

Press Release
4 December 2020

**Financial Reporting Council publishes Guideline on notification
of changes in auditor appointments**

(4 December 2020, Hong Kong) The Financial Reporting Council (FRC) today published its Guideline on the notification of changes in auditor appointments, which will become effective on 1 February 2021. The Guideline requires auditors of listed entities to provide the FRC with up to date information on their appointments as auditor to PIEs and of any changes in those appointments. This will enhance the effectiveness of the FRC by enabling the frequency of inspections to be more responsive to changes in appointments.

The FRC consulted with a cross-section of firms in Hong Kong and Mainland China, which audit PIEs and are subject to inspection, to explain the requirements and receive comments on them.

Mr Marek Grabowski, CEO of the FRC remarked, “The FRC issued the Guideline to enable us to receive timely and accurate information on changes in auditor appointments and strengthen the effectiveness of our inspections. Inspection is a critical part of the FRCs remit to monitor and improve audit quality. Receiving timely information directly from PIE auditors enhances our ability to determine the frequency and subject of inspections and to understand and consider the implications for audit quality, if any, of changes in appointment across the market for listed entity audits.”

The Guideline and the bilingual form for notify the FRC of changes in appointment can be viewed and downloaded from www.frc.org.hk

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Note to editors

About the FRC

The FRC is the full-fledged independent listed entity auditor regulator for Hong Kong committed to upholding the quality of financial reporting of listed entities of Hong Kong so as to enhance investor protection and strengthen investor confidence in corporate reporting.

For more information about the statutory functions of the FRC, please visit www.frc.org.hk.

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