior period errors, since these suggest that investors relying on these prior period financial statements may have been misled. In addition, financial statements selected for review under the programme include those of companies using overseas auditors approved by the HKEx.

As previously, the workload of reviewing all financial statements of Hong Kong listed companies electing to adopt Accounting Standards for Business Enterprises (ASBE) has been shared between the FRC, the Hong Kong Institute of Certified Public Accountants (HKICPA) and the HKEx.

During the year, the FRC completed reviews of 66 sets of financial statements out of the 75 sets of financial statements selected for the 2012/2013 review cycle, and did not initiate any investigation/enquiry cases.

For the 2013/2014 cycle, which began in July 2013, the FRC plans to review 75 sets of financial statements representing the financial statements of approximately 5% of all Hong Kong listed entities. The industry focus for the 2013/2014 cycle has been changed; our focus is now on entities involved in the mining industry. The programme no longer focuses on an accounting theme.

To ensure the review process is performed efficiently, the FRC asks external reviewers to review financial statements and accountants' reports of newly listed companies, financial statements prepared under ASBE, and those containing complex or contentious accounting/auditing issues. The FRC internally reviews financial statements with prior period adjustments which may indicate lack of adequate professional scepticism.

### 根據風險抽查財務報表審閱計劃

本局自2011年推行根據風險抽查財務報表審閱計劃，並且已修訂2013/2014審閱週期的抽查準則。新修訂的計劃會抽查首年業績表現大幅遜於預期的新上市公司的會計師報告、經常更換董事或高級管理層的公司的財務報表，以及聘用小型會計師進行相對複雜的審計項目的上市公司的財務報表。此外，本局亦可能抽查被香港交易及結算所有限公司（港交所）介入以及長期停牌的公司的財務報表。

本局亦將抽查範圍擴大至過往期間出現重大錯誤的財務報表，此乃由於依賴此等財務報表的投資者可能被誤導。此外，根據計劃揀選審閱的財務報表亦包括經港交所批准聘用海外核數師的公司。

一如以往，財務匯報局、香港會計師公會及港交所會繼續分擔審閱已採納《企業會計準則》的香港上市公司的財務報表的工作。

財務匯報局於2012/2013審閱週期抽查了75份財務報表，並於年內完成其中66份財務報表的審閱工作，並無就此展開任何調查/查訊個案。

2013/2014審閱週期由2013年7月開始，財務匯報局會抽查75份財務報表，約佔全港上市實體的5%。2013/2014審閱週期的行業主題已經變更為從事礦業的實體，以及不再指定會被抽選的會計主題。

本局為確保能有效地完成審閱程序，已委派外部審閱人員審閱新上市公司的財務報表及會計師報告、按照《企業會計準則》編製的財務報表以及牽涉複雜兼具爭議性會計/審計問題的財務報表。本局內部審閱可能涉及未有秉持足夠專業懷疑態度進行審計並且出現前期調整的財務報表。



The first batch of financial statements for the 2013/2014 cycle was sent for external review in the second quarter of 2013. Once reviewed, the FRC staff will go through the comments received to ensure that all apparent non-compliance with accounting requirements have been dealt with consistently. Reviews of these financial statements are expected to be completed by 2014.

本局於2013年第二季向外部審閱人員提交2013/2014審閱週期的第一批財務報表。外部審閱人員完成審閱後提供的意見，會經本局員工審核，確保以一致方式處理所有可能不遵從會計規定的事宜。本局預期於2014年完成這些財務報表的審閱工作。

		2013 二零一三年	2012 二零一二年
Under review at beginning of year	年初審閱中的財務報表	62	56
Initiated based on review of modified auditors' reports	因審閱非無保留意見核數師報告而展開的個案	1	1
Initiated based on other selection criteria	因其他甄選條件而展開的個案	32	74
Completed with no follow-up action	已完成而無需要採取跟進行動的財務報表	(24)	(41)
Issued letters of advice	發出改善建議的意見函	(9)	(14)
Required follow-up review	需要跟進審閱的財務報表	(20)	(14)
Under review at end of year	年底仍在審閱中的財務報表	42	62

## Investigations

In 2013, the FRC initiated seven investigations and handled eight cases brought forward from the previous year; and also completed five investigations. Any auditing irregularities identified in its investigations were referred to the HKICPA to determine if disciplinary action should be taken. By the end of 2013, ten investigations were in progress, most of which are expected to be completed by 2014.

## 調查

本局於2013年展開七宗調查及處理上一年度已展開的八宗個案，並且完成了五宗調查個案。於調查識別到的任何審計不當行為已轉交香港會計師公會，以考慮是否需要採取紀律處分。截至2013年年底，十宗調查個案仍在進行中，其中大部分預期可於2014年完成。

		2013 二零一三年	2012 二零一二年
In progress at beginning of year	年初調查中的個案	8	8
Initiated in the year	年內展開調查的個案	7	9
Completed	完成調查的個案	(5)	(9)
In progress at end of year	年底仍在調查中的個案	10	8



# CHIEF EXECUTIVE OFFICER'S REPORT (Continued)

## 行政總裁報告 (續)

### Enquiries

In 2013, the FRC completed two enquiries brought forward from the previous year.

Once its enquiries were completed, the FRC asked the listed entities involved to remove any identified non-compliance with accounting requirements, and to rectify the non-compliance by making appropriate prior year adjustments to subsequent financial statements.

At the end of 2013, one enquiry was in progress, which was completed in the first quarter of 2014.

### 查訊

本局於2013年完成兩宗於上一年度已展開的查訊。

本局於完成查訊後，要求有關上市實體糾正不遵從會計規定事宜，而該等上市實體亦在其後發表的財務報表作出前期調整，修正不遵從事宜。

截至2013年底，一宗查訊仍在進行中，並且已於2014年第一季完成。

		2013 二零一三年	2012 二零一二年
In progress at beginning of year	年初查訊中的個案	3	1
Initiated during the year	年內展開查訊的個案	–	3
Completed	完成查訊的個案	(2)	(1)
In progress at year end	年底仍在查訊中的個案	1	3

### Advice Letters to Listed Entities and their Auditors

One of the FRC's roles is to offer advice to listed entities and their auditors on ways of improving the quality of their financial reporting. In some cases where potential non-compliance with accounting requirements does not compromise the presentation of the financial statements, the FRC does not initiate an investigation or enquiry. Instead, it issues a letter of advice, which includes findings and suggested improvements or remedial measures for the listed entities and/or their auditors to consider.

The FRC issued 11 such letters of advice over the past year. In each case, the letters were the result of the review of complaints and of the companies' relevant financial statements under the risk-based financial statements review programme.

### 致上市實體及其核數師的意見函

本局其中一項職責是向上市實體及其核數師就改善財務匯報的質素提供意見。倘若涉嫌不遵從會計規定的事宜不會影響財務報表的呈列，本局不會展開調查或查訊，而是向上市實體及/或其核數師發出載有審閱結果及改善建議或補救措施的意見函。

本局於審閱投訴及根據風險抽查財務報表審閱計劃抽選的相關財務報表後，於年內共發出11份意見函。

### Reviewing Financial Statements of Companies using Eligible Mainland Auditors

For the 2012 financial year, 37 Hong Kong-listed Mainland companies chose to use eligible Mainland auditors to audit their financial statements. Their financial statements were included in the financial statements review programmes of the FRC, the HKEx and the HKICPA. No significant non-compliance with accounting requirements on the part of these companies was identified during the review.

### 審閱聘用合資格的內地核數師的公司的財務報表

於2012年財政年度，37家香港上市的內地公司已選擇聘用合資格的內地核數師審核其財務報表。這些財務報表已包括在本局、港交所及香港會計師公會各自的財務報表審閱計劃內，而在審閱過程中，並無發現任何明顯的不遵從會計規定事宜。

## Cooperation among Regulators

The Memorandum of Understanding signed with the Ministry of Finance (MoF) of the Mainland in 2009 established a framework for investigative co-operation. We engage in regular dialogue with our Mainland counterparts. During the year, this involved meeting with the Accounting Regulatory Department of the MoF to discuss issues of mutual concern.

## 監管機構之間的合作

本局已根據於2009年與中國財政部簽署的諒解備忘錄建立調查的合作框架。本局繼續與內地相關監管機構進行定期溝通，包括與中國財政部會計司會晤，討論雙方關注的事宜。



On 7 June 2013, Mr Mark Dickens (right) met with Ms Yang Min (left), Director-General of the accounting regulatory department of MoF.  
狄勤思先生(右)於2013年6月7日與財政部會計司司長楊敏女士(左)會面。

The FRC has continued its programme of holding regular liaison meetings with other Hong Kong regulators, including the Securities and Futures Commission (SFC), the HKICPA and the HKEx with whom we have Memoranda of Understanding. The FRC, the HKICPA and the HKEx discussed, among other things, the themes for the year, and the annual target for the number of reviews of financial statements to be carried out. All three also shared their reviews of the financial statements of the 37 Hong Kong-listed Mainland companies that opted to use Mainland auditors for the 2012 financial year.

財務匯報局繼續與其他香港監管機構舉行定期聯絡會議，包括已簽署諒解備忘錄的證券及期貨事務監察委員會(證監會)、香港會計師公會及港交所。財務匯報局、香港會計師公會及港交所的討論包括審閱財務報表的年度主題及目標數目。37家聘用內地核數師審核其2012年財政年度財務報表的香港上市內地公司的財務報表審閱工作，亦是由三家機構共同分擔。



Mr Mark Dickens spoke at the 7th IFRS Regional Policy Forum on 6 June 2013.  
狄勤思先生於2013年6月6日於第七屆國際會計準則地區研討會發表演說。





# CHIEF EXECUTIVE OFFICER'S REPORT *(Continued)*

## 行政總裁報告 (續)

In November 2013, the FRC, the HKEx and the HKICPA held their third joint forum. Representatives of the three organizations shared their observations on the respective financial statements review programmes with attendees who included listed entities and their auditors. The joint forum is proving a valuable annual event that is definitely contributing to the enhancement of the quality of financial reporting in Hong Kong.

### Financial Review

The annual contribution to the FRC for the 2013 financial year was HK\$18.5 million (2012: HK\$17.6 million). This amount comes from our four funding parties – the Hong Kong Government, the HKEx, the HKICPA and the SFC. In addition, the Hong Kong Government provides premises at a nominal rent of HK\$1 per annum. The FRC recorded a deficit of HK\$1.2 million in 2013 (2012: surplus of HK\$2.0 million). Total expenditure for the year amounted to HK\$20.6 million (2012: HK\$16.2 million).

Our major items of expenditure during the year were staff costs, at HK\$15.7 million (2012: HK\$13.9 million); audit oversight research and related expenses at HK\$2.4 million; and legal and professional fees at HK\$0.6 million (2013: HK\$0.8 million). The increase in staff costs was attributable to an annual pay adjustment, and the appointment of a deputy CEO to help manage the FRC's growing workload, arising both from investigations and enquiries and our involvement in the current independent audit oversight reform process.

### Talent Management

At the FRC, we realise that talent is one of our most important strategic resources, and is vital to the ongoing success of the FRC, particularly in light of the proposed reform. We have undertaken a number of initiatives over the past year to cultivate our existing talent pool, and attract new talent to the FRC.

FRC staff continued to attend industry-specific internal workshops during the year. These events help raise our levels of operational expertise when it comes to handling cases from a wide range of industries. We also organized a plain English workshop designed to enhance staff communication skills, especially with regard to conveying technical information to our stakeholders. These continuous learning and professional development programmes have equipped FRC staff with new professional skills and upgraded the existing skills they need to carry out their duties confidently and competently.

於2013年11月，財務匯報局、港交所及香港會計師公會舉行第三屆聯合論壇。三家機構的代表分享各自的財務報表審閱計劃的觀察所得，參加者包括上市實體及其核數師。年度聯合論壇是一項深具意義的活動，有助提高香港的財務匯報質素。

### 財務檢討

四個出資機構（香港政府、港交所、香港會計師公會及證監會）於2013年向本局提供的年度撥款合共1,850萬港元（2012年：1,760萬港元）。此外，香港政府每年象徵式收取一元租金為本局提供辦公室。財務匯報局於2013年錄得120萬港元赤字（2012年：盈餘200萬港元）。年內開支總額為2,060萬港元（2012年：1,620萬港元）。

本局的主要開支項目為員工成本1,570萬港元（2012年：1,390萬港元）；審計監管研究及相關開支240萬港元；以及法律及專業費用60萬港元（2013年：80萬港元）。員工成本增加，主要是由於年度薪酬調整，及聘請副行政總裁協助管理本局的調查及查訊工作，以及應付本局參與現正進行的獨立審計監管改革所增加的工作量。

### 人才管理

本局視人才為最寶貴的策略資源之一，對取得長遠成功至為重要，尤其是面對建議中的改革。本局去年採取不同措施加強員工培訓及招攬人才。

本局的員工年內參加針對個別行業的內部培訓，吸收在處理不同行業的個案時所需的專業知識。本局舉辦了簡潔英語工作坊，加強員工向公眾傳達技術性資訊的溝通技巧。員工可透過這些持續學習及專業發展課程吸收新知識，提升工作技能，讓他們充滿信心及稱職地履行職責。

Many of our staff members attended local or global conferences during the year, as a way of keeping abreast of the latest developments in accounting and auditing practices, as well as changes in regulatory frameworks.

Such career-oriented training and networking opportunities are an important part of what the FRC offers its staff members. At the same time, however, we actively encourage staff to develop a viable work-life balance, in line with our commitment to being a family-friendly employer.

## Notes of Appreciation

Finally, I would like to express my appreciation to the Chairman and Council Members, our Honorary Advisory Panel, and members of the FRRP and Process Review Panel. Their insights and professional advice has been a great help and has certainly enhanced the standard of our work across the FRC. I would also like to thank the Financial Services and Treasury Bureau for their unflagging support. I would also like to extend my sincerest gratitude to all our colleagues at the FRC for the hard work and dedication they have displayed over the year.

The economic environment in Hong Kong and around the world remains uncertain. It is in such times that the role of an independent regulator such as the FRC is especially important. We remain committed to serving the best interests of the public by promoting high quality financial reporting of Hong Kong listed entities.

We expect there to be changes in the regulatory framework governing the audit profession in the future. At the FRC we are looking forward to these changes as aligning us more closely with global practice. Change or no change, however, the FRC will continue to build on its strengths and professionalism to discharge its functions effectively and efficiently over the coming year, in the interests of the investing public.

年內，本局員工參加多個本地及環球的研討會，從中掌握會計與審計專業和監管制度的最新發展。

本局著重為員工提供職業培訓及增強工作人脈的機會。與此同時，本局鼓勵員工平衡工作與生活，以履行本局作為家庭友善僱主的承諾。

## 致謝

最後，本人謹此感謝主席及財務匯報局、名譽顧問團以及財務匯報檢討委員會及程序覆檢委員會的各位成員。他們的見識及專業意見對本局的工作提供了莫大幫助，以及切實提升了本局的運作質素。本人亦趁此機會感謝財經事務及庫務局一直以來對本局的鼎力支持。本人亦感謝本局同寅於過去一年對工作的努力及熱忱。

在香港及環球經濟的前景仍然不明朗的情況下，本局及其他獨立監管機構所擔當的角色尤其重要。本局會繼續以公眾的最佳利益為先，致力提升香港上市實體的財務匯報質素。

審計監管制度的框架預計將有所變動，本局期望有關變動將可帶領香港與國際做法接軌。不論制度改變與否，本局於來年會繼續憑藉本身的實力，秉持專業態度，以投資者的利益為先，妥善有效地履行職責。



Mark Dickens, JP  
狄勤思太平紳士  
*Chief Executive Officer*  
行政總裁

13 March 2014  
2014年3月13日



# FRC MEMBERS

## 財務匯報局成員

### Chairman 主席

- 1 Mr John Poon, JP  
潘祖明太平紳士

### Members 成員

- 2 Mr Roger Best, JP  
路沛翹太平紳士
- 3 Mr Chew Fook Aun  
周福安先生
- 4 Ms Connie Lau, JP  
劉燕卿太平紳士
- 5 Ms Teresa Ma  
馬嘉明女士
- 6 Mr Nicholas Sallnow-Smith  
蘇兆明先生
- 7 Hon Sin Chung Kai, SBS, JP  
單仲偕議員，銀紫荊星章，太平紳士
- 8 Mr David Stannard  
冼達能先生
- 9 Mr John E Strickland, GBS, JP  
施德論，金紫荊星章，太平紳士
- 10 Ms Ada Chung, JP (ex-officio)  
鍾麗玲太平紳士（當然成員）
- 11 Mr Mark Dickens, JP (ex-officio)  
狄勤思太平紳士（當然成員）





**FRC** Financial Reporting Council  
財務匯報局





## FRC MEMBERS *(Continued)* 財務匯報局成員 *(續)*

### Chairman

**Mr John Poon**, JP (appointment effective 3 October 2012; term expires on 14 December 2014)

Mr Poon is a solicitor and a non-executive director of the Mandatory Provident Fund Schemes Authority. He was formerly the deputy chairman of Esprit Holdings Limited until July 2008. Mr Poon served as a lay member of the council of the Hong Kong Institute of Certified Public Accountants (HKICPA) from December 2005 to December 2011 during which he was also the chairman of Professional Qualifications Accountability Board (2009-2011) and the chairman of Governance Review Task Force in 2011. He was a member of the Standing Committee on Company Law Reform (2003-2009) and the Board of Review (Inland Revenue Ordinance) (2004-2010).

### Members

**Mr Roger Best**, JP (appointment effective 1 December 2012 on nomination of the HKICPA; term expires on 30 November 2014)

Mr Best is a certified public accountant. He was a partner of Deloitte Touche Tohmatsu from 1982 until his retirement on 31 May 2010. He is a fellow member of both the HKICPA and the Institute of Chartered Accountants in England and Wales (ICAEW), and was appointed as a member of the IFRS Advisory Council in January 2013. He was elected as president of the HKICPA in 2004. He was appointed to the Financial Reporting Review Panel of the FRC from July 2007 to July 2010 and an Honorary Adviser of the FRC from August 2010 to November 2012.

**Mr Chew Fook Aun** (re-appointment effective 1 December 2012; term expires on 30 November 2015)

Mr Chew is 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. He has over 25 years of experience in accounting, auditing and finance in the United Kingdom and Hong Kong. He was a vice president and a former council member of the HKICPA. He is a certified public accountant and a fellow member of the ICAEW and of the HKICPA. Mr Chew is a member of the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption (ICAC) and the Standing Committee on Company Law Reform. He also served as a member of the Advisory Committee of the Securities and Futures Commission (SFC) from June 2007 to May 2013.

### 主席

**潘祖明** 太平紳士 (任期由 2012 年 10 月 3 日起至 2014 年 12 月 14 日屆滿)

潘先生為一名律師，亦是強制性公積金計劃管理局非執行董事。他曾任思捷環球控股有限公司的副主席至 2008 年 7 月。潘先生曾於 2005 年 12 月至 2011 年 12 月出任香港會計師公會理事會業外理事；期間亦擔任專業資格專責委員會主席 (2009-2011) 及於 2011 年出任管治檢討專責小組主席。他曾任公司法改革常務委員會成員 (2003-2009)，及稅務上訴委員會委員 (2004-2010)。

### 成員

**路沛翹** 太平紳士 (於 2012 年 12 月 1 日由香港會計師公會提名委任，任期至 2014 年 11 月 30 日屆滿)

路沛翹先生是一名會計師。他於 1982 年成為德勤·關黃陳方會計師行的合夥人，至 2010 年 5 月 31 日退休。他是香港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，以及於 2013 年 1 月獲委任為國際會計準則理事會國際財務報告準則顧問委員會的成員。他於 2004 年當選為香港會計師公會會長。他於 2007 年 7 月至 2010 年 7 月期間被委任為財務匯報局的財務匯報檢討委員會成員，及於 2010 年 8 月至 2012 年 11 月被委任為財務匯報局名譽顧問。

**周福安** 先生 (於 2012 年 12 月 1 日再度獲委任，任期至 2015 年 11 月 30 日屆滿)

周先生是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。他在英國和香港擁有逾 25 年的會計、審計及金融經驗。他曾任香港會計師公會副會長及理事會成員。周先生是一名會計師，並為英格蘭和威爾斯特許會計師公會及香港會計師公會的資深會員。周先生是廉政公署防止貪污諮詢委員會及公司法改革常務委員會成員。他曾於 2007 年 6 月至 2013 年 5 月期間出任證券及期貨事務監察委員會 (證監會) 諮詢委員會成員。

**Ms Connie Lau, JP** (appointment effective 1 December 2012; term expires on 30 November 2015)

Ms Lau is the former chief executive of the Hong Kong Consumer Council. She is now the chairperson of the International Advisory Group of Experts on Consumer Protection of United Nations. She is also a member of the Steering Committee on Review of the Regulation of Private Healthcare Facilities, the Consultative Group on Health Protection Scheme of Health and Medical Development Advisory Committee, the Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development, the Business Studies Advisory Board of Hong Kong University School of Professional and Continuing Education and a director of Dispute Resolution Centre Limited.

**Ms Teresa Ma** (appointment effective 1 December 2012 on nomination of the SFC; term expires on 30 November 2014)

Ms Ma is an experienced lawyer and a partner and member of the International Board of Linklaters. She is currently serving on the Takeovers and Mergers Panel and the Takeovers Appeal Committee of the SFC. She is also an accredited mediator of the Centre for Effective Dispute Resolution.

**Mr Nicholas Sallnow-Smith** (appointment effective 1 December 2012; term expires on 30 November 2015)

Mr Sallnow-Smith is the chairman of the board of The Link Management Limited. He has over 36 years of experience in the finance and treasury field in the United Kingdom and Asia, and has extensive knowledge of the property investment/management industry in Hong Kong. He was chief executive of Hongkong Land Limited between 2000 and 2007. He is an independent non-executive director of Wynn Macau, Limited, Unitech Corporate Parks PLC and Aviva Life Insurance Company Limited (Hong Kong). He has been actively involved in public service and is chairman of the Hong Kong Youth Arts Foundation, a member of the Council of the Treasury Markets Association, and chairman of the General Committee of The British Chamber of Commerce in Hong Kong.

**劉燕卿**太平紳士(任期由2012年12月1日起至2015年11月30日屆滿)

劉女士是香港消費者委員會前任總幹事。她現任聯合國貿易及發展會議之消費者保障國際專家顧問小組主席。她亦是私營醫療機構規管檢討督導委員會、健康與醫療發展諮詢委員會之醫療保障計劃諮詢小組、醫護人力規劃和專業發展策略檢討督導委員會、香港大學專業進修學院金融商業學院諮詢委員會委員，及金融糾紛調解中心有限公司的董事局成員。

**馬嘉明**女士(於2012年12月1日由證監會提名委任，任期至2014年11月30日屆滿)

馬女士為資深律師，是年利達律師事務所的合夥人及其國際監治會成員。她現為證監會轄下收購及合併委員會及收購上訴委員會成員。她亦是有效爭議解決中心的認可調解員。

**蘇兆明**先生(任期由2012年12月1日起至2015年11月30日屆滿)

蘇兆明先生現為領匯管理有限公司的董事會主席。他於英國及亞洲的金融及財資領域擁有逾36年經驗，並在香港的物業投資/管理行業擁有廣博知識。他於2000年至2007年間曾擔任香港置地集團公司的行政總裁。他是永利澳門有限公司、Unitech Corporate Parks PLC及香港的英傑華人壽保險有限公司的獨立非執行董事。他積極參與公職服務，為香港青年藝術協會的主席、財資市場公會會議會的成員，及香港英商會總務委員會的主席。





## FRC MEMBERS *(Continued)* 財務匯報局成員 *(續)*

**Hon Sin Chung Kai**, SBS, JP (appointment effective 1 December 2012; term expires on 30 November 2015)

Mr Sin is a Legislative Councillor representing the geographical constituency of Hong Kong Island. He also serves as a board director of the West Kowloon Cultural District Authority and the chairman of its remuneration committee. He is a board member of the Hong Kong Tourism Board, a member of the Council for Sustainable Development and the Greater Pearl River Delta Business Council. Mr Sin served as a member of the Operations Review Committee and Witness Protection Review Board Panel of the ICAC from 2006 to 2012. He served as a member of the Housing Authority from 2001 to 2009 and a board director of the Hong Kong Mortgage Corporation Limited from 1999 to 2009.

**Mr David Stannard** (appointment effective 1 December 2012; term expires on 30 November 2015)

Mr Stannard is a corporate lawyer based in Hong Kong and global head of the Corporate Practice Group of Norton Rose. He was an executive director in charge of the Corporate Finance Division of SFC from January 1999 to September 2001, a member of the Listing Committees of the Main Board and the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited from 2003 to 2008 and a member of the Standing Committee on Company Law Reform from 2003 to 2010.

**Mr John E Strickland**, GBS, JP (appointment effective 1 December 2012 on nomination of the Hong Kong Exchanges and Clearing Limited (HKEx); term expires on 30 November 2014)

Mr Strickland is an independent non-executive director of HKEx. He is currently chairman of Octopus Holdings Limited and the Hong Kong Internet Registration Corporation, and a director of Esquel Holdings Inc. He has and continues to be a director or council member or trustee of a range of not-for-profit organizations. He has served as chairman or member of many audit committees of private and listed companies. He served as chairman of The Hongkong and Shanghai Banking Corporation Limited and Hong Kong Cyberport Management Company Limited, as a director of the Mass Transit Railway Corporation and the Airport Authority Hong Kong. He was a member of the Council of the University of Hong Kong, the ICAC's Operations Review Committee and the Antiquities Advisory Board.

**單仲偕**議員，銀紫荊星章，太平紳士(任期由2012年12月1日起至2015年11月30日屆滿)

單先生現為代表香港島地方選區的立法會議員。他現為西九文化區管理局董事局成員及該局薪酬委員會主席。他亦擔任香港旅遊發展局成員、可持續發展委員會成員及大珠三角商務委員會委員。單先生曾於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。

**洗達能**先生(任期由2012年12月1日起至2015年11月30日屆滿)

洗達能先生是諾頓羅氏香港辦事處的公司業務部律師，也是諾頓羅氏的全球公司業務部主管。他於1999年1月至2001年9月出任證監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。

**施德論**，金紫荊星章，太平紳士(於2012年12月1日由香港交易及結算所有限公司(港交所)提名委任，任期至2014年11月30日屆滿)

施德論先生是港交所的獨立非執行董事。他現為八達通控股有限公司及香港互聯網註冊管理有限公司的主席，以及Esquel Holdings Inc的董事。他是多家非牟利機構的董事、理事會成員或理事，以及多家私人及上市公司的審計委員會主席。他曾任香港上海滙豐銀行有限公司及香港數碼港管理有限公司的主席，以及香港鐵路有限公司及香港機場管理局的董事。他亦曾任香港大學校務委員會、廉政公署審查貪污舉報諮詢委員會委員及古物諮詢委員會成員。



**Ms Ada Chung, JP (ex-officio)** (appointment effective 1 October 2007)

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

**Mr Mark Dickens, JP (ex-officio)** (appointment effective 1 April 2013; term expires on 31 March 2016)

Mr Dickens is the Chief Executive Officer (CEO) of the FRC. He is a lawyer by training and has over 25 years of experience as a financial regulator in Hong Kong and Australia. He was the Head of Listing Division of HKEx from March 2009 until his retirement in March 2013, during which he has overseen significant policy developments. Prior to joining HKEx, he held several senior positions in the SFC for 14 years, including serving as an executive director of enforcement from 1997 to 1999. He was also a Member of the FRC from December 2006 to January 2009 on the nomination of the SFC.

**Dr PM Kam, (ex-officio)** (appointment effective 1 April 2010; term expired on 31 March 2013)

Dr Kam was the CEO of the FRC. He is a certified public accountant and was the group financial controller of Jardine Matheson Limited. He is presently a member of the Hospital Authority and the University Grants Committee. Dr Kam was a member of the IFRS Advisory Council of the International Accounting Standards Board from November 2005 to December 2011. He was the president of the then Hong Kong Society of Accountants (now renamed HKICPA) in 1999 and 2000. He is currently an Honorary Adviser of the FRC.

**鍾麗玲**太平紳士(當然成員)(由2007年10月1日起)

鍾女士為公司註冊處處長，是一名會計師及大律師。鍾女士以財政司司長代表的身份，出任香港會計師公會理事會當然成員。她亦是香港特許秘書公會及香港董事學會的資深會員。鍾女士於2007年8月獲委任為處處長前，為律政司副民事法律專員。

**狄勤思**太平紳士(當然成員)(任期由2013年4月1日起至2016年3月31日屆滿)

狄勤思先生是財務匯報局行政總裁。他是一名律師，在香港及澳洲的金融監管機構任職逾25年。他由2009年3月至2013年3月出任港交所上市科主管，監督重大政策發展。於加入港交所前，他曾任證監會多個高層職位達14年，包括於1997年至1999年出任證監會法規執行部的執行董事。他於2006年12月至2009年1月經證監會提名出任財務匯報局成員。

**甘博文**博士(當然成員)(任期由2010年4月1日起至2013年3月31日屆滿)

甘博士曾任財務匯報局的行政總裁。他是一名會計師，曾任怡和管理有限公司集團財務總監。他現為醫院管理局成員以及大學教育資助委員會成員。甘博士曾於2005年11月至2011年12月期間出任國際會計準則理事會國際財務報告準則顧問委員會的成員，以及曾於1999年及2000年出任香港會計師公會會長。他現任財務匯報局名譽顧問。



Independent

獨立





# CORPORATE GOVERNANCE

## 機構管治

Regulators are appointed to act in the public interest; in the case of the FRC, that public interest involves the promotion of high quality financial reporting that will reinforce and sustain investor confidence in Hong Kong's financial reporting framework. In pursuit of this aim, the FRC exercises its statutory powers under the Financial Reporting Council Ordinance (Cap 588) (FRCO).

The FRC operates within a comprehensive framework based on a set of core values: integrity, proficiency, independence, impartiality, accountability and transparency. This framework includes a clearly defined governing structure, high standards of conduct, reliable internal control procedures and appropriate checks and balances.

As an organization that insists on and promotes the highest standards of financial reporting, it is important that the FRC is seen to be at the forefront of corporate governance itself. To ensure this is the case, it has adopted the best practices issued by the International Federation of Accountants, drafted specifically to meet governance requirements within the public sector.

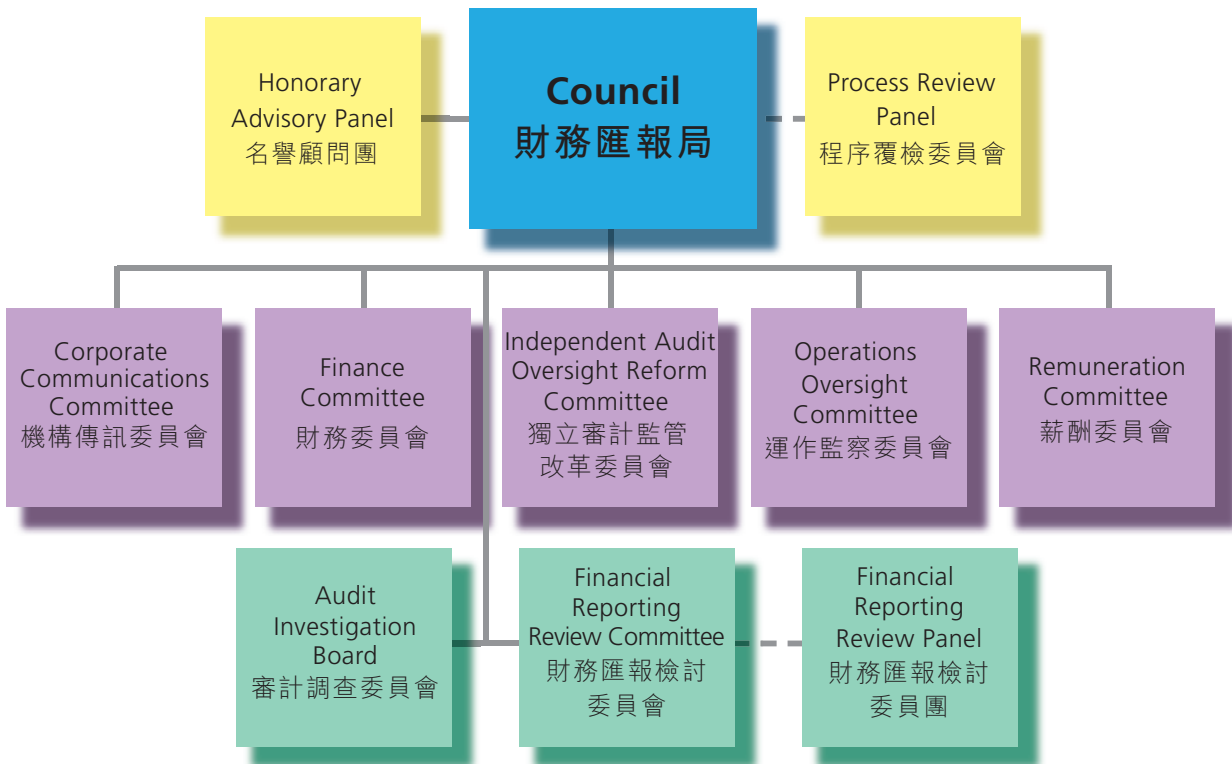
監管機構必須以公眾利益為依歸；對財務匯報局而言，公眾利益包括提高財務匯報的質素，加強並維持投資者對香港財務匯報制度的信心。為達成此項目標，財務匯報局根據《財務匯報局條例》（第 588 章）的規定行使其法定權力。

本局運作的核心價值包括誠信、精通、獨立、公正、承擔及具高透明度。此框架包括一套清晰明確的管治制度、高水平的職業操守、可靠的內部控制程序及恰當的制衡制度。

財務匯報局作為致力提倡高質素財務匯報的機構，必須以身作則，確保內部實行卓越的機構管治；就此，本局已採納國際會計師聯合會專為促進符合公營機構管治水平發表的最佳作業標準。

### Organization Structure

#### 組織架構





# CORPORATE GOVERNANCE (Continued)

## 機構管治 (續)

### The Council

The FRC is governed by its Members, who operate as a Council. As at 31 December 2013, there were 11 Members on the Council, most of whom, including the Chairman, are non-accounting professionals as required by the FRCO. Nine are appointed by the Chief Executive of the Hong Kong Special Administrative Region (HKSAR). Of this nine, three 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 Chief Executive Officer (CEO) are ex-officio members. The fact that most members are not accounting and auditing professionals ensures the Council's independence in carrying out its functions.

The Government appoints the CEO of the FRC, based on the Council's recommendation. The CEO and his staff manage the operations of the FRC; they report back to Council Members in accordance with the provisions of the procedural manual. On their part, Council Members give directives to the CEO and FRC staff, and ensure the organization's statutory functions are being performed effectively.

Members of the Council are legally bound to declare any interest they may have in a case. Council Members present during deliberations or decision-making by the HKEx, the HKICPA or the SFC with respect to the referral of cases to the FRC, are considered as having an interest in that case. 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, in accordance with the FRCO.

### Council Meetings

The Council meets once every two months and holds additional meetings as and when necessary; it also resolves some matters by circulation. The financial statements of the Council and progress reports on cases are also submitted to the Council for review at meetings. In 2013, the Council held seven meetings, all of which were conducted in accordance with the provisions of the FRCO.

### 財務匯報局成員

財務匯報局成員負責監管其運作，於2013年12月31日，成員數目為11人。根據《財務匯報局條例》的規定，包括主席在內的大部分成員，均為業外人士。九名成員是由香港特別行政區行政長官委任，在這九名成員當中，三名成員分別由香港交易及結算所有限公司(港交所)、香港會計師公會以及證券及期貨事務監察委員會(證監會)提名委任。本局另有兩名當然成員，分別是公司註冊處處長或其代表，以及本局的行政總裁。本局大部分成員是非會計及審計專業人士，可確保於履行職能時能保持獨立客觀的原則。

財務匯報局的行政總裁是由政府根據本局成員的建議而任命。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成員匯報。而本局成員會向行政總裁及其員工提供指引，確保有效執行機構的法定職能。

財務匯報局成員須依法申報於個案中可能擁有的利益。財務匯報局成員如在港交所、香港會計師公會及證監會審議是否轉介個案到本局時在場、又或曾經參與該機構的有關決策，一律被界定為有利益衝突。根據《財務匯報局條例》，在個案中擁有利益的成員不能就有關個案(甲)出席本局任何審議環節；(乙)參與本局任何決定；或(丙)獲得任何有關文件。

### 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，亦會以書面傳閱方式進行議決。本局的財務報表及個案進度報告均於會上提呈，以供成員審閱。本局於2013年共舉行了七次會議，而所有會議均按照《財務匯報局條例》的條文進行。



Attendance at meetings by individual Council Members in 2013 was as follows:

財務匯報局成員於 2013 年的會議出席率如下：

		Meetings attended/held 會議出席 / 舉行次數
Mr John Poon, JP ( <i>Chairman</i> )	潘祖明太平紳士 (主席)	7/7
Mr Roger Best, JP	路沛翹太平紳士	6/7
Mr Chew Fook Aun	周福安先生	5/7
Ms Connie Lau, JP	劉燕卿太平紳士	7/7
Ms Teresa Ma	馬嘉明女士	7/7
Mr Nicholas Sallnow-Smith	蘇兆明先生	7/7
Hon Sin Chung Kai, SBS, JP	單仲偕議員，銀紫荊星章，太平紳士	6/7
Mr David Stannard	冼達能先生	5/7
Mr John E Strickland, GBS, JP	施德論，金紫荊星章，太平紳士	5/7
Ms Ada Chung, JP or her representative ( <i>ex-officio</i> )	鍾麗玲太平紳士或其代表 (當然成員)	7/7
Mr Mark Dickens, JP ( <i>ex-officio</i> ) <sup>1</sup>	狄勤思太平紳士 (當然成員) <sup>1</sup>	5/5
Dr PM Kam ( <i>ex-officio</i> ) <sup>2</sup>	甘博文博士 (當然成員) <sup>2</sup>	2/2

<sup>1</sup> Appointed as CEO with effect from 1 April 2013.

<sup>1</sup> 於 2013 年 4 月 1 日獲委任為行政總裁。

<sup>2</sup> Retired as CEO with effect from 1 April 2013.

<sup>2</sup> 於 2013 年 4 月 1 日起退休。

The average attendance rate at meetings was 90%.

會議平均出席率為 90%。

## 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.

## 財務匯報局屬下委員會

財務匯報局下設五個委員會，須定期以及於有需要時舉行會議。各委員會是根據其職權範圍運作。

### Corporate Communications Committee (CCC)

### 機構傳訊委員會

#### Terms of reference

- To formulate corporate communications policies and strategies to increase publicity on the work of the FRC.
- To oversee the implementation of corporate communications strategies approved by the Council, and to utilize appropriate communications tools to reach the media and external parties, such as press statements, publications, electronic communications, and conferences.
- To recommend an annual promotion plan and budget to the Council.
- To oversee the review and updating of FRC website layouts and contents, printed brochures, promotional materials, and other publications of the FRC.
- To oversee publicity campaigns launched from time to time by the FRC.

#### 職權範圍

- 制定機構傳訊政策及策略，加強宣傳本局的工作。
- 監督本局成員核准的機構傳訊策略的執行，以及透過合適的渠道與傳媒和外界溝通，該等渠道包括新聞稿、刊物、電子通訊及會議等。
- 向本局成員提交年度宣傳計劃及預算。
- 監督有關本局的網頁設計及內容、小冊子、宣傳資料及其他出版刊物的審閱和更新。
- 監督本局所舉辦的宣傳活動。



# CORPORATE GOVERNANCE (Continued)

## 機構管治 (續)

### Summary of work of the CCC in 2013

- Approved the Corporate Communications Plan 2013/2014.
- Reviewed the draft 2012 Annual Report for Council's approval.
- Reviewed various FRC promotional materials for the 2013 promotion plan, including advertisements, eNews, leaflets and corporate video.
- Provided advice on the FRC's annual media reception and the press briefing on the report on independent audit oversight.

Attendance at CCC meetings in 2013 was as follows:

### 機構傳訊委員會2013年的工作概況

- 批准2013/2014年度的機構傳訊計劃。
- 審閱2012年年報的草稿，以供本局成員審批。
- 審閱本局2013年宣傳計劃的宣傳資料，包括廣告、電子簡訊、小冊子和機構短片。
- 就本局的年度傳媒茶敘和有關獨立審計監管報告的傳媒簡介會提供意見。

機構傳訊委員會成員於2013年的會議出席率如下：

### Meetings attended/held

會議出席 / 舉行次數

Ms Connie Lau, JP (Chairman)	劉燕卿太平紳士 (主席)	3/3
Ms Ada Chung, JP	鍾麗玲太平紳士	3/3
Hon Sin Chung Kai, SBS, JP	單仲偕議員，銀紫荊星章，太平紳士	3/3
Mr Mark Dickens, JP (ex-officio) (from 1 April 2013)	狄勤思太平紳士 (當然成員) (由2013年4月1日起)	1/1
Dr PM Kam (ex-officio) (until 31 March 2013)	甘博文博士 (當然成員) (直至2013年3月31日為止)	2/2
Average attendance rate	平均出席率	100%

### Finance Committee (FC)

#### Terms of reference

- To review the FRC's treasury, internal control, and financial and risk management policies and strategies.
- To approve tenders for procurement with an estimated value exceeding HK\$250,000 (other than legal services relating to vetting of investigation or enquiry reports).
- To advise Council on the short, medium and long-term financial implications of the FRC's strategic plans.
- To review and make recommendations to the Council on the FRC's annual budget.
- To review the FRC's draft annual financial statements before submission to the Council.
- To provide advice on the future funding model of the FRC once the independent audit oversight reform proposal is finalized.

### Summary of work of the FC in 2013

- Reviewed the draft financial statements for the 2012 financial year.
- Considered the projected expenditure of the FRC for the years 2014 and 2015, the FRC's 2013 financial forecast, and the FRC's 2014 budget.
- Reviewed the revised procurement manual.
- Considered estimates of the FRC's expenditure over the five years from 2014 to 2019.

### 財務委員會

#### 職權範圍

- 審閱本局的庫務、內部控制以及財務與風險管理政策及策略。
- 批准估計金額超過25萬港元的採購項目(審閱調查或查訊報告的法律費用除外)。
- 就本局策略性計劃的短期、中期及長期財務影響向本局成員提供意見。
- 審閱並就本局的年度預算向本局成員提供意見。
- 提前審閱向本局成員呈交的年度財務報表草稿。
- 於獨立審計監管改革建議方案落實時，就本局日後的資金模式提供意見。

### 財務委員會2013年的工作概況

- 審閱2012年財政年度的財務報表草稿。
- 審閱本局2014年及2015年的預算開支、2013年財政預測及2014年預算。
- 審閱經修訂的採購手冊。
- 考慮本局2014年至2019年五個年度的預算開支。

Attendance at FC meetings in 2013 was as follows:

財務委員會成員於2013年的會議出席率如下：

		<b>Meetings attended/held</b>
		<b>會議出席 / 舉行次數</b>
Mr Chew Fook Aun ( <i>Chairman</i> )	周福安先生 ( <i>主席</i> )	3/3
Ms Ada Chung, JP	鍾麗玲太平紳士	3/3
Ms Teresa Ma	馬嘉明女士	3/3
Mr Mark Dickens, JP ( <i>ex-officio</i> ) (from 1 April 2013)	狄勤思太平紳士 ( <i>當然成員</i> ) (由2013年4月1日起)	2/2
Dr PM Kam ( <i>ex-officio</i> ) (until 31 March 2013)	甘博文博士 ( <i>當然成員</i> ) (直至2013年3月31日為止)	1/1
Average attendance rate	平均出席率	100%

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

### **獨立審計監管改革委員會**

#### *Terms of reference*

#### *職權範圍*

- To provide advice to the FRC and the Secretariat on matters related to the reform of auditor oversight systems in Hong Kong (the “Reform”), including but not limited to registration, inspection, investigation and sanction of auditors.
- To oversee the work of the 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 FRC 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 FRC.

- 就香港審計監管制度改革(「改革」)事宜(包括但不限於核數師的註冊、檢查、調查及制裁)向本局及秘書處提供意見。
- 監督員工就改革所履行的工作，包括但不限於接管檢查上市公司核數師的法定職能，以及與審計檢查有關的過渡安排及相關立法修訂，並確保員工的工作是根據本局的指引及議定時間表進行。
- 接收及考慮員工就改革進度提交的定期進度報告。
- 按本局的要求執行與改革有關的指定工作。

#### *Summary of work of the IAORC in 2013*

#### *獨立審計監管改革委員會2013年的工作概況*

- Recommended the commissioning of, and reviewed the report on, independent audit oversight.
- Considered the discussion papers relating to and the draft proposed framework for the audit regulatory reform of Hong Kong.
- Discussed issues relating to the audit regulatory reform of Hong Kong.

- 就委託進行獨立審計監管報告提供意見及審閱該報告。
- 考慮有關香港審計監管改革的討論文件及改革建議框架。
- 討論有關香港審計監管改革的事宜。

Attendance at IAORC meetings in 2013 was as follows:

獨立審計監管改革委員會於2013年的會議出席率如下：

		<b>Meetings attended/held</b>
		<b>會議出席 / 舉行次數</b>
Mr John Poon, JP ( <i>Chairman</i> )	潘祖明太平紳士 ( <i>主席</i> )	3/3
Mr Roger Best, JP	路沛翹太平紳士	2/3
Mr Chew Fook Aun	周福安先生	2/3
Hon Sin Chung Kai, SBS, JP	單仲偕議員，銀紫荊星章，太平紳士	3/3
Mr Nicholas Sallnow-Smith	蘇兆明先生	3/3
Mr David Stannard	冼達能先生	3/3
Mr Mark Dickens, JP ( <i>ex-officio</i> ) (from 1 April 2013)	狄勤思太平紳士 ( <i>當然成員</i> ) (由2013年4月1日起)	3/3
Dr PM Kam ( <i>ex-officio</i> ) (until 31 March 2013)	甘博文博士 ( <i>當然成員</i> ) (直至2013年3月31日為止)	0/0
Average attendance rate	平均出席率	90%



# CORPORATE GOVERNANCE (Continued)

## 機構管治 (續)

### Operations Oversight Committee (OOC)

#### Terms of reference

- To formulate policies, strategies, guidelines and procedures for the operation of the FRC.
- To provide advice to the FRC and its operational staff on technical or business issues.
- To consider the progress of enquiries, investigations, complaints and reviews currently dealt with by the staff.
- To consider enquiry reports approved by the FRRC before submission to the FRC.
- To consider investigation reports approved by the Audit Investigation Board (AIB) before submission to the FRC.
- To consider the recommendations in the complaint/review assessment reports before submission to the FRC, and to endorse those complaint/review assessment reports requiring no follow-up action.
- To consider the follow-up actions in relation to the review of modified auditors' reports.
- To consider and approve the recommendations in the risk-based review handling reports in relation to financial statements selected for review under the risk-based financial statements review programme.

#### Summary of work of the OOC in 2013

- Considered the progress of enquiries, investigations, complaints, reviews, and also the progress of the risk-based financial statements review programmes and the review of modified auditors' reports.
- Considered the work plan for the risk-based financial statement review programme 2013-14.
- Considered five complaint assessment reports and nine review assessment reports.
- Considered and approved 52 recommendations in the risk-based review handling reports.
- Considered and approved 62 recommendations arising from the review of modified auditors' reports.
- Considered and approved five investigation reports and two enquiry reports.

### 運作監察委員會

#### 職權範圍

- 制定本局的運作政策、策略和程序。
- 就技術性或業務性問題向本局成員及負責履行法定職能的員工提供意見。
- 監督員工所處理的查訊、調查、投訴及審閱工作的進度。
- 於向本局成員提交由財務匯報檢討委員會批准的查訊報告前進行審閱工作。
- 於向本局成員提交由審計調查委員會批准的調查報告前進行審閱工作。
- 於向本局成員提交投訴/審閱評估報告前進行審閱工作，以及確認無需要採取跟進行動的投訴/審閱評估報告。
- 考慮有關非無保留意見核數師報告審閱的跟進行動。
- 審批根據風險抽查財務報表審閱計劃所揀選的財務報表相關的審閱處理報告所載的建議。

#### 運作監察委員會2013年的工作概況

- 監督查訊、調查、投訴、審閱工作、根據風險抽查財務報表審閱計劃及審閱非無保留意見核數師報告的工作進度。
- 審閱2013/2014年度的根據風險抽查財務報表審閱計劃的工作計劃。
- 審閱五份投訴評估報告及九份審閱評估報告。
- 考慮及批准其根據風險抽查的財務報表的審閱處理報告所載的52項建議。
- 考慮及批准就審閱非無保留意見核數師報告所提供的62項建議。
- 考慮及批准五份調查報告及兩份查訊報告。



Attendance at OOC meetings in 2013 was as follows:

運作監察委員會於2013年的會議出席率如下：

		<b>Meetings attended/held</b>
		<b>會議出席 / 舉行次數</b>
Mr Roger Best, JP ( <i>Chairman</i> )	路沛翹太平紳士 (主席)	6/6
Mr Jamie Allen (from 1 October 2013)	艾哲明先生 (由2013年10月1日起)	1/1
Mr Chew Fook Aun	周福安先生	5/6
Mr Vincent Duhamel (from 1 August 2013)	杜漢文先生 (由2013年8月1日起)	1/2
Ms Teresa Ma	馬嘉明女士	4/6
Mr John E Strickland, GBS, JP	施德論·金紫荊星章·太平紳士	6/6
Mr Stephen Taylor (from 1 August 2013)	Stephen Taylor先生 (由2013年8月1日起)	2/2
Mr Paul Winkelmann (from 1 August 2013)	Paul Winkelmann先生 (由2013年8月1日起)	2/2
Mr Mark Dickens, JP ( <i>ex-officio</i> ) (from 1 April 2013)	狄勤思太平紳士 (當然成員) (由2013年4月1日起)	4/4
Dr PM Kam ( <i>ex-officio</i> ) (until 31 March 2013)	甘博文博士 (當然成員) (直至2013年3月31日為止)	2/2
Average attendance rate	平均出席率	90%

#### Remuneration Committee (RC)

#### 薪酬委員會

##### Terms of reference

##### 職權範圍

- To make recommendations to the Council on staffing, remuneration and employment policies and strategies including salary structure, terms and conditions of employment, and staff fringe benefits.
- To make recommendations to the Council on the annual pay adjustment and the amount of variable compensation payable to individual staff members.
- To make recommendations to the Council on the amount of variable compensation payable to the CEO.
- To review the remuneration policy to ensure that it is consistent with applicable legal and regulatory requirements.

- 就有關員工招聘、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。
- 就個別員工的年度薪酬調整及浮動薪酬的金額向本局成員提供意見。
- 就行政總裁的年度薪酬調整及浮動薪酬的金額向本局成員提供意見。
- 檢討薪酬政策，確保符合適用法律及監管規定的要求。

##### Summary of work of the RC in 2013

##### 薪酬委員會2013年的工作概況

- Considered the year-end performance based variable pay of 2012 and the salary revision of 2013.
- Considered the terms and conditions of employment for the new Deputy CEO.
- Reviewed staff fringe benefits.

- 考慮2012年年末按表現發放的浮動薪酬及2013年的薪酬調整。
- 考慮新副行政總裁的聘用條款及條件。
- 檢討員工福利。

Attendance at RC meetings in 2013 was as follows:

薪酬委員會成員於2013年的會議出席率如下：

		<b>Meetings attended/held</b>
		<b>會議出席 / 舉行次數</b>
Mr John Poon, JP ( <i>Chairman</i> )	潘祖明太平紳士 (主席)	5/5
Ms Connie Lau, JP	劉燕卿太平紳士	5/5
Mr Nicholas Sallnow-Smith	蘇兆明先生	5/5
Mr Mark Dickens, JP ( <i>ex-officio</i> ) (from 1 April 2013)	狄勤思太平紳士 (當然成員) (由2013年4月1日起)	4/4
Dr PM Kam ( <i>ex-officio</i> ) (until 31 March 2013)	甘博文博士 (當然成員) (直至2013年3月31日為止)	1/1
Average attendance rate	平均出席率	100%



# CORPORATE GOVERNANCE (Continued)

## 機構管治 (續)

### Operations

#### Enquiry – FRRC

In cases where the FRC believes there may be non-compliance in relation to a listed entity, the Council may appoint a 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 so it can conduct an enquiry.

Members of the FRRP are appointed by the Chief Executive of the HKSAR in consultation with the Council. As at 31 December 2013, the FRRP had 43 members, including six Convenors. They are appointed based on their experience in accounting, auditing, finance, banking, law, administration, or management. The list of FRRP members can be found in the section “Membership of Board and Panels”.

Two of the FRRCs formed in 2012 completed their enquiry cases in 2013.

#### Investigations – AIB

The Council may direct the AIB to conduct an investigation into possible auditing or reporting irregularities in relation to 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 purposes of the investigation.

The CEO 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. The list of AIB members can be found in the section “Membership of Board and Panels”.

### Impartiality and Transparency

#### Accountability and audit

The strict audit process adopted by the FRC begins with the preparation of the annual budget, which must be endorsed by the Council. The Secretary for Financial Services and the Treasury then reviews and approves the FRC’s annual estimation of income and expenditure. The financial statements are subject to an official audit 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 Chairman and the CEO attend the Legislative Council Panel on Financial Affairs and present a progress report each year.

### 運作

#### 查訊－財務匯報檢討委員會

倘本局相信上市實體可能有不遵從會計規定的事宜，則本局成員可委任一個財務匯報檢討委員會展開查訊。財務匯報檢討委員會包括一名財務匯報檢討委員團召集人擔任主席，以及最少四名其他成員。

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，要求有關人士就查訊出示記錄及文件、提供資料及解釋。

財務匯報檢討委員團成員乃由香港特別行政區行政長官經諮詢本局後委任。於2013年12月31日，財務匯報檢討委員團共有43名成員，當中六名為召集人。成員均由於其會計、審計、金融、銀行、法律、行政或管理經驗而獲委任。財務匯報檢討委員團成員的名單載於「委員會及委員團成員」一節。

於2012年組成的兩個財務匯報檢討委員會於2013年已完成其查訊個案。

#### 調查－審計調查委員會

本局可指示審計調查委員會，就有關上市實體可能在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，要求有關人士就調查出示記錄及文件、提供資料及解釋。

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，一般為本局的員工。審計調查委員會成員的名單載於「委員會及委員團成員」一節。

### 公正及高透明度

#### 問責及審計

本局的審計程序嚴謹周全。本局的年度預算案由本局成員批核。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負責審核，而年報經財經事務及庫務局局長審批後，便會提交立法會省覽。主席及行政總裁每年於立法會財經事務委員會會議上報告工作進展。

The FRC also has its work scrutinized by a Process Review Panel (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 and suggestions for improvements. Appointments to the PRP are approved by the Chief Executive of the HKSAR.

### Internal controls

The FRC maintains an effective internal control system that has a clear organizational 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 enquiries commence; at least one other person at director level or above must review the case before any decision or action is taken.

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

### Code of conduct

The FRC fosters a culture and set of values that underpin the effectiveness of its corporate governance. All staff members are expected to adhere strictly 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 holdings.

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.

### Keeping the public informed

Annual reports and bi-annual eNews are issued to keep stakeholders informed about the FRC's operations and new developments. Operations statistics and press releases about completed cases are regularly posted on the FRC website ([www.frc.org.hk](http://www.frc.org.hk)).

A new section named "FRC Decisions", containing summaries of cases not requiring investigations or enquiries, has recently been created on the FRC website. Its aim is to enhance understanding of best practices in applying accounting and auditing standards. Also available on the website is the FRC's report on independent audit oversight, published in October 2013.

本局的工作乃受程序覆檢委員會嚴格監察，旨在確保本局以一致方式處理每宗個案，並在採取行動時遵守其內部程序及指引。程序覆檢委員會刊發年報，載列覆檢結果及改善建議。程序覆檢委員會是由香港特別行政區行政長官批准委任。

### 內部控制

本局制定了有效的內部控制系統，確保組織架構清晰、權責分明以及職責分工恰當。每宗個案於提出查訊後，會由一名總監負責處理。另外，於作出任何決定或採取任何行動前，會由至少另一名總監或以上職級人員審閱。

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。

### 操守準則

本局透過培育機構文化和推行核心價值以達至有效的機構管治。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。這包括需要員工及其配偶定期申報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，確保符合現時業內的最佳作業準則。

### 公眾溝通

財務匯報局透過發表年報及半年度電子簡訊，讓持份者了解本局的工作及最新發展。本局亦在網站 ([www.frc.org.hk](http://www.frc.org.hk)) 定期公佈運作統計數字，以及已完成個案的新聞稿。

本局網站新增「財務匯報局決策」一節，提供無需要展開調查或查訊的個案摘要，加強公眾對於應用會計及審計準則的最佳做法的認識。另外，本局於2013年10月發表的獨立審計監管報告，可以於網站下載。

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



**Audit Commission**  
The Government of the Hong Kong  
Special Administrative Region

香港特別行政區政府  
審計署

## Independent Audit Report To the Financial Reporting Council

I have audited the financial statements of the Financial Reporting Council set out on pages 36 to 51, which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Financial Reporting Council's Responsibility for the Financial Statements

The Financial Reporting Council is responsible for the preparation of financial statements that give a true and fair view in accordance with section 18(2) of the Financial Reporting Council Ordinance (Cap 588) and International Financial Reporting Standards, and for such internal control as the Financial Reporting Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

## 獨立審計報告 致財務匯報局

我已審計列載於第36至51頁財務匯報局的財務報表，該等財務報表包括於2013年12月31日的財務狀況表與截至該日止年度的綜合收入表、資金變動表和現金流量表，以及主要會計政策概要及其他附註解釋資料。

### 財務匯報局就財務報表須承擔的責任

財務匯報局須負責按照《財務匯報局條例》(第588章)第18(2)條及國際財務報告準則擬備真實而中肯的財務報表，及落實其認為必要的內部控制，以使財務報表不存有由於欺詐或錯誤而導致的重大錯誤陳述。

### 審計師的責任

我的責任是根據我的審計對該等財務報表作出意見。我已按照《財務匯報局條例》第19(1)條及審計署的審計準則進行審計。這些準則要求我遵守道德規範，並規劃及執行審計，以合理確定財務報表是否不存有任何重大錯誤陳述。



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Financial Reporting Council, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In my opinion, the financial statements give a true and fair view of the state of affairs of the Financial Reporting Council as at 31 December 2013, and of its results of operations and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with section 18(2) of the Financial Reporting Council Ordinance.

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

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

13 March 2014

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

我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

## 意見

我認為，該等財務報表已按照國際財務報告準則真實而中肯地反映財務匯報局於2013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18(2)條妥為擬備。

審計署署長  
審計署助理署長  
劉新和代行

審計署  
香港灣仔  
告士打道7號  
入境事務大樓26樓

2014年3月13日



# FINANCIAL STATEMENTS

## 財務報表

### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013  
(Amounts expressed in Hong Kong dollars)

### 綜合收入表

截至二零一三年十二月三十一日止年度  
(金額以港元列示)

		Note 附註	2013 二零一三年	2012 二零一二年
<b>Income</b>	<b>收入</b>			
Annual contribution	每年投入資金	4	<b>18,522,000</b>	17,640,000
Interest income	利息收入	5	<b>463,330</b>	526,512
Recovery of costs of investigation	調查成本收回		<b>400,695</b>	51,700
			<b>19,386,025</b>	18,218,212
<b>Expenditure</b>	<b>支出</b>			
Staff costs	員工成本	6	<b>(15,713,286)</b>	(13,885,133)
Audit oversight research and related expenses	審計監管研究 及相關支出		<b>(2,366,691)</b>	—
Legal and professional fees	法律及專業費用		<b>(643,348)</b>	(844,560)
Corporate communications expenses	機構傳訊支出	7	<b>(1,010,608)</b>	(825,940)
Depreciation charge	折舊支出	10	<b>(128,214)</b>	(85,067)
Other operating expenses	其他營運支出	8	<b>(757,008)</b>	(598,058)
			<b>(20,619,155)</b>	(16,238,758)
<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>(1,233,130)</b>	1,979,454

The notes on pages 40 to 51 form part of these financial statements.

第40頁至51頁的附註為本財務報表的一部分。

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(Amounts expressed in Hong Kong dollars)

## 財務狀況表

於二零一三年十二月三十一日

(金額以港元列示)

		Note 附註	2013 二零一三年	2012 二零一二年
<b>Non-current assets</b>	<b>非流動資產</b>			
Office equipment and furniture	辦公室設備及傢具	10	597,461	231,199
<b>Current assets</b>	<b>流動資產</b>			
Receivables and prepayments	應收賬款及預付款項	11	765,443	420,226
Time deposits with original maturities over three months	原到期日超過三個月的定期存款	12	25,000,000	27,000,000
Cash and cash equivalents	現金及現金等價物	13	9,491,614	9,942,970
<b>Total current assets</b>	<b>流動資產總值</b>		<b>35,257,057</b>	<b>37,363,196</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Accounts payable and accruals	應付賬款及應計費用		(1,598,883)	(2,105,630)
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>33,658,174</b>	<b>35,257,566</b>
<b>Net assets</b>	<b>資產淨值</b>		<b>34,255,635</b>	<b>35,488,765</b>
<b>Funds</b>	<b>資金</b>			
General fund	一般資金	14	14,255,635	15,488,765
Reserve fund	儲備金	14	20,000,000	20,000,000
<b>Total funds</b>	<b>總資金</b>		<b>34,255,635</b>	<b>35,488,765</b>

Approved and authorized for issue by the Financial Reporting Council on 13 March 2014



**John Poon, JP** 潘祖明太平紳士  
Chairman 主席

The notes on pages 40 to 51 form part of these financial statements.

於二零一四年三月十三日獲財務匯報局批准及授權刊發



**Mark Dickens, JP** 狄勤思太平紳士  
Chief Executive Officer 行政總裁

第40頁至51頁的附註為本財務報表的一部分。



# FINANCIAL STATEMENTS (Continued)

## 財務報表 (續)

### STATEMENT OF CHANGES IN FUNDS

For the year ended 31 December 2013  
(Amounts expressed in Hong Kong dollars)

### 資金變動表

截至二零一三年十二月三十一日止年度  
(金額以港元列示)

		General fund 一般資金	Reserve fund 儲備金	Total funds 總資金
At 1 January 2012	於二零一二年一月一日	13,509,311	20,000,000	33,509,311
Surplus and total comprehensive income for 2012	二零一二年盈餘及總綜合收入	1,979,454	—	1,979,454
At 31 December 2012	於二零一二年十二月三十一日	15,488,765	20,000,000	35,488,765
At 1 January 2013	於二零一三年一月一日	15,488,765	20,000,000	35,488,765
Deficit and total comprehensive income for 2013	二零一三年虧絀及總綜合收入	(1,233,130)	—	(1,233,130)
<b>At 31 December 2013</b>	<b>於二零一三年十二月三十一日</b>	<b>14,255,635</b>	<b>20,000,000</b>	<b>34,255,635</b>

The notes on pages 40 to 51 form part of these financial statements.

第40頁至51頁的附註為本財務報表的一部分。



## STATEMENT OF CASH FLOWS

For the year ended 31 December 2013  
(Amounts expressed in Hong Kong dollars)

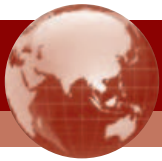
## 現金流量表

截至二零一三年十二月三十一日止年度  
(金額以港元列示)

	Note 附註	2013 二零一三年	2012 二零一二年
<b>Cash flows from operating activities</b> 經營活動產生的現金流量			
(Deficit)/surplus for the year 年內(虧絀)/盈餘		(1,233,130)	1,979,454
Adjustments for: 調整項目:			
Depreciation charge 折舊支出		128,214	85,067
Interest income 利息收入		(463,330)	(526,512)
		(1,568,246)	1,538,009
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		(322,826)	(76,145)
(Decrease)/increase in accounts payable and accruals 應付賬款及應計費用(減少)/增加		(715,854)	273,841
<b>Net cash (outflow)/inflow from operating activities</b> 經營活動產生的現金(流出)/流入淨額		(2,606,926)	1,735,705
<b>Cash flows from investing activities</b> 投資活動產生的現金流量			
Payment for the purchase of office equipment and furniture 購買辦公室設備及傢具款項		(285,369)	(158,762)
Interest received 已收利息		440,939	631,646
Decrease in time deposits with original maturities over three months 原到期日超過三個月的定期存款減少		2,000,000	3,000,000
<b>Net cash inflow from investing activities</b> 投資活動產生的現金流入淨額		2,155,570	3,472,884
<b>Net (decrease)/increase in cash and cash equivalents</b> 現金及現金等價物(減少)/增加淨額		(451,356)	5,208,589
<b>Cash and cash equivalents at 1 January</b> 於一月一日之現金及現金等價物		9,942,970	4,734,381
<b>Cash and cash equivalents at 31 December</b> 於十二月三十一日之現金及現金等價物	13	9,491,614	9,942,970

The notes on pages 40 to 51 form part of these financial statements.

第40頁至51頁的附註為本財務報表的一部分。



# FINANCIAL STATEMENTS *(Continued)*

## 財務報表 (續)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013  
(Amounts expressed in Hong Kong dollars)

#### 1. General Information

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

#### 2. Principal Activities

As set out in the FRC Ordinance, the FRC is empowered to conduct investigations concerning auditing and reporting irregularities, and to make enquiries into non-compliance with accounting requirements.

#### 3. Significant Accounting Policies

##### (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 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. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by the FRC in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 16.

### 財務報表附註

截至二零一三年十二月三十一日止年度  
(金額以港元列示)

#### 1. 一般資料

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

#### 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審計及匯報方面的不當行為進行調查，以及就不遵從會計規定的事宜展開查詢。

#### 3. 主要會計政策

##### (甲) 合規聲明

本財務報表乃按國際財務報告準則編製而成。

##### (乙) 編製基準

本財務報表已根據歷史成本法編製，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。如果會計估計的修訂只影響作出修訂的期間，其影響便會在該期間內確認；如果修訂對當時和未來期間均有影響，則在作出修訂的期間和未來期間確認。

財務匯報局在應用國際財務報告準則時所作出對本財務報表有重大影響的判斷，以及各項主要的估計不確定因素，論述於附註16。

### 3. Significant Accounting Policies (continued)

#### (b) Basis of preparation (continued)

A summary of the significant accounting policies adopted by the FRC is set out below.

#### (c) Office equipment and furniture

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

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

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

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

An item of office equipment and furniture is derecognized upon disposal or when no future economic benefits are expected from its use. 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 recognized in surplus or deficit in the period in which the asset is derecognized.

At the end of each reporting period, the FRC assesses whether there is any indication that an item of office equipment and furniture may be impaired or a previously recognized impairment loss no longer exists or may have decreased. When there is an indication of impairment, the recoverable amount of an item of office equipment and furniture is estimated, which is the higher of its fair value less costs of disposal and its value in use. An impairment loss is recognized in surplus or deficit, if the asset's carrying amount is greater than its recoverable amount. When a previously recognized impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. Reversals of impairment losses are recognized in surplus or deficit.

### 3. 主要會計政策 (續)

#### (乙) 編製基準 (續)

財務匯報局採用的主要會計政策概要載列如下。

#### (丙) 辦公室設備及傢具

辦公室設備及傢具按成本減累計折舊及減值損失列賬，惟成本低於五千元的项目則於產生時支銷。辦公室設備及傢具项目的成本，包括其購買價格及將資產運抵指定地點並使其達到預定的方式進行運作所必需的狀態而發生的直接可歸屬成本。

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

電腦	三年
其他辦公室設備	七年
辦公室傢具及裝置	十年

殘值、可使用壽命及折舊方法至少於每個報告期期末進行檢討，及作出適當調整。

辦公室設備及傢具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設備及傢具項目出現減值，或過往確認的減值損失是否不再存在或已經減少。於出現減值時估計辦公室設備及傢具项目的可收回金額，即公允價值減處置費用與使用價值之間的較高者。若資產的賬面金額高於其可收回金額，減值損失於盈餘或虧絀中確認。於其後撥回先前確認的減值損失時，資產的賬面金額將調高至經修訂的估計可收回金額，惟不可高於該資產於過往期間沒有確認減值虧損前釐定的賬面值。撥回減值損失計入盈餘或虧絀。



# FINANCIAL STATEMENTS *(Continued)*

## 財務報表 (續)

### 3. Significant Accounting Policies (continued)

#### (d) Financial instruments

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

#### (e) Financial assets

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

Any subsequent reversal of an impairment loss is recognized in surplus or deficit, to the extent that the carrying amount of the asset does not exceed its amortized cost that would have been determined had no impairment loss been recognized.

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

#### (f) Financial liabilities

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

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

### 3. 主要會計政策 (續)

#### (丁) 金融工具

金融資產及金融負債會於財務匯報局成為一項金融工具合同條款的訂約方時，於財務狀況表中確認。金融資產及金融負債最初以公允價值計量。直接歸屬於購入或發行金融資產及金融負債的交易費用，會於初始確認入賬時，於各金融資產或金融負債之公允價值內作適當的計入或扣除。

#### (戊) 金融資產

財務匯報局的金融資產主要包括應收賬款、應收利息、定期存款及其他銀行結餘。該等資產於同一業務模式下被持有，而該業務模式的目的是持有資產以收取合同現金流量。金融資產根據合約條款在指定日期產生現金流量，該等現金流量純粹為償付本金及未償本金的利息。於初始確認後，該等資產均採用實際利率法按攤餘成本減任何已確認的減值損失計量。減值損失會於有客觀證據表明資產發生減值時確認，並按該資產的賬面金額與按照該金融資產初始實際利率折現的預計未來現金流量現值之間的差額計量。任何減值損失計入盈餘或虧絀。

任何於其後撥回的減值損失將確認為盈餘或虧絀，惟有關資產的賬面金額不可高於其沒有確認減值虧損前釐定的攤餘成本。

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

#### (己) 金融負債

金融負債包括應付賬款，於初始確認後採用實際利率法按攤餘成本計量。

金融負債於相關的義務解除、取消或到期時終止確認。



### 3. Significant Accounting Policies (continued)

#### (g) Cash and cash equivalents

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

#### (h) Revenue recognition

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

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

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

Recovery of costs of investigation is recognized when the right to receive is established.

#### (i) Employee benefits

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

Bonus payments are recognized when the FRC has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate can be made.

Contributions to the Mandatory Provident Fund (MPF) scheme are recognized as an expense when employees have rendered services entitling them to the contributions. Contributions are made based on a percentage of the employees' basic salaries. The assets of the MPF scheme are held separately from those of the FRC in an independently administered fund. The employer contributions vest fully with the employees when contributed into the MPF scheme, except for the employer voluntary contributions, which are refunded to the FRC when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF scheme.

### 3. 主要會計政策 (續)

#### (庚) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行存款和其他短期及流動性高的投資，該等投資可隨時轉換為已知金額的現金，在存放或購入時距離期滿日不超過三個月，而且所涉及的價值變動風險不大。

#### (辛) 收入確認

收入以其已收或應收價款的公允價值計量。

無條件及不可發還的投入資金在其成為應收款項時計入收入。

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

調查成本的收回於確立收取權利時確認。

#### (壬) 員工福利

薪酬及有薪年假於員工提供相關服務期內確認。

倘因過去事項而承擔了現時發放花紅的法律或推定責任，以及所涉金額能夠可靠地估計時，會確認花紅付款。

當僱員提供服務而享有強制性公積金計劃供款時，供款在僱員提供相關服務時確認為支出。供款乃按僱員基本薪酬的某個百分比計算。強制性公積金計劃的資產與財務匯報局的資產分開持有，並由獨立管理的基金保管。僱主供款於支付予強制性公積金計劃後即全數成為僱員的既得利益，惟僱主的自願性質供款，在僱員未能享有全數既得利益前離職的情況下，可按強制性公積金計劃的規則退回財務匯報局。



# FINANCIAL STATEMENTS (Continued)

## 財務報表 (續)

### 4. Annual Contribution

The Companies Registry Trading Fund (CRTF), the Hong Kong Institute of Certified Public Accountants (HKICPA), the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEx) signed a Memorandum of Understanding (MoU) regarding the funding arrangement of the FRC. Each party agreed to contribute an annual amount of \$4.6 million to the FRC in 2013 (2012: \$4.4 million) for the recurring expenses. To cater for inflation adjustments and to provide greater certainty to the FRC to facilitate its development and future work plan, the annual contribution for 2014 shall be increased by a fixed percentage of 5% per annum.

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

### 5. Interest Income

Interest income was earned from time deposits and other bank balances.

### 6. Staff Costs

### 4. 每年投入資金

公司註冊處營運基金、香港會計師公會、證券及期貨事務監察委員會(證監會)及香港交易及結算所有限公司(港交所)已就財務匯報局的資金安排簽署諒解備忘錄。各機構同意於二零一三年向財務匯報局投入四百六十萬元年度資金(二零一二年：四百四十萬元)，以應付經常性營運支出。為抗衡通脹及確保財務匯報局可穩健發展和推行未來的工作計劃，各機構亦同意於二零一四年，按每年百分之五固定遞增比率增加各自投入的資金。

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

### 5. 利息收入

利息收入來自定期存款及其他銀行結餘。

### 6. 員工成本

	2013 二零一三年	2012 二零一二年
Salaries, bonuses and gratuities 薪酬、花紅及賞金	14,268,501	12,439,322
Staff recruitment expenses 招募員工支出	327,474	461,428
MPF contributions 強制性公積金供款	581,039	457,757
Medical and life insurance 醫療及人壽保險	373,637	303,037
Staff training and development 員工培訓及技能發展	84,392	131,397
Others 其他	78,243	92,192
	<b>15,713,286</b>	<b>13,885,133</b>

## 6. Staff Costs (continued)

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

		2013 二零一三年			2012 二零一二年
		Salaries and bonuses 薪酬及花紅	MPF contributions 強制性公積金 供款	Medical insurance 醫療保險	Total 總額
Mark Dickens <sup>1</sup>	狄勤思 <sup>1</sup>	2,159,194	11,250	19,334	2,189,778
PM Kam <sup>2</sup>	甘博文 <sup>2</sup>	793,720	5,000	6,259	804,979
		<b>2,952,914</b>	<b>16,250</b>	<b>25,593</b>	<b>2,994,757</b>
					3,619,643

<sup>1</sup> Appointed with effect from 1 April 2013

<sup>2</sup> Retired on 31 March 2013

## 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：

<sup>1</sup> 於二零一三年四月一日獲委任

<sup>2</sup> 於二零一三年三月三十一日退休

## 7. Corporate Communications Expenses

		2013 二零一三年	2012 二零一二年
Publications	出版刊物	294,276	122,432
Promotion and public education	推廣及公共教育	626,903	636,914
Others	其他	89,429	66,594
		<b>1,010,608</b>	<b>825,940</b>

## 7. 機構傳訊支出



# FINANCIAL STATEMENTS (Continued)

## 財務報表 (續)

### 8. Other Operating Expenses

Conferences and duty visits	會議及差旅費用
Office equipment and furniture expensed	辦公室設備及傢具開支
Professional liability insurance	專業責任保險
Others	其他

### 8. 其他營運支出

	2013 二零一三年	2012 二零一二年
	<b>143,455</b>	240,165
	<b>91,515</b>	25,707
	<b>25,150</b>	25,123
	<b>496,888</b>	307,063
	<b>757,008</b>	598,058

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

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

### 9. Taxation

Pursuant to section 16 of the FRC Ordinance, 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 Equipment and Furniture

## 10. 辦公室設備及傢具

		Computers 電腦	Other office equipment 其他辦公室設備	Office furniture and fixtures 辦公室傢具及裝置	Total 總額
<b>Cost</b>	<b>成本</b>				
At 1 January 2012	於二零一二年一月一日	436,844	89,591	74,144	600,579
Additions	購入	103,462	55,300	—	158,762
Disposals	處置	(70,260)	—	—	(70,260)
At 31 December 2012	於二零一二年十二月三十一日	470,046	144,891	74,144	689,081
At 1 January 2013	於二零一三年一月一日	470,046	144,891	74,144	689,081
Additions	購入	74,476	—	420,000	494,476
Disposals	處置	(31,850)	—	—	(31,850)
<b>At 31 December 2013</b>	<b>於二零一三年十二月三十一日</b>	<b>512,672</b>	<b>144,891</b>	<b>494,144</b>	<b>1,151,707</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 January 2012	於二零一二年一月一日	(363,385)	(58,661)	(21,029)	(443,075)
Charge for the year	年內支出	(57,612)	(20,040)	(7,415)	(85,067)
Written back on disposals	處置時撥回	70,260	—	—	70,260
At 31 December 2012	於二零一二年十二月三十一日	(350,737)	(78,701)	(28,444)	(457,882)
At 1 January 2013	於二零一三年一月一日	(350,737)	(78,701)	(28,444)	(457,882)
Charge for the year	年內支出	(68,601)	(20,699)	(38,914)	(128,214)
Written back on disposals	處置時撥回	31,850	—	—	31,850
<b>At 31 December 2013</b>	<b>於二零一三年十二月三十一日</b>	<b>(387,488)</b>	<b>(99,400)</b>	<b>(67,358)</b>	<b>(554,246)</b>
<b>Net book value</b>	<b>賬面淨值</b>				
<b>At 31 December 2013</b>	<b>於二零一三年十二月三十一日</b>	<b>125,184</b>	<b>45,491</b>	<b>426,786</b>	<b>597,461</b>
At 31 December 2012	於二零一二年十二月三十一日	119,309	66,190	45,700	231,199



# FINANCIAL STATEMENTS (Continued)

## 財務報表 (續)

### 11. Receivables and Prepayments

Accounts receivable	應收賬款
Prepayments	預付款項
- Medical and life insurance	- 醫療及人壽保險
- Professional liability insurance	- 專業責任保險
- Staff benefits	- 員工福利
- Others	- 其他
Interest receivable	應收利息

The accounts receivable mainly represented the recoverable costs of investigations.

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

Time deposits with original maturities over three months represented six-month and one-year term deposits which carried fixed interest ranging from 1.14% to 1.47% (2012: 1.26% to 1.45%) per annum. The balances outstanding at 31 December 2013 and 2012 had maturities less than 12 months from the end of the reporting period.

### 13. Cash and Cash Equivalents

Cash on hand	手頭現金
Current accounts	支票活期存款
Savings account	儲蓄存款
Time deposits with original maturities within three months	原到期日不超過三個月定期存款

### 11. 應收賬款及預付款項

	2013 二零一三年	2012 二零一二年
	309,115	—
	201,795	168,560
	13,589	13,589
	27,766	23,010
	42,165	66,445
	171,013	148,622
	765,443	420,226

應收賬款主要指調查的可收回成本。

### 12. 原到期日超過三個月的定期存款

原到期日超過三個月的定期存款指六個月及一年期限之定期存款，按固定年利率由1.14厘至1.47厘計息（二零一二年：1.26厘至1.45厘）。於二零一三年及二零一二年十二月三十一日的結餘於報告期末12個月內到期。

### 13. 現金及現金等價物

	2013 二零一三年	2012 二零一二年
	3,363	2,400
	216,185	140,682
	272,066	399,888
	9,000,000	9,400,000
	9,491,614	9,942,970

## 14. Funds

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

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

## 15. Financial Instruments

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

## 14. 資金

一般資金乃指財務匯報局經常性資金的經營盈餘。

儲備金指公司註冊處營運基金、香港會計師公會、證監會及港交所根據諒解備忘錄設立財務匯報局時所投入的非經常性資金。各機構投入一筆不可發還，為數五百萬元的資金。儲備金可於經常性資金不足及其他緊急情況下動用。

## 15. 金融工具

各類金融工具的賬面金額如下：

		2013 二零一三年	2012 二零一二年
<b>Financial assets at amortized cost</b>	<b>按攤餘成本計量的 金融資產</b>		
Accounts receivable	應收賬款	309,115	—
Interest receivable	應收利息	171,013	148,622
Time deposits with original maturities over three months	原到期日超過三個月的 定期存款	25,000,000	27,000,000
Cash and cash equivalents	現金及現金等價物	9,491,614	9,942,970
		<b>34,971,742</b>	<b>37,091,592</b>
<b>Financial liabilities at amortized cost</b>	<b>按攤餘成本計量的 金融負債</b>		
Accounts payable and accruals	應付賬款及應計費用	1,598,883	2,105,630

The carrying amounts of the FRC's financial assets and financial liabilities approximate to their fair values as at 31 December 2012 and 2013.

於二零一二年及二零一三年十二月三十一日，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。



# FINANCIAL STATEMENTS *(Continued)*

## 財務報表 (續)

### 16. Financial Risks

#### (a) Credit risk

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

The accounts receivable are assessed for recoverability on an individual basis and provisions are made when considered necessary. These balances are less than three months past due but not impaired. The recovery of the investigation costs is closely monitored by the Council and there was no default on payment according to past experience. 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 the 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 was managed and monitored to ensure it met the investment policy with bi-monthly reports submitted to the Council. As a result, the FRC was not exposed to significant credit risk. The maximum exposure to credit risk was 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 (2012: three months) from the end of the reporting period.

### 16. 金融風險

#### (甲) 信用風險

財務匯報局所承擔的信用風險主要涉及應收賬款、定期存款及其他銀行存款。

應收賬款按個別基準評估可收回性及於認為有需要時作出撥備。該等結餘逾期少於三個月但並未減值。本局密切監控調查成本的回收及過往並無出現拖欠款項的情況。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，並且每兩個月向財務匯報局成員提交報告。鑒於上述措施，財務匯報局並無重大信用風險。財務狀況表中載列的金融資產賬面金額代表所承擔的最高信用風險。

#### (乙) 流動性風險

財務匯報局的現金狀況充裕，因此流動性風險相當低。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期末起三個月內(二零一二年：三個月)到期償還。



## 16. Financial Risks (continued)

### (c) Market risk

#### *Currency risk*

The FRC received its funding and settled its expenses in Hong Kong dollars. Its financial assets and financial liabilities were all denominated in Hong Kong dollars. Hence, the FRC was not exposed to any currency risk.

#### *Interest rate risk*

The FRC's interest bearing assets mainly comprised funds placed in time deposits with fixed interest rate which are measured at amortized cost in the financial statements. The FRC was subject to the risk that the fair value of these time deposits would fluctuate because of changes in market interest rates. In order to manage this risk, the FRC adopted a policy to monitor interest rate risk on a continuous basis.

## 16. 金融風險(續)

### (丙) 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*

由於財務匯報局的有利息資產為固定利率的定期存款，而其於財務報表內以攤餘成本計量，故財務匯報局承擔定期存款公允價值隨市場利率變動而波動的風險。為管理有關風險，財務匯報局採取以持續地監察利率風險的政策。



Robust

穩健



# OPERATIONS REVIEW

## 運作回顧

### Key Operations Statistics

#### 主要運作數據

	2009	2010	2011	2012	2013
Pursuable complaints received 接獲可跟進的投訴	13	9	7	19	20
Modified auditors' reports screened 已檢閱的非無保留意見核數師報告	129	142	131	138	168
Financial statements selected for review 已抽選作審閱的財務報表	–	–	70	75	75
Investigations completed 完成調查的個案	1	1	5	9	5
Enquiries completed 完成查訊的個案	3	1	2	1	2



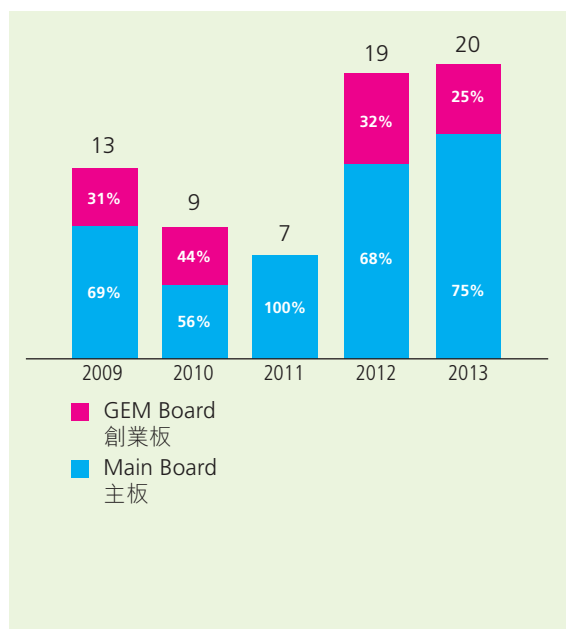


# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

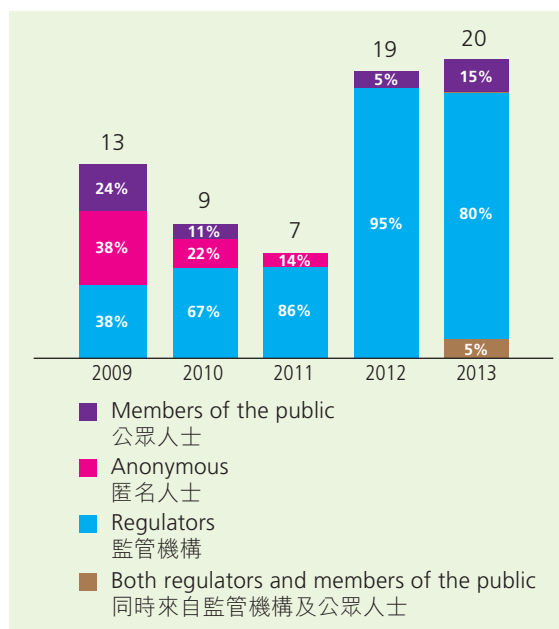
### Complaints

Stock markets on which companies/securities involved in pursuable complaints are listed  
涉及可跟進的投訴公司/證券掛牌上市的股票市場

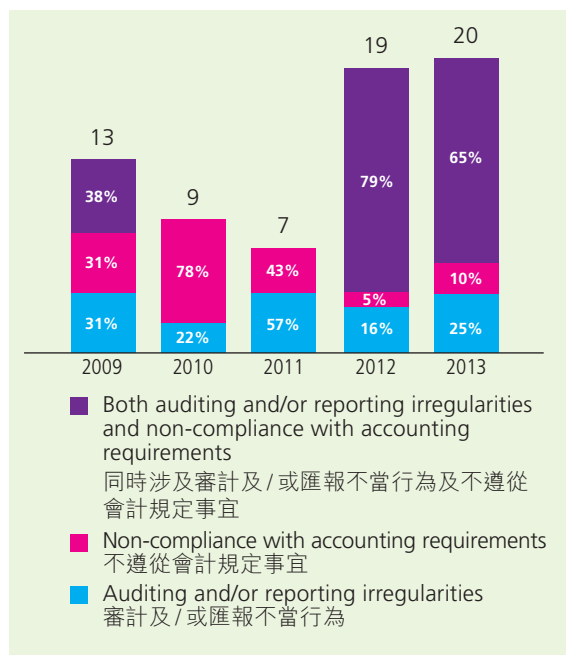


### 投訴

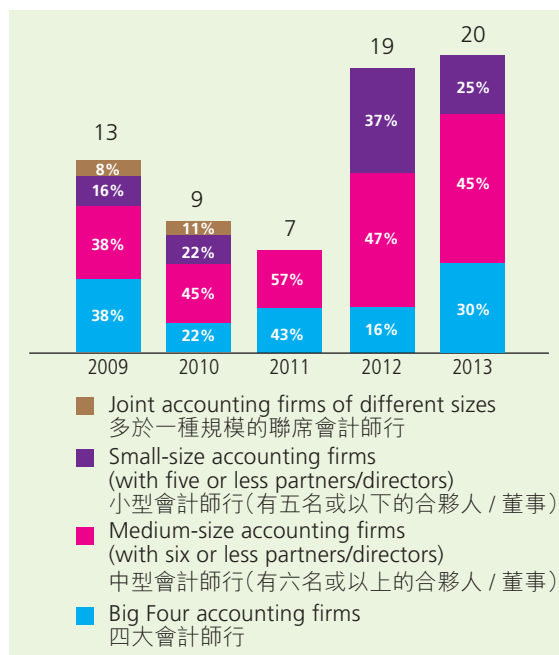
Source of pursuable complaints  
可跟進的投訴來源



Nature of complaints  
投訴性質



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





## Proactive Review

### Screening and review of modified auditors' reports

The FRC screened all 168 (2012:138) modified auditors' reports issued in 2013. There were 185 (2012:150) modifications and 213 (2012:169) issues as some modified auditors' reports contained more than one modification and/or more than one issue. No review was performed when a modification related only to an emphasis of matter. The FRC reviewed all other modified auditors' reports and made inquiries when appropriate.

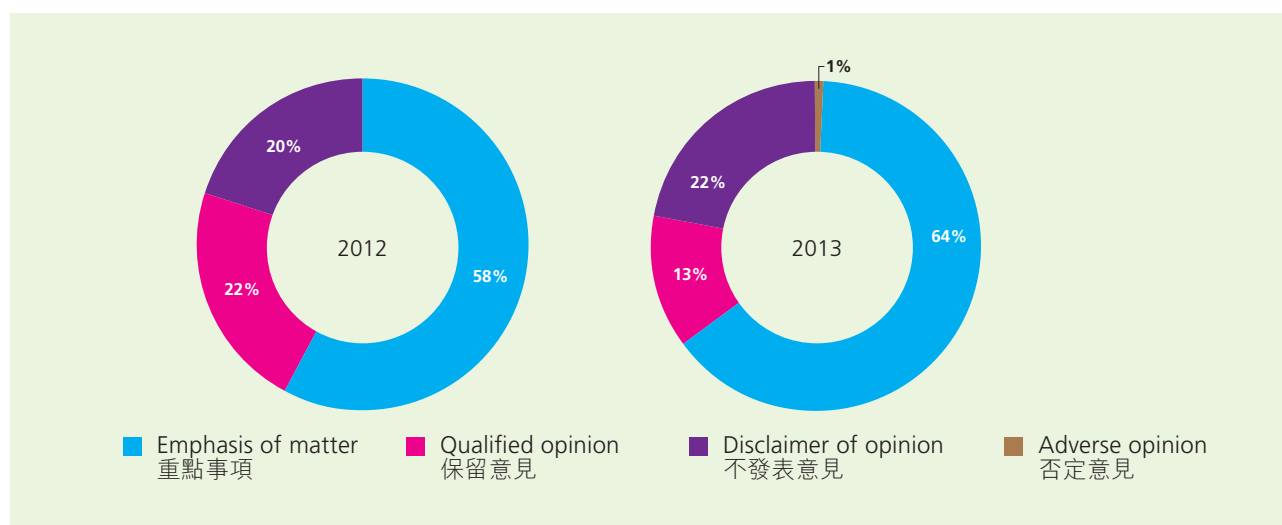
## 主動審閱

### 檢閱及審閱非無保留意見核數師報告

本局檢閱了所有於2013年發表的非無保留意見核數師報告共168份(2012年：138份)。由於部份非無保留意見核數師報告涉及多於一項非無保留意見及/或多於一個問題，因此非無保留意見種類共185種(2012年：150種)及問題總數共213類(2012年：169類)。倘若核數師只提出重點事項，則本局不會審閱。本局審閱了所有其他非無保留意見核數師報告，以及於需要時作出詢問。

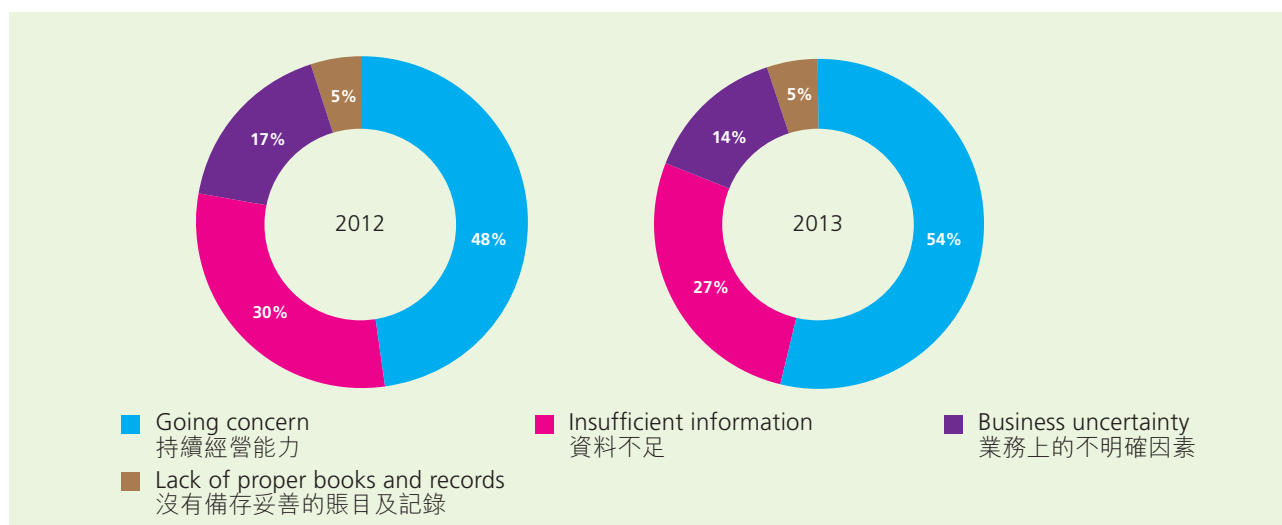
### Analysis by modification

非無保留意見核數師報告的種類分析



### Analysis by issue

非無保留意見核數師報告的問題分析





# OPERATIONS REVIEW (Continued)

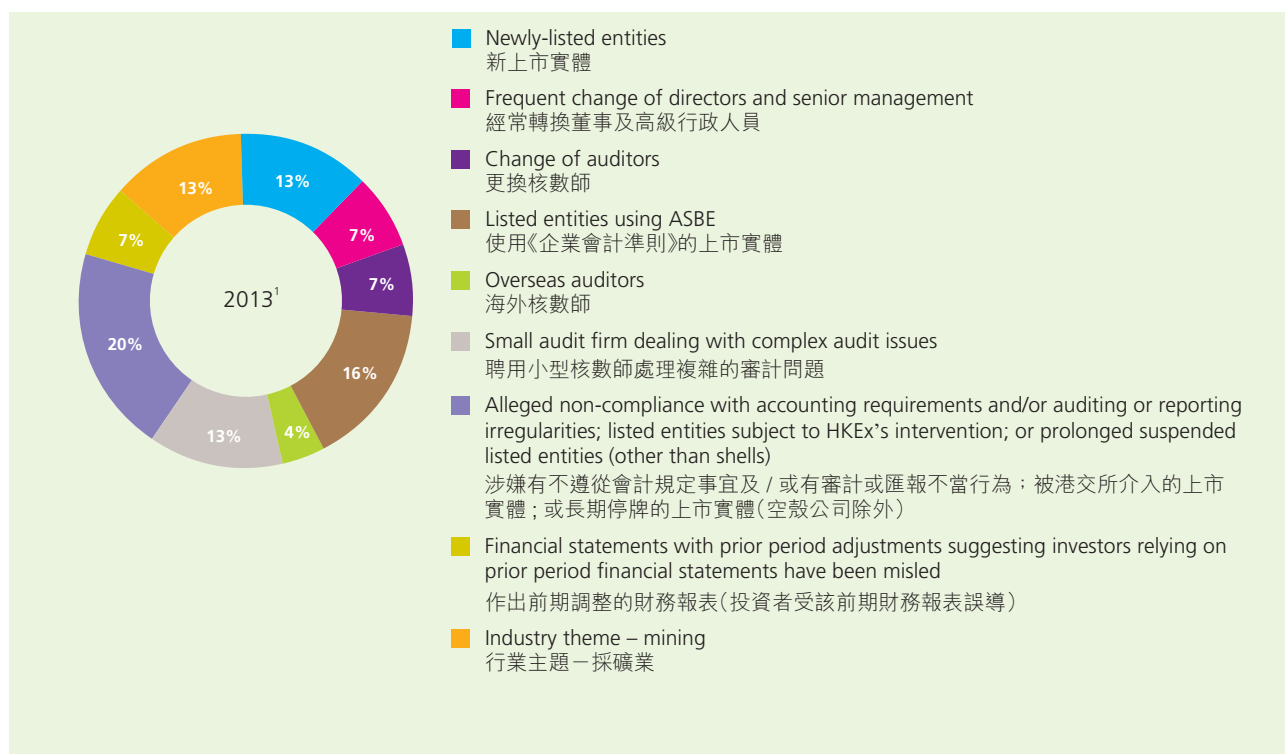
## 運作回顧 (續)

### Review of financial statements

The FRC selected 75 (2012:75) sets of financial statements for comprehensive review in 2013 under its risk-based financial statements review programme, and the breakdown by selection criteria is as follows:

### 審閱財務報表

本局於2013年根據風險抽查財務報表的審閱計劃抽選75份(2012年:75份)財務報表作全面審閱，按甄選類別劃分如下：



<sup>1</sup> The review cycle commences in July each year.  
審閱週期於每年7月開始。

## Summaries of Completed Investigations and Enquiry

In 2013, the FRC adopted five investigation reports completed by the Audit Investigation Board, and two enquiry reports completed by the Financial Reporting Review Committee. The auditing irregularities identified in the investigations have been referred to the Hong Kong Institute of Certified Public Accountants to determine if disciplinary action is warranted. The FRC also requested the entity involved in the enquiry case to remove the identified non-compliance with accounting requirements, and the listed entity made prior year adjustments in its subsequent financial statements to rectify such non-compliance.

## 已完成的調查及查訊個案摘要

於2013年，本局採納了審計調查委員會完成的五宗調查報告，及財務匯報檢討委員會的兩宗查訊報告。上述涉及審計不當行為的調查個案，已轉交香港會計師公會跟進，以考慮是否作出紀律處分。本局亦要求接受查訊的上市實體糾正已識別的不遵從會計規定事宜，而該上市實體亦在其後發表的財務報表作出前期調整，糾正不遵從事宜。

### Investigations

#### Case 1 個案 1

#### *Recognition of impairment loss on available-for-sale financial assets*

##### Background

There were significant declines in the quoted market prices of the company's listed equity investments (classified as available-for-sale financial assets) below their costs. The company used other valuation techniques to justify that no impairment was required. It recognized the difference between the quoted market price and the cost of the investment in equity, not profit or loss.

##### Issues

Whether the auditor had formed an appropriate audit opinion on the financial statements, and had properly performed their audit with an attitude of professional scepticism.

##### Analysis

- The financial reporting standard states that the fair value of quoted equity investments should be the published price in an active market, and a significant decline in the fair value of the investment below its cost should be recognized as impairment loss. It was not appropriate for the company to use other valuation and the financial reporting standards were not followed.
- As the financial impact of such non-compliance was material, the auditor should have modified its audit opinion.
- The auditor did not (a) critically assess the validity and appropriateness of the impairment assessment of the available-for-sale financial assets, and (b) properly perform their audit with an attitude of professional scepticism.

### 調查

#### *確認可供出售金融資產的減值損失*

##### 背景

公司的上市權益投資（屬於可供出售金融資產）的市場公開標價明顯低於成本，公司使用其他估值方法作為無需計提減值的理由，以及對公開標價與權益投資成本的差額而非損益作出確認。

##### 涉及問題

核數師有否對財務報表發表恰當的審計意見，以及是否以專業懷疑態度妥善進行審計工作。

##### 分析

- 財務報告準則列明，上市權益投資的公允價值應為於活躍市場的公開標價，而公允價值明顯低於成本，應確認減值損失。公司使用其他估值方法並不恰當，這並無遵從財務報告準則的規定。
- 由於不遵從事宜的財務影響重大，核數師應出具有保留意見的核數師報告。
- 核數師並無(a)對可供出售金融資產的減值評估是否有效及適當作出批判性評估，(b)以專業懷疑態度妥善進行審計工作。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### Decision

There were auditing irregularities and the report has been referred to the HKICPA.

### Reminders

Auditors should:

- (a) critically assess the validity and appropriateness of the impairment assessment made by the company if equity investments have published price quotation in an active market; and
- (b) perform their audits with an attitude of professional scepticism recognizing circumstances that might exist which cause material misstatement in the financial statements.

### 決策

我們認為核數師存在審計不當行為，已向香港會計師公會轉介有關報告。

### 提醒

核數師應：

- (a) 在權益投資於活躍市場存在公開標價時，對公司的減值評估是否有效及適當，作出批判性評估；及
- (b) 以專業懷疑態度，識別可對財務報表構成重大錯報的情況。

## Case 2 個案

### Fair value measurement of consideration shares

#### Background

The company issued shares as consideration for an acquisition of a subsidiary. These shares were measured at the issue price rather than the published price at the acquisition date. It considered that the published price of its shares at the acquisition date was not a reliable indicator of the fair value due to the thinness of the market of its shares. The auditor concurred with this view.

#### Issues

Whether the auditor had formed an appropriate audit opinion on the financial statements.

#### Analysis

1. The company's shares were traded daily over a period preceding the acquisition date. There was no evidence suggesting:
  - (a) these transactions were not traded on an arm's length basis; and
  - (b) the market was thin at the acquisition date.
2. The published price of the company's shares reflected their fair value at the acquisition date. The company should use the published price of its shares at the acquisition date to measure the fair value of the consideration shares.

#### Decision

The auditor failed to obtain sufficient appropriate evidence to support the unmodified opinion expressed on the financial statements. The investigation report has been referred to the HKICPA.

### 代價股份的公允價值計量

#### 背景

公司因收購一家子公司發行代價股份，並以發行價而非收購日公開標價計算公允價值。公司認為股份的交投疏落，收購日標價並非釐定股份公允價值的可靠指標。核數師認同該計量方法。

#### 涉及問題

核數師有否對財務報表發表恰當的審計意見。

#### 分析

1. 公司的股份於收購前一段期間每日均有成交，亦無證據顯示：
  - (a) 該等交易並非按公平交易基礎進行；及
  - (b) 市場於收購日交投疏落。
2. 公司股份的公開標價確實反映股份於收購日的公允價值，應用作計算代價股份的公允價值。

#### 決策

核數師未有取得充分及適當的審計證據，為財務報表的意見提供支持。我們已將調查報告轉介香港會計師公會。



### Reminders

Auditors should obtain sufficient appropriate audit evidence to support the fair value measurement of consideration shares issued for acquisitions.

### 提醒

核數師應蒐集足夠及適當的審計證據，為收購中所發行的代價股份的公允價值計量提供支持。

## Case 3 個案

### *Depreciation of revalued plant and machinery, measurement of consideration shares and presentation of EPS*

### *為以重估模式計量的廠房及機器計提折舊、計算代價股份及每股盈利的呈列*

#### Background

The company did not:

- (a) depreciate its revalued plant and machinery and disclose their carrying amounts had they been carried under the cost model;
- (b) measure the shares issued for the acquisitions of a subsidiary and an equity investment at their acquisition-date fair values, instead it used the share prices as stated in the sales and purchase agreements; and
- (c) calculate correctly the weighted average number of ordinary shares outstanding for the purpose of presenting the loss per share for the year.

#### 背景

公司沒有：

- (a) 為其以重估模式計量的廠房及機器計提折舊，以及沒有披露若根據成本模式計量的廠房及機器的賬面值；
- (b) 就收購一間附屬公司及一股權投資而發行的股份計量於收購日的公允價值，而是使用了買賣協議所訂股價進行計量；及
- (c) 為列報於有關年度的每股虧損，正確計算普通股之加權平均數。

#### Issues

Whether the auditor had formed an appropriate audit opinion on the financial statements.

#### 涉及問題

核數師有否對財務報表發表恰當的審計意見。

#### Analysis

The auditor failed to identify the above issues. They did not obtain sufficient appropriate audit evidence to support their unmodified audit opinion on the financial statements.

#### 分析

核數師沒有識別上述問題，並無取得充分及適當的審計證據，以支持其對財務報表發表無保留的審計意見。

The engagement partner and the engagement quality control reviewer failed to act diligently according to the applicable technical and professional standards when providing professional services in the audit.

負責相關審計的合夥人及審計質量控制覆核人員沒有勤懇按照技術和專業標準提供專業審計服務。

#### Decision

There were auditing irregularities and the report has been referred to the HKICPA.

#### 決策

由於有審計不當行為，我們已將調查報告轉介香港會計師公會。

#### Reminders

Auditors should obtain sufficient appropriate audit evidence during the course of the audit and act diligently in accordance with the applicable technical and professional standard when providing professional services.

#### 提醒

核數師進行審計工作時，應取得充分及恰當的審計證據，以及勤懇按照技術和專業標準提供專業服務。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### Case 4 個案 4

#### *Fair value measurements of the assets acquired and the consideration transferred in an acquisition*

##### **Background**

In the acquisition of a subsidiary, the company recognized and measured (a) the assets acquired with reference to their carrying amounts in the books of the acquiree and (b) the considerations transferred at the principal amount, instead of measuring them at their acquisition-date fair values.

##### **Issues**

Whether the auditor had formed an appropriate audit opinion on the financial statements.

##### **Analysis**

The auditor did not plan the audit with an attitude of professional scepticism and did not obtain sufficient appropriate audit evidence to support their unmodified audit opinion.

The engagement partner and the engagement quality control reviewer failed to act diligently according to the applicable technical and professional standards when providing professional services in the audit.

##### **Decision**

There were auditing irregularities and the report has been referred to the HKICPA.

##### **Reminders**

Auditors should obtain sufficient appropriate audit evidence to support the fair value measurements of assets acquired and considerations transferred in an acquisition, and act diligently in accordance with the applicable technical and professional standard when providing professional services.

#### *就收購事項所收購的資產和所轉讓代價計算公允價值*

##### **背景**

於收購一家附屬公司時，公司以：(a)被收購方賬目所示的賬面值確認及計算資產；及(b)本金確認及計算轉讓代價。

##### **涉及問題**

核數師有否對財務報表發表恰當的審計意見。

##### **分析**

核數師沒有以專業懷疑態度制定審計計劃，以及取得充分及適當的審計證據以支持其無保留的審計意見。

負責相關審計的合夥人及審計質量控制覆核人員沒有勤懇按照技術和專業標準提供專業服務。

##### **決策**

由於有審計不當行為，我們已將調查報告轉介香港會計師公會。

##### **提醒**

核數師應取得充分適當的審計證據，以支持其就收購項目計量所收購資產和所轉讓代價於收購日的公允價值，以及勤懇按照技術和專業標準提供專業服務。

### Case 5 個案 5

#### *Business combination and impairment of goodwill*

##### **Background**

The company failed to recognize separately the identifiable assets acquired and liabilities assumed in a business combination. It also failed to recognize deferred tax liabilities on the taxable temporary differences arising from the fair value adjustments on the intangible assets acquired. The business combination was partly settled by the issuance of convertible bonds which the company failed to account for their components appropriately. In the annual goodwill impairment assessment, the company allocated the goodwill to a cash-generating unit larger than its operating segment, and failed to fully disclose the estimates used to measure the recoverable amount of the cash-generating units containing goodwill.

#### *業務合併及商譽減值*

##### **背景**

公司沒有分別確認由業務合併取得的可辨認資產及負債，以及並無在調整所收購的無形資產的公允價值時，確認由此產生的應課稅暫時性差異之遞延稅項負債。公司透過發行可換股債券，以償付業務合併的部份代價，惟公司沒有適當地對可換股債券各組成部份進行會計處理。公司進行商譽減值的年度評估時，將商譽分配至大於營運分部的現金產出單元，以及沒有妥善披露用以計量包含商譽的現金產出單元的可收回金額的估計。

### Issues

Whether the auditor had developed a detailed audit plan and obtained sufficient appropriate audit evidence relating to the business combination, convertible bonds and goodwill, and had formed an appropriate audit opinion on the financial statements.

### Analysis

In this audit, the auditor failed in the following respects to obtain sufficient appropriate audit evidence to support its audit opinion on the financial statements, in particular, the auditor failed to:

- plan the audit, in relation to the business combination, with professional scepticism, recognizing that circumstances might exist that caused the financial statements to be materially misstated, and did not develop an audit plan which included the nature, timing and extent of audit procedures to be performed in order to reduce audit risk to an acceptably low level;
- obtain sufficient appropriate audit evidence to identify, or to address appropriately, the above non-compliance with accounting requirements;
- evaluate the professional competence and the objectivity of the valuer and the appropriateness of the valuer's work as audit evidence for the purpose of the audit;
- obtain written representations from the management of the company regarding the reasonableness of significant assumptions used by management in determining the fair values of intangible assets acquired and convertible bonds issued; and
- prepare audit documentation that provided a sufficient and appropriate record of the basis for the auditor's report and evidenced that the audit was performed in accordance with auditing standards and applicable legal and regulatory requirements.

The engagement partner and the engagement quality control reviewer failed to act diligently according to the applicable technical and professional standards when providing professional services in the audit.

### 問題

核數師有否制定詳細的審計計劃，以及就業務合併、可換股債券及商譽取得充分及適當的審計證據，以及對財務報表發表適當的審計意見。

### 分析

核數師於審計有關財務報表時，沒有就下列各項取得充分及適當的審計證據，以支持其對財務報表發表的審計意見，核數師尤其：

- 沒有秉持專業懷疑態度就業務合併進行審計計劃，以識別可能導致財務報表出現重大錯報的情況。核數師亦沒有制定審計計劃，以包含擬實施的審計程序之性質、時間和範圍，藉此將審計風險降至可接受的低水平；
- 沒有取得充分及適當的審計證據，以識別或適當地處理上述不遵從會計規定的事宜；
- 沒有評價評估師的專業能力及客觀性，並考慮評估師作出的估值是否適合作為審計證據；
- 沒有就所收購的無形資產及已發行的可換股債券的公允價值所依據的重大假設之合理性，獲取公司管理層的書面聲明；及
- 沒有作出充份及適當的審計記錄，作為核數師報告的基礎，並證明核數師已按照審計準則及適用法規進行審計工作。

負責相關審計的合夥人及審計質量控制覆核人員沒有勤懇按照技術和專業標準提供專業服務。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### Decision

There were auditing irregularities and the report has been referred to the HKICPA.

### Reminders

Auditor should:

- plan an audit with an attitude of professional skepticism recognizing that circumstances may exist that cause the financial statements to be materially misstated;
- develop a detailed audit plan which includes the nature, timing and extent of audit procedures to be performed by engagement team members in order to obtain sufficient appropriate audit evidence to reduce audit risk to an acceptably low level;
- evaluate the competence, capabilities and objectivity of the expert, understand their work and assess the appropriateness of the expert's work as audit evidence for the purpose of the audit;
- design and perform audit procedures that are appropriate in the circumstances for the purpose of obtaining sufficient appropriate audit evidence; and
- obtain written representations from the management of the company regarding the reasonableness of significant assumptions used in making accounting estimates including fair value measurements.

### 決策

由於有審計不當行為，我們已將調查報告轉介香港會計師公會。

### 提醒

核數師應：

- 秉持專業懷疑態度進行審計計劃，以識別可能導致財務報表出現重大錯報的情況；
- 制定詳細的審計計劃，以包含審計項目組擬實施的審計程序之性質、時間和範圍，藉此取得充份及適當的審計證據，以將審計風險降至可接受的低水平；
- 評價評估師的專業能力及客觀性，了解估值師的工作，並考慮評估師作出的估值是否適合作為審計證據；
- 為取得充份及適當的審計證據，設計及執行與情況相符的審計程序；及
- 就計量會計估計的公允價值所依據的重大假設之合理性，獲取公司管理層的書面聲明。

## Enquiry <sup>1</sup>

### Case 1 個案

#### Acquisition of a subsidiary

#### Issues

1. The exploration and evaluation assets acquired and the goodwill arising from the acquisition of a subsidiary might not be properly recognized and measured.
2. The gross carrying amount and the accumulated amortization of the exploration and evaluation assets acquired might not be properly recognized and disclosed.
3. The non-cash and non-cash equivalent consideration in the acquisition might be wrongly included in the consolidated cash flow statement.

## 查訊 <sup>1</sup>

#### 收購一家子公司

#### 涉及問題

1. 就收購一家子公司所取得的勘探及評估資產和產生的商譽或未有妥善確認及計量。
2. 收購的勘探及評估資產的總賬面值和累計攤銷額或未有妥善確認及披露。
3. 非現金及非現金等價物代價或不應包括在綜合現金流量表內。



### Analysis

1. The company did not recognize and measure the assets acquired and the goodwill at the acquisition date according to paragraphs 36, 51 and 52 of HKFRS 3 *Business Combination*.
2. The gross carrying amount and the accumulated amortization of the exploration and evaluation assets acquired should not have been separately recognized and disclosed according to paragraphs 33, 118(c) and 118(e)(i) of HKAS 38 *Intangible Assets*.
3. The non-cash and non-cash equivalent consideration of the acquisition should not have been included in the consolidated cash flow statement. The consolidated cash flow statement was materially misstated and did not comply with paragraphs 1 and 43 of HKAS 7 *Cash Flow Statements*.

### Decision

We issued a notice requiring the company to remove the non-compliance by making retrospective restatements of the opening balances and the comparative figures in the next sets of financial statement.

### Reminders

Preparers of financial statements should ensure that the acquiree's identifiable assets, liabilities and contingent liabilities are recognized at their fair values at the acquisition date, in order to properly recognize and measure any goodwill arising from the business combination.

### 分析

1. 公司並無根據《香港財務報告準則第三號 – 企業合併》第36段、第51段及第52段的規定，於收購日就已收購的資產及商譽進行確認及計量。
2. 根據《香港會計準則第38號 – 無形資產》第33段、第118(c)段及第118(e)(i)段的規定，公司不應分別確認和披露勘探及評估資產的總賬面值和累計攤銷額。
3. 收購的非現金及非現金等價物代價不應包括在綜合現金流量表。綜合現金流量表存在重大錯報及不符合《香港會計準則第七號 – 現金流量表》第一段及第43段的規定。

### 決策

我們向該公司發出通知，要求糾正不遵從事宜，於下一財務報表作出前期調整，以重列期初餘額及前期比較金額。

### 提醒

財務報表的編製者應就被收購方於收購日的可辨認資產、負債及或然負債的公允價值進行確認，從而正確地就收購事項所產生的商譽進行確認及計量。

<sup>1</sup> The summary of one completed enquiry report is not disclosed at this stage because the auditor of the relevant listed company is currently under our investigation.

<sup>1</sup> 本局現階段沒有披露其中一個已完成查訊的摘要，是由於該個案所涉及的上市公司的核數師正接受本局的調查。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### FRC Decisions

In some cases where the potential non-compliance with accounting requirements does not compromise the presentation of the financial statements, the FRC does not initiate an investigation or enquiry. Instead, it issues a letter of advice, which includes findings and suggested improvements or remedial measures for the listed entities and/or their auditors to consider. The FRC issued 11 such letters of advice in 2013.

### 財務匯報局決策

在若干可能不遵重會計規定而並不影響財務報表呈列的情況下，本局將不會進行調查或查訊，而是會發出意見函供上市實體及/或其核數師考慮，內容包括調查結果及改進建議或補救措施。於2013年，財務匯報局共發出11份意見函件。

#### Decision 1 決策

#### Disclosure of sensitivity in the valuation method adopted and retrospective adjustment to EPS

#### 估值方法的敏感度披露以及追溯調整每股盈利

##### Issues

1. Insufficient disclosure on estimation uncertainty in determining the fair value of forestry land and plantation forest assets.
2. The loss per share for FY2010 was not adjusted in the FY2011 financial statements to reflect the issue of shares in March 2011 for a business combination under common control.

##### 涉及問題

1. 於釐定林地及人工林資產的公允價值時所披露的不確定性估計並不足夠。
2. 2010年財政年度的每股虧損並無於2011年財務報表中作出調整，以反映於2011年3月因合併受共同控制的業務而發行的股份。

##### Analysis

1. Approximately 45% of the net assets of the company are forestry land and plantation forest assets.

In the notes to FY2011 Financial Statements, the company disclosed that the valuer had applied the net present value approach to determine the fair value of forestry land and plantation forest assets, which involved estimates whose changes might affect the fair value significantly.

The company did not make the disclosures as required by HKAS 1 (Revised):

- The sensitivity of carrying amounts to the methods, assumptions and estimates used in the valuation, including the reasons for the sensitivity.
- The expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year for the carrying amounts of the assets affected.

##### 分析

1. 公司的林地及人工林資產佔資產淨值的45%。

公司於其2011年財務報表中，披露估值師採用了淨現值法釐定林地及人工林資產的公允價值，其中涉及估計所產生的變動可對公允價值構成重大影響。

公司並無根據《香港會計準則第1號》(經修訂)的規定披露：

- 就估值所用方法、假設及估計對賬面值進行敏感度分析，包括進行敏感度分析的理由；及
- 不確定性的預期解決方法，以及於下一財政年度該受影響資產的賬面值在合理可能範圍內的結果。

2. During FY2011, the company completed a common control acquisition which was accounted for using merger accounting under AG 5.

The consideration for the combination included an allotment of the company's shares to the vendor in March 2011. The loss per share for FY2010 presented in the FY2011 financial statements was not adjusted to reflect the issue of shares for the combination required under AG 5.

#### Decision

The company failed to comply with HKAS 1 (Revised) and AG 5, and we issued a letter of advice to the company to this effect.

#### Reminders

The management of companies should observe the requirements of HKAS 1 (Revised) and AG 5 when preparing their financial statements.

2. 於2011年財政年度，公司完成一項共同控制的業務收購，已根據《會計指引第5號》的業務的規定入賬。

合併代價包括公司於2011年3月向供應商配股。於2011年財務報表呈列的2010年財政年度每股虧損，並無按照《會計指引第5號》的規定作出調整，以反映因合併而發行的股份。

#### 決策

公司不符合《香港會計準則第1號》(經修訂)及《會計指引第5號》的規定，我們向其發出意見函。

#### 提醒

公司管理層於編製財務報表時，應注意《香港會計準則第1號》(經修訂)及會計指引第5號的規定。

## Decision 2 決策

### *Disclosure of information to assist users in understanding financial statements*

#### Issues

The financial statements did not provide information on the relationship between the revenue, trade receivables, cost of sales/services and payables to merchants.

#### Analysis

The company acted as the agent of the merchants to collect the sales proceeds for the goods/services sold to the customers.

The trade receivables at 31 December 2010 were more than the sum of revenue for the last two years, and these receivables were aged less than 6 months. The payables at 31 December 2010 and 2011 were 28 and 10 times more than the cost of sales/services rendered for the respective years. These payables were aged less than 12 months.

The company explained that:

- Its trade receivables were the gross sales proceeds receivable from customers;
- The cost of sales/services mainly represented business tax;
- The payables to merchants represented the sales proceeds collected by the company after deducting its service charges; and

### *披露有助使用者了解財務報表的資料*

#### 涉及問題

財務報表並無披露收入、應收賬款、銷售/服務成本及應付商戶賬款之間的關係。

#### 分析

公司以商戶代理人身份收取售予客戶的產品/服務的銷售所得款項。

於2010年12月31日的應收賬款超過過去兩年的收入總額，而該等應收賬款的賬齡少於半年。於2010年及2011年12月31日的應付賬款分別為銷售/服務成本的28倍及10倍。該等應付賬款的賬齡少於一年。

公司解釋：

- 應付賬款為應收客戶銷售所得款項的總額；
- 銷售/服務成本主要是營業稅；
- 應付商戶賬款為公司扣除服務費後的銷售所得款項；及



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

- Its revenue is a percentage of its sales proceeds.

HKAS 1 (Revised) requires the company to make disclosure that would assist users in understanding how transactions are reflected in reported financial performance and financial position. The financial statements did not provide sufficient information to allow users to understand the relationship between the trade receivables, revenue, cost of sales/services and payables to merchants. The company should provide more details regarding the revenue recognition and the associated costs in their financial statements.

### Decision

The company failed to comply with HKAS 1 (Revised) and we issued a letter of advice to the company to this effect.

### Reminders

The management of companies should provide relevant information to assist users to understand the financial statements.

- 銷售所得款項的若干百分比作為其服務收入。

《香港會計準則第1號》(經修訂)規定公司所作披露，必須能夠讓財務報表使用者了解交易項目如何反映在財務表現及財務狀況。上述財務報表提供的資料，不足以讓使用者了解公司的收入、應收賬款、銷售成本/服務及應付商戶賬款之間的關係。公司應於財務報表提供有關收入確認及相關成本的詳情。

### 決策

公司不符合《香港會計準則第1號》(經修訂)的規定，我們向其發出意見函。

### 提醒

公司管理層應提供有助使用者詮釋財務報表的相關資料。

## Decision 3 決策

### Disclosure of useful information and estimation uncertainties in interim financial statements

#### Issues

The extent of the disclosure of information and related estimation uncertainties in the interim financial statements.

#### Analysis

Shortly before the end of the interim period, the company proposed to repurchase certain inventories from its distributors within a period and at an agreed price, set-off the amount due by the distributors and resell those inventories through other channels.

In preparing its interim financial statements, the company recognized the loss on the sales of repurchased inventories and assessed no further impairment losses on the trade receivables and inventories. This assessment was subject to the final outcome of the above proposal, future market conditions and other estimation uncertainties.

Before the end of the financial year, the company issued a profit warning announcement which disclosed that additional losses were incurred as a result of the proposal.

### 中期財務報表的有用資料及估計的不明朗因素的披露

#### 涉及問題

於中期財務報表內披露資料及相關估計的不明朗因素的程度。

#### 分析

公司於臨近其中期報告期結束前建議，於指定期間按議定價格向分銷商回購若干存貨，以抵銷分銷商應付金額，並以其他渠道轉售存貨。

公司於編製中期財務報表時，確認轉售所回購存貨所產生的虧損，並評估應收賬款和存貨沒有進一步的減值虧損。此評估受制於上述建議的最終結果、日後市況及其他估計的不明朗因素。

公司於財政年度結束前就發出盈利警告，披露因上述建議招致的額外損失。

HKAS 34 requires the provision of material financial information in the interim financial statements to allow readers to have an understanding of the changes in a company's financial position or performance since the last annual reporting period.

In this case, additional disclosures on the latest situation of the arrangement, possible outcome of the proposal and other relevant management estimation uncertainties should be disclosed in the interim financial statements.

#### Decision

The company failed to fully comply with HKAS 34 and we issued a letter of advice to the company to this effect.

#### Reminders

Timely and reliable interim financial reporting improves the ability to understand the company's capacity to generate earnings and cash flows and its financial condition and liquidity. The management of companies should disclose significant events in the interim financial statements according to HKAS 34.

《香港會計準則第34號》規定，公司須於中期財務報表提供重要的財務資料，讓讀者了解公司自上一年度報告期後財政狀況或業績的變動。

在此個案，公司應於中期財務報表內就上述安排的進展、可能引致的結果及相關的管理層估計的不明朗因素作出額外的披露。

#### 決策

公司未完全符合《香港會計準則第34號》的規定，我們向其發出意見函。

#### 提醒

適時及可靠的中期財務匯報，有助讀者了解公司產生收入及現金流的能力、財政及流動資金狀況。根據《香港會計準則第34號》的規定，公司的管理層應於中期財務報表披露各重大事項。

## Decision 4 決策

### Disclosure of additional information on material items

#### Issues

No information was given in the financial statements on a material item named as "other decrease" in the reconciliation of the cost of fixed assets at the beginning and end of the year.

#### Analysis

The company has self-constructed fixed assets. It recognized the construction in progress based on actual construction expenditures incurred. The construction in progress is transferred to fixed assets when the asset is ready for its intended use.

The company explained that the "other decrease" category represented the adjustment of the actual construction expenditures incurred for these self-constructed fixed assets upon settlement.

ASBE 30 requires companies to provide additional information for any material item in the notes to financial statements.

#### Decision

The company did not strictly follow the requirements of ASBE 30 and we issued a letter of advice to the company to this effect.

### 披露重大項目的附加資料

#### 涉及問題

財務報表披露固定資產於年初及年末的調整，其中包括一項名為「其他減少」的「重大項目」，公司並無於財務報表註明其性質。

#### 分析

公司擁有自行建造的固定資產，並根據實際建造開支確認在建工程。在建工程於資產可投入作擬定用途時撥入固定資產。

公司解釋「其他減少」乃於竣工結算時對該等自行建造固定資產的實際建造開支作出的調整。

《企業會計準則第30號》規定公司須於財務報表的附註披露任何重大項目的附加資料。

#### 決策

我們認為公司未有嚴格遵從《企業會計準則第30號》的規定，已向其發出意見函。





# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### Reminders

The management of companies should provide descriptive information for any material item in the financial statements which is relevant for the understanding of the users.

### 提醒

如有任何重大項目是與使用者了解財務報表有關，公司管理層應就此提供描述性資料。

## Decision 5 決策

### *Disclosure of unrecognized deferred tax assets for unused tax losses*

### *未確認遞延稅項資產的未使用稅務虧損的披露*

#### Issues

The information regarding the unrecognized deferred tax assets for the unused tax losses was not disclosed.

#### 涉及問題

公司沒有披露未確認遞延稅項資產的未使用稅務虧損的資料。

#### Analysis

The company did not recognize deferred tax assets for unused tax losses; the relevant information was not disclosed in the financial statements.

#### 分析

公司並無確認遞延稅項資產的未使用稅務虧損，惟沒有於財務報表披露相關資料。

ASBE 18 requires a company to disclose the amount (and expiry date, if any) of deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized.

《企業會計準則第18號》規定，公司須披露未確認遞延稅項資產的可抵扣暫時性差異及未使用稅務虧損的數額及到期日（如有）。

#### Decision

The company failed to fully comply with ASBE 18 and we issued a letter of advice to the company to this effect.

#### 決策

公司未有完全符合《企業會計準則第18號》的規定，我們就此向其發出意見函。

#### Reminders

The management of companies should observe the disclosure requirements of ASBE 18 when companies have unrecognized deferred tax assets.

#### 提醒

如有未確認遞延稅項資產，公司管理層應留意《企業會計準則第18號》的披露規定。

## Decision 6 決策

### *Inconsistency of financial statements in different languages*

### *不同語言版本的財務報表的披露並不一致*

#### Issues

Inconsistency between the Chinese-version financial statements and their English translation.

#### 涉及問題

財務報表的中文版與其英譯本的披露並不一致。

#### Analysis

The company failed to maintain full consistency in disclosing certain notes to the financial statements in the Chinese-version financial statements and those in the English translation. Some of the disclosures were only made in the Chinese-version financial statements.

#### 分析

公司的中文版財務報表的若干附註與英譯本並非完全一致，其中部份僅於中文版作出披露。

Companies are required to present information in a manner that provides relevant, reliable, comparable and understandable information in the financial statements. Therefore, the company should ensure the consistency of the disclosures made in different notes to the financial statements; and that between the Chinese-version and the English-version of the financial statements.

#### Decision

We issued a letter of advice to the company to reflect our observations.

#### Reminders

The management of companies should ensure the consistency of their financial statements in different language versions.

公司須於財務報表提供相關、可靠、可供比較及易於了解的資料。因此，公司應確保中英文版本財務報表附註的披露一致。

#### 決策

我們向公司發出意見函，載有我們的觀察所得。

#### 提醒

公司管理層應確保不同語言版本的財務報表的披露一致。

## Decision 7 決策

### *Whether the calculation of the loss per share complied with HKAS 33*

#### Issues

1. The loss per share in 2009 was adjusted in the 2010 financial statements to reflect a placement of shares in August 2010.
2. The loss per share in 2009 and 2010 were not adjusted in the 2010 financial statements to reflect a bonus issue completed in January 2011.

#### Analysis

1. Since the share placement to independent third parties did not affect the capital used to produce profit or loss in 2009, the company should not have adjusted the weighted average number of ordinary shares outstanding in 2009 to calculate the loss per share for 2009 in the 2010 financial statements.
2. In the 2010 rights issue, the company offered bonus shares to shareholders, which resulted in the effective exercise price of the rights issue being less than the fair value of the company's shares. When calculating the weighted average number of shares outstanding, the company should have reflected the discount as effectively a bonus to the shareholders in the form of shares issued for nil consideration.

The calculation of the weighted average number of shares in 2009 and 2010 should have been adjusted in the 2010 financial statements in accordance with HKAS 33.

### *每股虧損的計算是否符合《香港會計準則第33號》的規定*

#### 涉及問題

1. 於2010年財務報表調整2009年的每股虧損，以反映於2010年8月的股份配售。
2. 2009年及2010年的每股虧損並無於2010年財務報表作出調整，以反映於2011年已完成的紅股發行。

#### 分析

1. 公司向獨立第三方配售股份並無影響用於產生2009年的盈利或虧損的資金數目。因此，公司不應於2010年財務報表調整於2009年的加權平均已發行普通股數目，以計算2009年的每股虧損。
2. 於2010年的供股，公司向股東發行紅股，使供股實際行使價低於公司股份的公允價值。於計算加權平均已發行股份數目時，公司應將上述折讓實際反映為對股東作出實際獎賞的零代價股份。

根據《香港會計準則第33號》的規定，公司應於其2010年財務報表中，調整2009年及2010年的加權平均股數目。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

### Decision

The company failed to comply with HKAS 33 and we issued a letter of advice to the company.

### Reminders

The management of companies should observe the requirements of HKAS 33 when calculating earnings per share.

### 決策

公司並不符合《香港會計準則第33號》的規定，我們就此向其發出意見函。

### 提醒

公司的管理層於計算每股虧損時，應留意《香港會計準則第33號》的規定。

## Decision 8 決策 8

### Disclosure of useful information and estimation uncertainties in financial statements

### 財務報表對有用資料及估計的不確定性的披露

#### Issues

1. No information was given in the financial statements on a material profit or loss item named "Gain on deregistration of subsidiaries".
2. The extent of the disclosure of estimation uncertainties in the financial statements was insufficient.

#### 涉及問題

1. 公司並無於財務報表提供重要損益項目「註銷附屬公司之收益」的資料。
2. 財務報表中關於估計的不確定性的披露並不足夠。

#### Analysis

1. The company recognized a gain on deregistration of subsidiaries (accounting for 111% of its consolidated profit for the year) in its financial statements.

HKAS 1 (Revised) requires an entity to make disclosure that would assist users in understanding how transactions are reflected in reported financial performance and financial position. Therefore, the company should disclose the details of the subsidiaries deregistered, such as their name, assets and/or liabilities before deregistration, in its financial statements.

2. The company recognized an overprovision of prior year's income tax expenses in its financial statements. The financial statements also disclosed that no deferred tax assets were recognized due to the unpredictability of future profit streams.

The determination of provision of income tax expenses and recognition of deferred tax assets involved management's assumptions and judgments which might result in a material adjustment to its assets and/or liabilities in the next financial year. Therefore, the company should disclose information about these assumptions and judgments in its financial statements.

#### 分析

1. 公司於其財務報表中確認註銷附屬公司之收益(佔其該年度綜合收益的111%)。

《香港會計準則第1號》(經修訂)規定，實體所作的披露應讓使用者了解交易項目如何反映在其財務表現及財務狀況。因此，公司應在財務報表中披露已註銷附屬公司的資料，如名稱、註銷前的資產及/或負債。

2. 公司於財務報表中確認上一年度的所得稅開支的超額撥備。公司亦於財務報表中披露由於無法預測日後的盈利，所以並無確認遞延稅項資產。

釐定所得稅開支撥備及確認遞延稅項資產時涉及管理層的假設及判斷，可導致下一財政年度的資產及/或負債出現重大調整。因此，公司應於財務報表披露該等假設及判斷。

### Decision

The company failed to comply with HKAS 1 (Revised) and we issued a letter of advice to the company to this effect.

### 決策

公司未有符合《香港會計準則第1號》(經修訂)的規定，我們就此對公司發出意見函。

## Reminder

Management of companies should observe the requirements of HKAS 1 (Revised) when preparing their financial statements.

## 提醒

公司管理層於編製財務報表時，應留意《香港會計準則第1號》(經修訂)的規定。

## Decision 9 決策

### Disclosure of relevant information and presentation of material line items

### 披露相關資料及呈列重要的分類項目

#### Issues

1. Inappropriate tax rate used to explain the relationship between the accounting profit and the tax income.
2. Incorrect presentation of amount due from subsidiaries in the statement of financial position.
3. Insufficient disclosures for a gain on bargain purchase and financial instruments.

#### 涉及問題

1. 使用不適當的稅率說明會計盈利與稅務收入之間的關係。
2. 於財務狀況表中錯誤呈列應收附屬公司款項。
3. 議價收購收益及金融工具的披露不足。

#### Analysis

1. The company did not have assessable profits under Hong Kong profits tax and its subsidiaries' major operation was located in the Mainland. The company used the Hong Kong profits tax rate to explain the relationship between its consolidated loss before taxation and tax income.

HKAS 12 requires an entity to use an applicable tax rate to explain the relationship between accounting profit and tax expense/income. The explanation should provide the most meaningful information to the financial statements users. Therefore, it would be more meaningful to the financial statements users if the company used the applicable tax rate in the Mainland to provide the explanation.

2. The company had a material balance of amounts due from the subsidiaries (92% of the company's net assets). These amounts were categorized under the financial statements line item "Interests in subsidiaries" and presented in the statement of financial position of the company.

HKAS 1 (Revised) requires an entity to present additional line items in the statement of financial position when such presentation is relevant to an understanding of the financial position. As the amounts due from subsidiaries were material, the company should separately present the amounts in the statement of financial position.

#### 分析

1. 公司並無應計入香港利得稅的應課稅盈利，而其附屬公司的主要業務位於內地。公司使用香港利得稅率說明其稅前綜合虧損與稅務收入之間的關係。

《香港會計準則第12號》要求實體使用適用稅率說明會計盈利與稅務開支/收入的關係。有關說明應為財務報表使用者提供最有用的資料。因此，公司使用內地的適用稅率作出說明，對財務報表使用者而言更為有用。

2. 公司擁有重大的應收附屬公司款項(佔其資產淨值的92%)。該等款項於財務狀況表中呈列為「於附屬公司之權益」。

《香港會計準則第1號》(經修訂)規定，倘若於財務狀況表中呈列額外分項有助了解實體的財務狀況，則該實體須於財務狀況表中呈列該額外分項。由於應收附屬公司款項數額重大，公司應於財務狀況表中獨立呈列有關數額。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

3. The company recognized a gain on bargain purchase as a result of a business combination. Convertible preference shares were issued as part of the purchase consideration for the business combination. There was no disclosure about (i) the reason for a gain; and (ii) the methods and assumptions applied to determine the fair value of the convertible preference shares in the financial statements.

HKFRS 3 (Revised) requires an entity to provide a description of why the bargain purchase resulted in a gain. HKFRS 7 requires an entity to disclose the methods and assumptions applied to determine the fair value of financial instruments. Therefore, The company should make the above disclosures in the financial statements.

### Decision

The company failed to comply with HKAS 1 (Revised), HKAS 12, HKFRS 3 (Revised) and HKFRS 7, and we issued a letter of advice to the company to this effect.

### Reminder

Management of companies should observe the requirements of HKAS 1 (Revised), HKAS 12, HKFRS 3 (Revised) and HKFRS 7 when preparing their financial statements.

3. 公司確認了業務合併項目產生的議價收購收益，並發行可轉換優先股作為業務合併的部份代價。公司並無於財務報表中披露：(i) 產生收購收益的理由；及(ii)釐定可轉換優先股的公允價值所用的方法及假設。

《香港財務報告準則第3號》(經修訂)規定，實體須披露產生議價收購收益的原因。《香港財務報告準則第7號》則規定，實體須披露釐定金融工具的公允價值的方法及假設。因此，公司應在財務報表中作出上述披露。

### 決策

公司未有符合《香港會計準則第1號》(經修訂)、《香港會計準則第12號》、《香港財務報告準則第3號》(經修訂)及《香港財務報告準則第7號》的規定。我們就此向其發出意見函。

### 提醒

上市實體管理層應留意《香港會計準則第1號》(經修訂)、《香港會計準則第12號》、《香港財務報告準則第3號》(經修訂)及《香港財務報告準則第7號》的規定。

## Decision 10

### 決策

### Classification and consistency in disclosures

#### Issues

- The cash flows from government grants were incorrectly classified under operating activities in statement of cash flows.
- The reimbursement on withholding tax from a shareholder was incorrectly credited to total comprehensive income.
- The ordinary shares used to calculate the basic earnings per share were incorrect.
- The deposits paid for purchase of property, plant and equipment were incorrectly classified as current assets.
- The information relating to bank borrowings as disclosed in different notes to the financial statements was inconsistent.
- The opening balance of the share premium of the company as disclosed in the financial statements was incorrect.

### 分類及披露的一致性

#### 涉及問題

- 政府補助產生的現金流於現金流量表中錯誤分類為經營活動。
- 由股東付還的預扣稅錯誤計入綜合收益總額。
- 使用錯誤的普通股股數計算每股基本盈利。
- 用於購入物業、廠房及設備的已付按金錯誤分類為流動資產。
- 在財務報表中不同附註所披露的銀行借貸資料並不一致。
- 財務報表披露的公司股份溢價的期初結餘並不正確。



## Analysis

1. The company had unused government grants for constructing qualifying assets and had recognized the grants as deferred revenue. The relevant cash flows from these grants were classified under operating activities in the statement of cash flows.

HKAS 7 requires cash payments related to an acquisition of property, plant and equipment to be classified as investing activities. As the government grants related to the construction of qualifying assets, the company should classify the relevant cash flows under investing activities.

2. The company recognized a reimbursement on withholding tax from a shareholder as other revenue in the total comprehensive income.

Conceptual Framework for Financial Reporting 2010 defines income as increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity, other than those relating to contributions from equity participants.

HKAS 1 (Revised) states that total comprehensive income is the change in equity during a period resulting from transactions and other events, other than those changes resulting from transactions with owners in their capacity as owners.

Since the reimbursement on withholding tax from a shareholder was a transaction with owners in their capacity as owners, it should be directly recognized in equity, rather than in total comprehensive income.

3. The company completed a group reorganization in December 2010 and applied merger accounting under AG 5 to account for this reorganization. In 2011, the company issued ordinary shares by way of placing and public offer for listing purpose. The ordinary shares issued for the listing were included in calculating the basic earnings per share for 2010 (comparative figure of the financial statements).

HKAS 33 requires the use of the weighted average number of ordinary shares outstanding during the period for calculating basic earnings per share. The ordinary shares issued by the company for listing purpose were not part of a common control combination. Therefore, these ordinary shares should not be included in the calculation of basic earnings per share for the comparative period.

4. The company classified deposits paid for the purchase of property, plant and equipment as current assets.

## 分析

1. 公司將建設合資格資產而獲得但未動用的政府補貼確認為遞延收入，而相關的現金流則於現金流量表中被分類為經營活動。

根據《香港會計準則第7號》的規定，購入物業、廠房及設備的相關現金付款應分類為投資活動。由於上述政府補貼是關於建設合資格資產，公司應將有關現金流分類為投資活動。

2. 公司將股東付還的預扣稅確認為綜合收益總額中的其他收入。

《2010年財務報告之概念框架》界定收入為以現金流入，或增加資產，或減少負債等令權益增加的形式(非來自權益參與者的貢獻)而增加會計期間的經濟效益。

《香港會計準則第1號》(經修訂)列明，綜合收益總額是由交易及其他事項(非來自權益持有者以其身份進行的交易)導致的期內權益變動。

由於股東付還的預扣稅屬權益持有人以其身份進行的交易，此項目應直接確認於權益而非綜合收益總額。

3. 公司於2010年12月完成集團重組，並按《會計指引》第5號的兼併會計處理原則入賬。於2011年，公司為籌備上市，以配售及公開發售形式發行普通股。為上市而發行的普通股計入2010年每股基本盈利(財務報表的比較數據)。

根據《香港會計準則第33號》的規定，公司應採納期內已發行的普通股加權平均股數計算每股基本盈利。公司為籌備上市而發行的普通股並非同一控制下的業務合併的一部份，因此該等普通股不應計入比較期間的每股基本盈利。

4. 公司將用於購入物業、廠房及設備的已付按金分類為流動資產。



# OPERATIONS REVIEW (Continued)

## 運作回顧 (續)

Since the deposits did not meet the criteria of current assets under HKAS 1 (Revised), the company should classify them as non-current assets.

- One of the notes to the financial statements disclosed that a certain amount of bank borrowings were repayable over five years. However, the note related to liquidity risk disclosed that none of the bank borrowings had a contractual maturity over five years.

Companies are required to present information in a manner that provides relevant, reliable, comparable and understandable information in the financial statements. Therefore, the company should ensure the consistency of the disclosures made in different notes to the financial statements.

- The first ordinary share of the company was issued in February 2010. However, the note to financial statements related to the reserves of the company (company level) disclosed that the company had share premium on 1 January 2010. The relevant disclosures were inconsistent. The company should ensure the consistency of the disclosures made in the notes to the financial statements.

### Decision

The company failed to comply with Conceptual Framework for Financial Reporting 2010, HKAS 1 (Revised), HKAS 7 and HKAS 33, and we issued a letter of advice to the Company to this effect.

### Reminder

Management of companies should observe the requirements of Conceptual Framework for Financial Reporting 2010, HKAS 1 (Revised), HKAS 7 and HKAS 33 when preparing their financial statements.

由於該等按金不符合《香港會計準則第1號》(經修訂)對流動資產的定義，公司應將該等按金分類為非流動資產。

- 財務報表其中一項附註披露若干銀行借貸須於五年內償還，但在有關流動性風險的附註中並沒有披露公司擁有任何將於五年內到期的銀行借貸。

公司須於財務報表中提供相關、可靠、可比較及易於明白的資料。因此，公司須確保財務報表中不同附註的披露的一致性。

- 公司於2010年2月發行第一股普通股，但財務報表有關公司儲備(公司層面)的附註則披露公司於2010年1月1日擁有股份溢價，相關披露並不一致。公司應確保財務報表中附註的披露的一致性。

### 決策

公司未有遵從《2010年財務報告之概念框架》、《香港會計準則第1號》(經修訂)、《香港會計準則第7號》及《香港會計準則第33號》的規定，我們就此向其發出意見函。

### 提醒

公司管理層在編製財務報表時，應留意《2010年財務報告之概念框架》、《香港會計準則第1號》(經修訂)、《香港會計準則第7號》及《香港會計準則第33號》的規定。

## Decision 11

### 決策

### Disclosures relating to earnings per share and financial instruments

#### Issues

- The group did not disclose any dilutive effect on basic earnings per share.
- The group did not disclose how it considered and incorporated collateral into its credit risk management, and how such incorporation related to its disclosures of maximum loss due to credit risk.
- The group did not disclose whether the interest rate sensitivity analysis on net interest income and other comprehensive income included any impact of a change in interest rates on financial instruments at fair value through profit or loss.

### 有關每股盈利及財務報表的披露

#### 涉及問題

- 集團並無披露每股基本盈利的攤薄影響。
- 集團並無披露其如何考慮及將抵押品計入信貸風險管理，以及此與披露信貸風險可引致的最大虧損的關係。
- 集團並無披露對利息淨收入和其他綜合收益進行利率敏感度分析是否包括公允價值計量且其變動計入當期損益的金融資產。

## Analysis

1. The financial statements of the company only disclosed basic earnings per share. Since certain share options were recognized in the financial statements, it is unclear whether there was any dilutive effect on basic earnings per share.

HKAS 33 requires an entity to present basic and diluted earnings per share with equal prominence for all periods presented.

Therefore, the company should disclose diluted earnings per share. If basic and diluted earnings per share are equal, the company should present both in one line in the statement of comprehensive income.

2. The company disclosed the fair value of collaterals for loans and advances to customers that were past due but not impaired and individually impaired respectively.

HKFRS 7 requires an entity to disclose a description of collateral held as security and of other credit enhancements, and their financial effect (e.g. a quantification of the extent to which collateral and other credit enhancements mitigate credit risk) in respect of the amount that best represents the maximum exposure to credit risk.

Hence, the company should disclose information relating to how the group considered and incorporated collateral into its credit risk management, and how such incorporation related to its disclosures of maximum loss due to credit risk.

3. The company disclosed the interest rate sensitivity analysis on net interest income and other comprehensive income as required by HKFRS 7.

It is unclear whether the interest rate sensitivity analysis includes any impact of a change in interest rates on financial instruments at fair value through profit or loss. The company should disclose the impact of such in future financial statements if it had not done so.

## Decision

The company failed to comply with HKAS 33 and HKFRS 7, and we issued a letter of advice to the company to this effect.

## Reminder

Management of companies should observe the disclosure requirements of HKAS 33 and HKFRS 7 when preparing their financial statements.

## 分析

1. 公司的財務報表僅披露每股基本盈利。由於若干購股權已於財務報表確認，故不確定其會否攤薄每股基本盈利。

《香港會計準則第33號》要求實體於所有報告期內按同等重要性呈列每股基本及攤薄盈利。

因此，公司應披露每股攤薄盈利。倘若每股基本盈利與攤薄盈利相同，公司應於綜合收益表的同一行披露每股基本及攤薄盈利。

2. 公司披露個別被減值的已到期但未減值客戶貸款及墊款的抵押品的公允價值。

《香港財務報告準則第7號》規定，實體須為代表最高信貸風險的數額披露所持有之抵押品或其他信貸增強措施以及其財務影響（例如量化抵押品及其他信貸增強措施可減少信用風險的程度）。

因此，公司應披露集團如何考慮及將信貸風險計入抵押品，以及與信貸風險可引致的最大虧損的關係。

3. 公司根據《香港財務報告準則第7號》的規定，披露對利息淨收入和其他綜合收益進行利率敏感度分析。

該披露並未說明利率敏感度分析是否包括公允價值計量且其變動計入當期損益的金融工具的利率變動影響，如未曾作出披露，公司應於日後的財務報表作出披露。

## 決策

公司未有符合《香港會計準則第33號》及《香港財務報告準則第7號》的規定，我們就此向其發出意見函。

## 提醒

公司管理層於編製財務報表時，應留意《香港會計準則第33號》及《香港財務報告準則第7號》的披露要求。





Transparent

透明



# HONORARY ADVISORY PANEL

## 名譽顧問團

Honorary Advisory Panel is established to assist the FRC in discharging its functions and responsibilities arising from or in relation to the Financial Reporting Council Ordinance. The function of the Honorary Advisers is to advise the FRC, including its committees and staff, with respect to any matter referred to the Honorary Advisers by the FRC.

The Panel Members are:

Mr Nicholas Allen  
Mr Stephen Chang  
Dr Moses Cheng, GBS, JP  
Mr Francis Ching  
Mr Martin Hadaway, JP  
Dr PM Kam (from 1 April 2013)  
Mr Edward Kwan  
Mr Albert Li  
Dr Eric Li, GBS, JP (from 10 January 2013)  
Mr Tim Lui, BBS, JP (from 10 January 2013)  
Mr Michael Scales  
Mr Stephen Taylor

名譽顧問團的成立目的是協助財務匯報局履行有關《財務匯報局條例》規定的職能及責任。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。

顧問團成員包括：

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Mr Robert Gazzi (from 16 July 2013)  
Prof Amy Lau (until 15 July 2013)  
Dr Eric Li, GBS, JP  
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Mr Vincent Kwan (from 1 November 2013)

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Mr Peter Lo (until 31 October 2013)

Mr Joseph Pang, BBS, JP

(until 31 October 2013)

Mr John Poon, JP (ex-officio)

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