

STRIVING FOR FAIR PLAY
堅守公正 奮勇啓程





STRIVING FOR FAIR PLAY 堅守公正 奮勇啓程

Players in the securities market are like athletes on the sporting grounds. There are strict rules to observe. The FRC, a newly established regulatory body, like referees in sports, will strive to maintain a level playing field for all players.

證券市場上的競爭，猶如運動場上的競賽，需要遵守嚴緊的規則。財務匯報局作為新成立的監管機構，致力確保香港的證券市場嚴守紀律，公平競爭。

CONTENTS 目錄

1	THE ROLE OF THE FRC 財務匯報局的職責
2	ESTABLISHMENT OF THE FRC – MILESTONES 財務匯報局的成立—里程碑
4	CHAIRMAN'S STATEMENT 主席報告
10	CHIEF EXECUTIVE OFFICER'S REPORT 行政總裁報告
14	ABOUT THE FRC 關於財務匯報局
18	FRC MEMBERS 財務匯報局成員
23	ORGANIZATION STRUCTURE 組織架構
25	CORPORATE GOVERNANCE 企業管治
33	OPERATIONS STATISTICS 運作統計數字
36	REPORT OF THE DIRECTOR OF AUDIT 審計署署長報告
38	FINANCIAL STATEMENTS 財務報表
50	MEMBERSHIP OF FINANCIAL REPORTING REVIEW PANEL, AUDIT INVESTIGATION BOARD AND ADVISORY PANEL 財務匯報檢討委員會、審計調查委員會及 顧問委員會成員
53	MEMBERSHIP OF COMMITTEES 委員會成員
55	GLOSSARY 詞彙
56	CORPORATE INFORMATION 機構資料

THE ROLE OF THE FRC

財務匯報局的職責

1

To conduct independent investigations into possible auditing and reporting irregularities in relation to listed entities
就有關上市實體可能在審計或匯報方面的不當行為展開獨立調查

2

To enquire into possible non-compliances with financial reporting requirements on the part of listed entities
就上市實體可能沒有遵從財務匯報規定的事宜展開查訊

3

To require listed entities to remove any non-compliance identified
要求上市實體糾正其財務匯報上的不遵從事宜

ESTABLISHMENT OF THE FRC – MILESTONES

財務匯報局的成立—里程碑

2006

13 July 2006
二零零六年七月十三日

Enactment of the Financial Reporting
Council Ordinance

制定《財務匯報局條例》

1 December 2006
二零零六年十二月一日



FRC The Financial
Reporting Council
財務匯報局

Establishment of the FRC and
appointments of the Chairman and
Council Members

成立財務匯報局及委任主席及財務匯報局成員

1 February 2007
二零零七年二月一日



Appointment of the Chief
Executive Officer

委任行政總裁

*Copyright © 2008, Hong Kong Economic Times.
All rights reserved. Reprinted by permission.
© 2008香港經濟日報版權所有（授權複印）*

2007

12 July 2007
二零零七年七月十二日



Launch of the FRC's website
財務匯報局網站啟用

16 July 2007
二零零七年七月十六日



Becoming fully operational
全面運作

16 July 2007
二零零七年七月十六日

Appointments to the Financial Reporting
Review Panel
委任財務匯報檢討委員會



CHAIRMAN'S STATEMENT 主席報告

It is indeed a great honour for me to serve as the first Chairman of the Financial Reporting Council (FRC). The founding of this new statutory body is testament to Hong Kong's dedication to reinforcing itself as an international financial centre and it is a great privilege to be at the forefront of this commitment.

Critical to Hong Kong's status as a global financial centre, the FRC strengthens regulatory oversight of auditors, upholds the quality of financial reporting, enhances protection for investors, increases investor confidence and underpins the stability of Hong Kong's markets.

The FRC was created in response to the increasing community concern over corporate governance, financial reporting and audit practices, as well as the public's growing expectations for the establishment of an accountable, transparent and effective oversight body that acts independently of the accounting profession.

Quality and reliable financial reporting is key to maintaining Hong Kong's status as an international financial hub and as the leading capital-raising centre for mainland China. The responsibility for this rests with the listed company's board of directors and auditors,

出任財務匯報局的首任主席，本人感到非常榮幸。這個新法定機構的成立，印證了香港要確立為國際金融中心的決心。能夠處於這項任務的最前方，是本局莫大的殊榮。

財務匯報局的工作，對鞏固香港的環球金融中心地位非常重要。財務匯報局的主要責任，是加強對核數師的監管、確保財務匯報的質素、提高對投資者的保障、加強投資者的信心，以及維持香港證券市場的穩定。

財務匯報局的成立，是由於公眾對企業管治、財務匯報及審計事宜日益關注，而公眾對成立一個具問責性、高透明度、有效率以及獨立於會計行業的監管機構的訴求，也與日俱增。

優質及可靠的財務匯報，是維持香港作為國際金融中心及國內商業機構主要集資中心的關鍵。上市公司的董事會及核數師，有責任確保其財務匯報的準確性及可靠性。而會計及審計



Critical to Hong Kong's status as a global financial centre, the FRC strengthens regulatory oversight of auditors, upholds the quality of financial reporting, enhances protection for investors, increases investor confidence and underpins the stability of Hong Kong's markets.

財務匯報局的工作，對鞏固香港的環球金融中心地位非常重要。財務匯報局的主要責任，是加強對核數師的監管、確保財務匯報的質素、提高對投資者的保障、加強投資者的信心，以及維持香港證券市場的穩定。

Sophia Kao *Chairman*
高靜芝 主席

who have a duty to safeguard the accuracy and integrity of financial reporting. The higher the quality maintained by the accounting and auditing profession – the key providers and verifiers of information – the stronger our markets.

The FRC Ordinance was enacted on 13 July 2006, providing the legal basis for the establishment of the FRC. With the announcement of appointments made to the Council, the FRC came into being on 1 December 2006. This first Chairman's Statement covers the initial 13 months up to 31 December 2007. During this period, the Council's operations evolved from the start-up phase to the fully functioning body it is today.

Starting Up

Following the appointments of the Chairman and Members, our first task was to recruit a top-notch chief executive officer to lead the executive arm of the FRC. I am delighted that an open global search has led to the appointment of Mr. M.T. Shum as our inaugural CEO. Mr. Shum is a retired senior civil servant with extensive regulatory, administrative and professional accounting experience. He took up the post on 1 February 2007 and immediately began preparatory work to ensure the FRC was fully operational as soon as practicable.

專業人員，則是財務匯報資料的主要提供者及核實者。因此，會計行業及其從業員的質素越高，我們的證券市場便越壯大。

《財務匯報局條例》於二零零六年七月十三日頒佈，為財務匯報局的成立提供了法律基礎。隨著財務匯報局成員的任命，財務匯報局於二零零六年十二月一日正式成立。第一份的主席報告涵蓋至二零零七年十二月三十一日共十三個月。在此期間，本局的進展由最初籌備階段演進至今已是一個全面運作的機構。

前期工作

緊隨主席及成員的任命，我們首要工作是聘請一名能力超卓的行政總裁去領導財務匯報局各執行單位。透過全球公開招募，沈文燾先生受聘為本局的首位行政總裁，本人對此深感欣喜。沈先生為已退休的高級公務員，具有豐富的監管、行政及專業會計經驗。他於二零零七年二月一日上任後，立刻開始籌備工作，以確保財務匯報局能盡快全面投入運作。

In devising policies and procedures guiding future investigations and development of the organization, we were conscious of the need to lay a solid foundation from which the FRC would discharge its statutory functions impartially and efficiently, and the importance of adopting the highest standards of corporate governance. The FRC's capacity to operate in an accountable, transparent and independent manner was central to this initial work.

The FRC Secretariat maintains a lean and efficient human resources structure, with a staff of 11, including the CEO, for the first financial year. The team consists of a number of investigators with substantial experience in, and market exposure to, financial reporting standards and listing requirements.

Three highly experienced certified public accountants have agreed to act as our honorary advisers in regard to audit investigations. Our honorary advisers are all seasoned professionals with exceptional expertise in auditing and other accounting-related areas.

Six Panel Convenors and 29 Members were appointed to the Financial Reporting Review Panel by the Chief Executive from 16 July 2007. They are tasked with enquiring into non-compliance with accounting requirements on the part of listed entities. These honorary Members bring to the Panel a range of skills – professional, academic and commercial – from varying backgrounds.

The Council

Seven formal Council meetings were held in 2007, enabling the FRC to perform its functions with maximum efficiency. In addition, Council Members were in frequent contact with the CEO, and other Secretariat staff, to provide advice and guidance on policy and administrative matters.

Four committees have been established to advise the Council on relevant areas of its work: the Operations Committee, Corporate Communications Committee, Tender Committee and Remuneration Committee. All Council Members have participated actively in the affairs of the FRC through these committees.

在制定有關調查工作的政策和程序指引及發展組織架構時，我們深明建立穩固的基礎，能令財務匯報局可公平及有效地執行其法定職能。我們更認同履行最高水平企業管治的重要性，這能令財務匯報局維持問責性、保持透明度及具有獨立運作的能力，這亦是前期工作的重點。

財務匯報局秘書處的人力資源架構精簡而有效率。首個財政年度的職員，包括行政總裁在內，共有十一名。這個團隊中負責調查工作的成員均在財務匯報準則及《上市規則》方面具有豐富的經驗。

我們很榮幸獲得三名資深的會計師答允就審計調查事宜擔當名譽顧問。他們均在審計及其他會計相關方面擁有卓越的專業知識。

行政長官於二零零七年七月十六日委任了一個三十五人的財務匯報檢討委員會，包括六名召集人及二十九名成員，負責就上市實體的財務報告不遵從會計規定的事宜展開查訊。該等不同背景的名譽成員，為委員會帶來了專業、學術及商業方面的超卓才能。

財務匯報局成員

為使財務匯報局以最高效率執行其職能，本局於二零零七年內召開了七次正式會議。此外，本局成員亦與行政總裁及秘書處其他職員保持密切聯繫，在政策及行政事宜上提供意見及指示。

本局成員轄下已成立四個委員會：運作委員會、機構傳訊委員會、投標委員會及薪酬委員會，以就相關事項向本局提供意見。本局成員透過該等委員會，積極參與財務匯報局的事務。

Becoming Fully Operational

The FRC became fully operational on 16 July 2007, after five and a half months of preparatory work.

The Council receives complaints from the public or referrals from other regulators. Since the Council has no disciplinary role, the results/findings of its investigations are passed on to other regulators or law enforcement agencies for them to initiate disciplinary proceedings and/or prosecution actions.

The Council works closely with these regulators, such as, the HKEx, the HKICPA, and the SFC. These bodies refer cases to the FRC for investigation and it is the Council's task to provide evidence that will assist with eventual disciplinary and enforcement action, if necessary. The FRC has set up protocols in the form of Memoranda of Understanding, to facilitate co-operation and to ensure a smooth and effective interface with these bodies. Given the close relationship between Hong Kong and mainland China, and the fact that many Hong Kong-listed entities are based in the Mainland or have substantial investments/business interests there, the FRC is also establishing co-operation channels with the Mainland authorities.

As of 31 December 2007, the Council had received 17 complaints from investors and regulators, with the majority related to non-compliance. All complaints are reviewed by the Secretariat and discussed in Council meetings. The subject of a complaint is given the opportunity to defend his/its position and tell his/its side of the story. To optimise the use of resources, we try to resolve issues without launching a formal investigation or enquiry.

Based on the information obtained from the listed entities or the auditors in the initial review, the Council decides whether to pursue the complaints. In some cases, the subject of the complaint was able to provide a satisfactory explanation and no further action was required. In other cases, the listed entity agreed to rectify the discrepancies voluntarily without the need to initiate an enquiry.

全面運作

經過五個半月的籌備工作，財務匯報局於二零零七年七月十六日正式全面運作。

財務匯報局接受公眾的投訴或其他監管機構轉介的投訴。由於財務匯報局沒有權力執行紀律處分，故其調查結果將轉交予其他監管機構或執法機構，再由該等機構進行紀律訴訟及/或檢控。

財務匯報局與該等監管機構，如港交所、香港會計師公會及證監會等，保持緊密合作。該等機構轉介個案予財務匯報局調查，而財務匯報局的責任是為將予進行的紀律或執法行動提供所需證據。財務匯報局通過在諒解備忘錄內訂立的各項程序，與該等機構保持良好的合作及有效的溝通。由於香港與內地的關係密切，而大部份香港的上市實體以內地為基地或於內地擁有大量投資或商業利益，因此，財務匯報局正與內地有關機關建立合作渠道。

至二零零七年十二月三十一日，財務匯報局共接獲十七宗投資者及監管機構轉介的投訴，大部份投訴關乎不遵從事宜。所有投訴均由財務匯報局秘書處先行審閱，並在財務匯報局成員的會議上討論。被投訴者均獲給予答辯的機會，以解釋有關事宜。為善用資源，財務匯報局在正式展開調查或查訊前，會嘗試以較簡易途徑去解決有關個案。

於初步審閱時，財務匯報局根據上市實體或核數師所提供的資料，決定是否跟進有關投訴。由於部份個案的被投訴者能提供合理的解釋，因此無需採取進一步的行動。而在另一些個案，上市實體自願糾正有關不遵從事宜，因此無需展開查訊。

Of the complaints received, the Council has completed the review of eight cases and decided to initiate one enquiry and one investigation. Most of the complaints we received involved companies doing business in mainland China. The Mainland entities concerned have been helpful in responding to the Council's inquiries.

Community Relations

As a statutory body – and a relative newcomer to Hong Kong's regulatory scene – the FRC is conscious of the need to ensure the public understands its purpose and functions. So image-building is an integral part of our work. We meet with the media and members of the accountancy profession from time to time. We are also active at conferences and seminars, using these platforms as opportunities to explain the Council's role to various professional bodies and institutes. We introduce the FRC and explain the important part we play in fostering the integrity of financial reporting in Hong Kong. Also, the FRC website offers valuable up-to-date information for practitioners, investors and the public.

Looking Ahead

Building the FRC's reputation through effective and transparent performance is one of our top priorities. The Council needs not only to be independent, efficient and accountable. It must also be seen as such.

With an already-solid foundation, the FRC is well placed to be able to perform its duties and fulfil all its legal obligations into the future. We are also sure that the Council's steady presence in Hong Kong will promote confidence in corporate reporting and governance.

We take very seriously our role within the regulatory structure of safeguarding the public interest and raising financial reporting standards. We look forward to working even more closely with regulators including, the HKEx, the HKICPA and the SFC.

於接獲的投訴中，財務匯報局已完成審閱八宗個案，並決定展開一項查訊及一項調查。大部份接獲的投訴涉及於內地經營業務的公司。有關的內地實體對本局的查詢至今均持合作的態度。

公眾關係

作為法定機構及香港監管界別新的一員，財務匯報局關注到需要確保公眾理解本局的目的及職能。因此，我們其中一項主要工作便是建立財務匯報局的形象。我們不時與傳媒及會計行業成員聯絡，並積極參與會議及研討會，透過該等平台，向不同的專業團體及機構介紹財務匯報局的職能。我們一直致力向公眾介紹財務匯報局，並解釋我們在促進香港財務匯報的誠信方面的重要性。此外，財務匯報局的網站，亦為從業員、投資者及公眾提供最新的資料。

展望

我們的首要任務之一是透過有效率及高透明度的工作表現，來建立財務匯報局的信譽。財務匯報局不單需要獨立、高效率及具問責性，同時必須得到公眾的認同。

有了牢固的根基，財務匯報局日後定能執行其職能及履行一切法定責任。我們深信，財務匯報局的穩健存在，將會提高公眾對香港企業匯報及管治的信心。

我們非常重視我們在維護公眾利益及提高財務匯報水準的監管架構中所擔當的角色。我們希望與各監管機構包括港交所、香港會計師公會及證監會保持更緊密的合作。

Appreciation

I would like to thank Members of the Council, the FRRP, and the Advisory Panel for their contributions over the past year. The FRC has a relatively brief history, but our Members and staff have already shown that they are firmly committed to the Council's mission of upholding the integrity of the accounting profession and keeping the financial markets on a strong and firm footing.

In particular, Mr. Gordon Jones, who retired in August 2007, warrants special mention for his valuable work and guidance during the Council's early stages.

The dedication, efficiency and professionalism of our staff members are also much appreciated. It was no small feat for them to ensure the FRC was fully operational within six months – and then to make an impressive start in their investigation and enquiry work. I am extremely proud of the cohesive teamwork I have witnessed over the past year, both within the FRC itself and in our dealings with counterparts – funding bodies and other regulators. The support of these external organizations has been a pivotal factor in our success.

It gives me much satisfaction to be part of a mission that is central to the continued success of Hong Kong as a world financial hub. This mission is crucial not only for the well-being of the investing public, but also the community at large.

致意

本人謹此對財務匯報局成員、財務匯報檢討委員會團及顧問委員會團致謝，並感激他們在過去一年對財務匯報局的貢獻。財務匯報局的歷史雖短，但本局的成員及職員均堅守本局的使命，致力確保會計行業的誠信及為金融市場保持紮實穩固的基礎。

謹此特別鳴謝前成員鍾悟思先生（於二零零七年八月退休）於本局成立初期的寶貴貢獻及指導。

本局成員亦謹此對全體職員的忠誠投入、高效率及專業致謝。財務匯報局能於六個月內開始全面運作，而且調查及查訊工作的起步階段表現令人讚賞，本局職員有極大的功勞。能見證過去一年各職員，不論是在局內或與資助機構及其他監管機構之間合作上所發揮的團隊精神，本人實在引以為傲。這些外界機構的支持，亦是財務匯報局的成功關鍵。

能夠參與讓香港繼續成功維持國際金融中心地位的使命，帶給本人很大滿足感。這使命不單對投資界重要，亦與整個社會的福祉攸關。



Sophia Kao 高靜芝

Chairman 主席



CHIEF EXECUTIVE OFFICER'S REPORT 行政總裁報告

It has been a point of pride and challenge for me to serve as the inaugural Chief Executive Officer of this new and integral statutory body. After taking up the post on 1 February 2007, my major tasks have been spearheading the preparatory work, enabling the FRC to be fully operational on 16 July 2007, and building an effective organization to perform the FRC's statutory functions. I am pleased to report the FRC's progress since its establishment.

Preparation

Preparatory work for the starting up of the FRC included: building the Secretariat, setting up the new office, establishing internal administrative and financial control systems, developing operational procedures and guidelines, constructing the website, and formulating working arrangements with other regulatory bodies. After several months of intense preparation, the FRC was ready for operation on 16 July 2007.

Operational Review

From 16 July 2007 to 31 December 2007, the FRC received 17 complaints. Nine came from the public, eight from other regulators and law enforcement agencies. Five are related to auditing irregularities and 12 non-compliances. The majority

本人獲委任為財務匯報局首任行政總裁，深感榮幸。具有相當重要性的財務匯報局剛成立，擔任它的行政總裁，是對本人的一項挑戰。於二零零七年二月一日上任後，本人的首要任務是領導籌備工作，使財務匯報局能於二零零七年七月十六日全面運作，並建立一個有效的架構，令財務匯報局能有效履行其法定職能。本人欣然報告財務匯報局成立以來的進度。

籌備

成立財務匯報局的籌備工作包括：成立秘書處、設置新的辦事處、制定內部行政及財務監控系統、發展運作程序及指引、設立網站，並與其他監管機構制定合作安排。經過多個月來的緊密籌備工作，財務匯報局終於在二零零七年七月十六日投入運作。

運作檢討

由二零零七年七月十六日至二零零七年十二月三十一日，財務匯報局共接獲十七宗投訴。九宗投訴來自公眾人士，八宗來自其他監管及執法機構。五宗涉及審計的不當行為，另外十二

After taking up the post on 1 February 2007, my major tasks have been spearheading the preparatory work, enabling the FRC to be fully operational on 16 July 2007, and building an effective organization to perform the FRC's statutory functions.

於二零零七年二月一日上任後，本人的首要任務是領導籌備工作，使財務匯報局能於二零零七年七月十六日全面運作，並建立一個有效的架構，令財務匯報局能有效履行其法定職能。

M.T. Shum *Chief Executive Officer*
沈文燾 行政總裁

of complaints relate to small market capitalization listed entities with businesses based in the Mainland. There were three complaints not within the jurisdiction of the FRC and they have not been included in our statistics.

We are well aware that there is significant public expectation for the FRC to produce results within the shortest possible time after receiving complaints. The progress so far is encouraging.

The Secretariat has completed reviewing most of the complaints within six weeks. This six-week period includes the time it takes to seek information from the listed entities and auditors being complained against. Up to the end of 2007, the Council decided not to pursue three complaints of non-compliance, either because the listed entities concerned were able to provide satisfactory explanations or because there were misunderstandings in the complaints. Two complaints have been referred to other enforcement agencies. Nine complaints are still under review.

In its meeting on 31 October 2007, the Council decided to initiate one investigation and one enquiry, the first and only ones in 2007. It is still too early to say for sure when these cases will be closed, but I am fully confident that they will not last beyond 2008.

宗涉及不遵從事宜。大部份投訴均與市值較小而業務設於內地的上市實體有關。尚有三宗投訴因並非屬於財務匯報局的管轄範圍，故並沒有計入財務匯報局的統計數字內。

財務匯報局深明公眾人士期望我們於接獲投訴後，能於最短時間內得出結果。至今的進度令人鼓舞。

大部份的投訴個案，財務匯報局秘書處均於六個星期內完成審閱。這六個星期已包括向被投訴的上市實體及核數師索取資料的時間。截至二零零七年年底，財務匯報局成員決定終止跟進三宗不遵從事宜的投訴，原因是涉及的上市實體能提供合理解釋或該等投訴是因誤會而起。兩宗投訴已轉交予其他執行機構跟進，九宗投訴仍在審閱中。

於二零零七年十月三十一日的會議中，財務匯報局成員決定展開一項調查及一項查訊，兩項皆是二零零七年的第一宗及唯一的一宗。現階段尚未能肯定該等個案完結的時間，但本人深信能於二零零八年內完成。

It is our intention to resolve issues and achieve results in the most efficient and effective manner. This means that, most of the time, we aim to arrive at a fair solution without instituting formal procedures of investigation or enquiry. We have largely been able to do that. In one of the complaints we received, the listed entity, upon receipt of our informal inquiry letter, responded promptly and put up a clarification announcement immediately to rectify the non-compliance. The whole issue was resolved within 17 days.

It is worthwhile to mention that the authority of the FRC has been recognized by listed entities and the accounting profession. This recognition comes in the form of timely responses from listed entities, including listed entities whose businesses are based in the Mainland, and auditors, requested to provide information for the facilitation of FRC functions. As a newly established financial regulator, fluid co-operation from the accounting profession and listed entities is very encouraging.

Co-operation with Other Regulators and Law Enforcement Agencies

The FRC does not stand alone as a regulator. It is one of the integral elements in the regulatory framework of the accountancy profession and in the financial reporting of Hong Kong-listed entities. We must work with other regulators to uphold the standard of financial reporting. The FRC has engaged in dialogues with a number of regulators to set up co-operation protocols in the form of Memoranda of Understanding (MoUs). As of 31 December 2007, the FRC has signed MoUs with the SEHK, the HKMA, the Insurance Authority, and the SFC. The FRC is in the process of finalizing a MoU with the HKICPA. Details of the memoranda of understanding are available on the FRC website.

The FRC is in close contact with local law enforcement agencies, such as the Hong Kong Police and the ICAC. Also, the FRC has developed contacts with mainland China regulators, including the CICPA, the CSRC, and the MoF.

Financial Review

The FRC is funded by the Companies Registry Trading Fund, the HKEx, the HKICPA, and the SFC. The four parties each contributes an annual amount of HK\$ 2.5 million as the recurrent funding for the first three years of operation and a lump-sum amount of HK\$ 5.0 million for a reserve fund of HK\$ 20.0 million. The reserve fund is to be used to meet any inadequacies of the

財務匯報局希望以最有效的方式，盡快解決每宗個案並得出結果。換言之，本局希望大部份個案能達至公平的解決方案，而無需正式展開調查或查訊。本局大致上都能做到這點。於接獲的其中一宗投訴中，有關上市實體於接獲本局的非正式詢問函件後，迅速回應並即時發表澄清公佈以糾正不遵從事宜，整個個案於十七日內得以解決。

值得一提的是財務匯報局的職權受到上市實體及會計界的認同。上市實體，包括於內地經營業務的上市實體，及核數師絕大部份皆迅速回應，及應要求提供資料，以便財務匯報局履行職能，這印證各方認同財務匯報局的角色。作為新成立的財務監管機構，獲得會計界及上市實體的通力合作，實在令人鼓舞。

與其他監管機構及執法機構合作

財務匯報局不是一個單獨的監管機構，而是會計界及香港上市實體的財務匯報監管架構中不可或缺的一環。財務匯報局必須與其他監管機構衷誠合作，以維持財務匯報水準。財務匯報局曾與多個監管機構進行討論，並以諒解備忘錄的形式訂立合作協議。截至二零零七年十二月三十一日，財務匯報局已經與聯交所、金管局、保險業監督及證監會簽署諒解備忘錄。而與香港會計師公會簽署的諒解備忘錄，亦快將落實。有關諒解備忘錄的詳情載於財務匯報局網站。

財務匯報局與本地執法機構，例如香港警務處及廉政公署，保持緊密聯繫。此外，財務匯報局已與中國內地監管機構，包括中國註冊會計師協會、中國證監會及財政部接觸。

財務回顧

財務匯報局的經費由四間機構分攤，它們是公司註冊處營運基金、港交所、香港會計師公會及證監會。每個機構每年投入二百五十萬港元作為財務匯報局首三年的經常性開支，而每個機構更一筆過投入五百萬港元（合共二千萬港元）作為儲備金。儲備金用以應付經常性開

recurrent funding and other exigencies of circumstance. The funding requirements afterward will be reviewed later.

Contributions from the four parties, the FRC's primary sources of income, totaled HK\$ 30 million for the period. There were interest incomes of HK\$ 1.01 million. As the FRC was fully operational for only part of the year, total expenditure for the period was HK\$ 5.46 million and it has recorded a surplus of HK\$ 25.55 million for the period from 1 December 2006 to 31 December 2007.

Major spending for the period included staff costs of HK\$ 4.29 million, legal and professional fees of HK\$ 0.16 million, and staff recruitment expenses of HK\$ 0.49 million, representing 79%, 3% and 9% of total expenditure, respectively.

The Companies Registry Trading Fund provides the FRC's office space, in Queensway Government Offices, for free.

When the concept of the FRC was being discussed and deliberated in Legislative Council, many thought that HK\$10 million per annum would not be sufficient to achieve the FRC's objectives. After six months, it is reasonable to assume that the proposed budget was appropriate and not too far off the mark, provided that the workload stays at the past several months' level.

Appreciation

The primary reasons for being able to operate within our budget are because we have a Council making clear and timely decisions, we have a set of streamlined operational procedures, and, most of all, we have a team of devoted staff working together.

I would like to acknowledge the dedication and diligence of my colleagues. I appreciate the commitment it took to get the FRC up and running and I thank them for making it happen. These are some of the most committed professionals I have ever worked with and I could not have asked for a better team. It is a great pleasure to work with people whom I regard as friends.

支不足或其他緊急情況。期後的需要撥款，將再作檢討。

財務匯報局的主要收入來源為四間機構的撥款，期內合共三千萬港元，另利息收入約一百萬港元。財務匯報局全面運作不足一年，期內的總開支為五百四十六萬港元。於二零零六年十二月一日至二零零七年十二月三十一日期間錄得盈餘二千五百五十五萬港元。

期內的主要開支包括四百二十九萬港元的員工成本、十六萬港元的法律及專業費用及四十九萬港元的員工招聘開支，分別佔總開支的百分之七十九、百分之三及百分之九。

財務匯報局位於金鐘道政府合署的辦事處由公司註冊處營運基金免費提供。

當財務匯報局的概念於立法會上討論及考慮時，大部份人士均認為每年一千萬港元不足以讓財務匯報局達成其目標。經過六個月的運作，倘若未來的工作量與過去幾個月的水平相若，本人相信當初建議之預算是合理的，與實際需要相距不遠。

致謝

財務匯報局之所以能於預算內運作，主要原因是本局成員能作出清晰及迅速的決定，財務匯報局的運作程序精簡，最重要的是有一班盡心盡力的員工。

本人謹此向各同僚勤奮工作並作出貢獻致以衷心謝意，並感激各人致力使財務匯報局順利運作，令高效率的目標得以實現。財務匯報局的同僚是本人所合作過最有使命感的專業人員，本人面對如此優秀的團隊實在別無所求。與這些我視為朋友的朋友合作，本人感到非常愉快。



M.T. Shum 沈文燾
Chief Executive Officer 行政總裁

ABOUT THE FRC 關於財務匯報局

Why has the FRC been established?

為甚麼要成立財務匯報局？

The establishment of the FRC is a significant step toward enhancing the standards of financial reporting and corporate governance in Hong Kong.

Quality and reliable financial reporting is crucial to maintaining Hong Kong as an international financial hub and as the leading overseas fund raising center for mainland China. Moreover, it increases investor confidence, strengthens market robustness, reduces investment risk, and decreases cost of capital.

While company directors are responsible for true and fair presentation of the financial statements, auditors — as the first line of defense against defective financial reporting—are required to determine whether the financial statements are indeed true and fair.

The accounting and auditing profession in Hong Kong is self-regulated and the HKICPA plays a vital role. Following the high-profile corporate scandals in the United States and the suspected cases of false financial reporting by listed entities in Hong Kong, the public became concerned about the effectiveness of regulation by the auditing and accounting profession. This creates a need for an independent regulator.

The United Kingdom and Australia each established their own Financial Reporting Council as an oversight body to promote corporate reporting and governance. Similarly, the United States set up the Public Company Accounting Oversight Board to oversee public entity auditing and to safeguard investor interests.

In Hong Kong, after the FRC Ordinance was enacted on 13 July 2006, the FRC, which is independent from the accounting profession, was established on 1 December 2006 and became fully operational on 16 July 2007.

Ms. Sophia Kao, J.P.
高靜芝女士, J.P.

財務匯報局的成立是提高香港財務匯報標準及企業管治的重要一步。

優質及可靠的財務匯報，對維持香港作為國際金融中心及內地商業機構的主要集資中心至為關鍵。此外，亦有助增加投資者信心、加強市場穩健性、減少投資風險和減少資本成本。

公司的董事負責真實而中肯地列報其財務報表；而核數師作為防止財務匯報失實之第一防線，則負責判定財務報表是否真實而中肯。

香港會計及審計專業是自我監管的，而香港會計師公會擔當其中重要角色。繼美國爆發備受矚目的企業醜聞及香港上市實體涉嫌虛報財務匯報事件，公眾開始關注監管審計及會計行業的有效性，又要求對會計行業有較獨立的監管。

英國及澳洲已各自成立其財報匯報局，作為提倡企業匯報及企業管治的監管機構。同樣地，美國成立了上市公司會計監督委員會，以監管公眾實體的審計及保障投資者的利益。

在香港，繼《財務匯報局條例》於二零零六年七月十三日頒佈後，獨立於會計行業的財務匯報局於二零零六年十二月一日成立，並於二零零七年七月十六日開始全面運作。

Whom and how does the FRC regulate?

財務匯報局監管何人及如何進行監管？

The FRC has taken over, from the HKICPA, the investigation of auditing and reporting irregularities of listed entities. Furthermore, the FRC is responsible for enquiring into non-compliances of listed entities' financial reports — a new regulatory function in Hong Kong. The Council may initiate investigations or enquiries upon receipt of complaints or on its own initiative.

The FRC is not empowered to discipline or prosecute. Any auditing or reporting irregularity found is referred to the HKICPA, or other professional bodies,

Mr. M.T. Shum, S.B.S.
沈文燾先生, S.B.S.



for disciplinary action. In cases of fraud, a referral is made to law enforcement agencies such as the Hong Kong Police or the ICAC. If a non-compliance is identified, the FRC may request the listed entity to revise the financial reports. Depending on the specific circumstances, the FRC may seek a court order to mandate rectification or refer the case to enforcement agencies, including the HKEx or the SFC, for follow-up action.

財務匯報局取代香港會計師公會調查上市實體在審計及匯報方面的不當行為。此外，財務匯報局負責就上市實體沒有遵從財務匯報規定的事宜展開查訊，為香港新設立的監管職能。財務匯報局成員可根據接收到的投訴展開調查或查訊，亦可作出主動調查或查訊。

財務匯報局沒有權力執行紀律處分或檢控。任何審計或匯報不當行為的個案將會轉交予香港會計師公會或其他專業機構，以作紀律處分。如屬欺詐案件，將轉交予執法機構如香港警務署或廉政公署。如發現不遵從事宜，財務匯報局可要求上市實體糾正該財務報告。視乎具體情況，財務匯報局可向法庭申請一項命令要求糾正或將有關案件轉交執行機構，包括港交所或證監會進行跟進。

What makes the FRC effective?

如何使財務匯報局有效執行工作？

The FRC is given wide statutory powers to perform its functions. Also, it possesses the professional expertise to investigate possible irregularities and to enquire into possible non-compliances.

The two investigative arms of the FRC are the AIB and FRRP.

The AIB, chaired by the Chief Executive Officer and supported by full-time staff who are all experienced certified public accountants, conducts all investigations.

Honorary advisers are appointed to provide advice on investigation cases. They are distinguished and reputable individuals in the accounting profession with exceptional expertise in auditing.

In cases of possible non-compliance, an FRRC is appointed by the Council from members on the FRRP to conduct an enquiry. FRRP members, appointed by the Chief Executive, come from different backgrounds and disciplines, including business leaders, scholars, and accountants.

The Council has an oversight role in investigations carried out by the AIB and enquiries performed by the FRRCs. Furthermore, it approves their terms of reference, prescribes the direction of their work, oversees their activities, and receives reports on their findings.

財務匯報局獲賦予廣泛法定權力以執行其職責。此外，本局亦同時具有專業知識就可能的不當行為展開調查及就可能的不遵從事宜展開查訊。

財務匯報局屬下負責調查及查訊工作的兩個部門為審計調查委員會及財務匯報檢討委員會。

審計調查委員會的主席由行政總裁擔任，由全職及經驗豐富的會計師進行調查事宜。

由財務匯報局委任的名譽顧問專責為調查個案提供意見。他們乃會計行業內傑出及享有名望的人士，並具有超卓的審計專業知識。

如屬可能不遵從事宜，財務匯報局成員將從財務匯報檢討委員會成員內委任一個財務匯報檢討委員會，以展開查訊。財務匯報檢討委員會的成員由行政長官委任，他們來自不同背景及專業，包括商界領袖、學者及會計師。

財務匯報局成員擔當監察審計調查委員會進行調查及財務匯報檢討委員會進行查訊的角色。此外，本局成員負責訂定它們的職權範圍、制定其工作方向、監管其運作及收取其調查或查訊結果的報告。

How does the FRC handle complaints? **財務匯報局如何處理投訴？**

Complaints are treated in strict confidence and are handled as soon as practicable. Upon receipt of a complaint, an acknowledgement is issued to the complainant.

The Secretariat performs a preliminary assessment to determine whether the allegation is within the jurisdiction of the FRC. If the allegation relates to potential breaches of other regulations, for example listing rules or SFC codes, the Council will refer the complaint to the relevant regulator. For complaints outside the scope of the FRC Ordinance, a reply to inform the complainant is issued immediately.

After the initial assessment, an officer is assigned to review the allegation in detail. More specifically, the officer reviews information provided by the complainant and any information already in the public domain. During the review process, the officer may also need to communicate with the relevant listed entity, its auditor, and/or the complainant to obtain additional information. Based on the result of the review, the officer presents the case to the Council. The Council reviews and discusses each case in an impartial manner, and then decides whether an investigation or an enquiry is required.

投訴個案均會被高度保密並盡快處理。接獲投訴後，財務匯報局會致函通知投訴者收到有關投訴。

秘書處負責初步評估投訴是否屬於財務匯報局的管轄範圍內。如投訴有可能關於違反其他規則，如《上市規則》或證監會守則，本局將轉介該投訴予有關監管機構。如投訴不屬於《財務匯報局條例》的範圍內，本局將盡快通知投訴者有關情況。

於初步評估後，秘書處會指派專員審閱投訴的詳情。專員更會具體地審閱投訴者提供的資料及任何已公開的資料。在審閱過程中，專員可能會要求有關上市實體、

其核數師、及/或投訴人提供進一步資料。根據審閱結果，專員將把個案呈報本局成員。本局成員會公正地審閱及討論每個個案，並決定是否需要對個案展開調查或查訊。

What has the FRC achieved so far? **財務匯報局至今有何成就？**

The FRC has experienced a promising start and has received co-operative responses from the accounting profession and from listed entities in Hong Kong. Most of the non-compliance cases have been successfully resolved without having to initiate formal enquiries. With collaboration from the profession, maximal results have been achieved while utilizing minimal resources.

The FRC has established a clear framework for communication and cooperation with different regulators in Hong Kong through the signing of MoUs. The MoUs also mean there is an effective referral mechanism and no duplication of work between regulators.

財務匯報局的工作有一個良好開始，並得到會計行業及香港上市實體的合作。大部份有關不遵從事宜的個案於未正式展開查訊前已獲得成功解決。在會計行業的通力合作下，財務匯報局能以最少的資源，達致最大的成效。

財務匯報局透過與香港不同的監管機構簽訂諒解備忘錄，以建立清晰的溝通及合作架構。諒解備忘錄亦提供有效的轉介機制及確保監管機構之間沒有工作重疊。

FRC MEMBERS

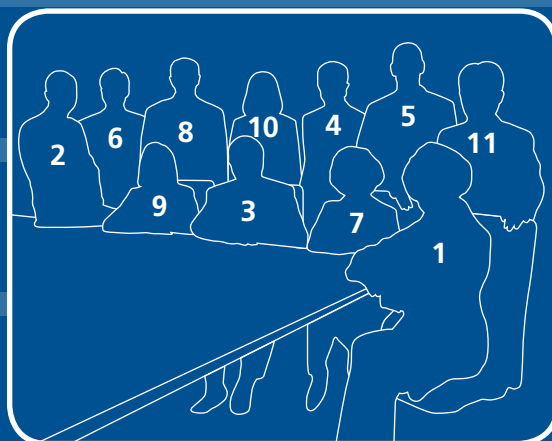
財務匯報局成員

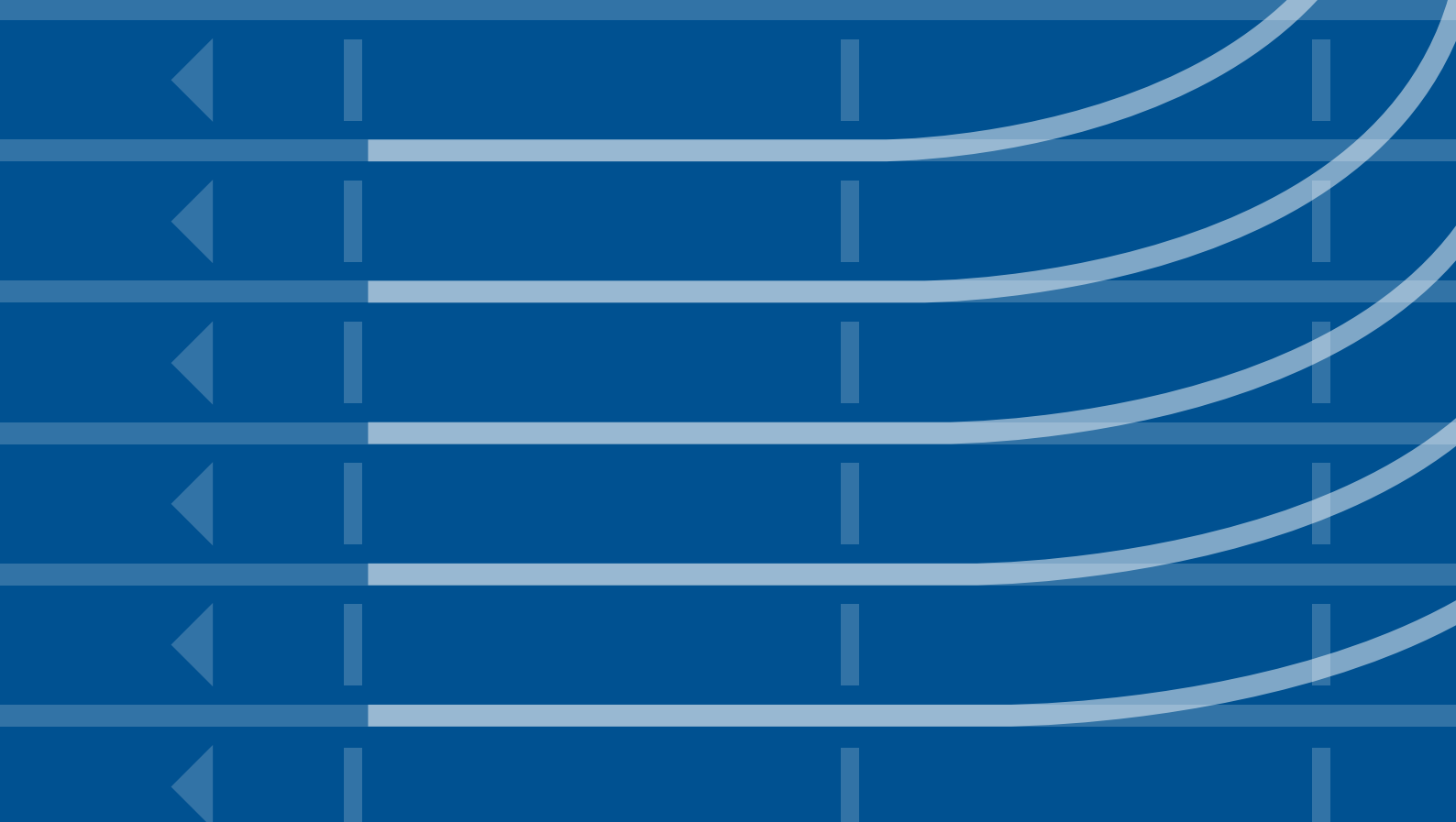
Chairman 主席

1. Ms. Sophia Kao, J.P.
高靜芝女士, J.P.

Members 成員

2. Mr. Bunny Chan, B.B.S., J.P.
陳振彬先生, B.B.S., J.P.
3. Mr. Moses Cheng, G.B.S., J.P. (appointed on nomination of HKEx)
鄭慕智先生, G.B.S., J.P. (由港交所提名)
4. Mr. Mark Dickens, J.P. (appointed on nomination of SFC)
狄勤思先生, J.P. (由證監會提名)
5. Mr. Martin Hadaway
Martin Hadaway 先生
6. Dr. P.M. Kam (appointed on nomination of HKICPA)
甘博文博士 (由香港會計師公會提名)
7. Hon. Mrs. Sophie Leung, G.B.S., J.P.
梁劉柔芬議員, G.B.S., J.P.
8. Mr. Vernon Moore, B.B.S.
莫偉龍先生, B.B.S.
9. Prof. Judy Tsui
徐林倩麗教授
10. Ms. Ada Chung (ex-officio)
鍾麗玲女士 (當然成員)
11. Mr. M.T. Shum, S.B.S. (ex-officio)
沈文燾先生, S.B.S. (當然成員)





The Council

The Council comprises two ex-officio members and nine other members appointed by the Chief Executive. Council Members in meeting exercise powers and perform functions in accordance with the provisions of the FRC Ordinance. Its functions include:

- receiving complaints concerning irregularities and non-compliances of listed entities;
- investigating irregularities or enquiring into non-compliances in response to complaints or otherwise;
- referring to specified bodies cases or complaints concerning irregularities or non-compliances; and
- approving and overseeing policies and activities for the performance of its legal functions.

財務匯報局

財務匯報局由兩位當然成員及九位由特別行政長官委任的成員組成。財務匯報局成員會議，根據《財務匯報局條例》，行使權力及執行職能。其職能包括：

- 接受關乎上市實體的有關不當行為及不遵從事宜的投訴；
- 回應投訴或在其他情況下，調查有關不當行為或查訊有關不遵從事宜；
- 將有關不當行為或不遵從事宜的個案或投訴轉交指明團體跟進；及
- 批准及監督局內的政策及活動，以執行其法定職能。

Chairman 主席

Ms. Sophia Kao, J.P.

高靜芝女士, J.P.

(appointed on 1 December 2006) (於二零零六年十二月一日獲委任)

Ms. Kao possesses rich experience in human resources management, and was a lay member of the council of the HKICPA from December 2004 to November 2006. She is now the Chairperson of the Women's Commission.

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

Members 成員

Mr. Bunny Chan, B.B.S., J.P.

陳振彬先生, B.B.S., J.P.

(appointed on 1 October 2007) (於二零零七年十月一日獲委任)

Mr. Chan is the Chairman of Prospective Holdings Ltd. He is also the Chairman of the Kwun Tong District Council (Third Term) and is currently serving on a number of Government committees.

陳先生是寶的集團有限公司主席，他亦是第三屆觀塘區議會主席及多個政府委員會的成員。

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

鄭慕智先生, G.B.S., J.P.

(appointed on 1 December 2006 on nomination of HKEx) (於二零零六年十二月一日由港交所提名委任)

Mr. Cheng is the senior partner of PC Woo & Co. He is a director of the HKEx and has extensive experience in the Listing Committee of the SEHK.

鄭先生是胡百全律師事務所的首席合夥人，也是港交所的董事，並就聯交所上市委員會的事務擁有豐富經驗。

Mr. Mark Dickens, J.P.

狄勤思先生, J.P.

(appointed on 1 December 2006 on nomination of SFC) (於二零零六年十二月一日由證監會提名委任)

Mr. Dickens has extensive experience in the regulation of securities and futures markets, and was previously an executive director of the SFC from January 1997 to March 2005.

狄勤思先生對證券及期貨市場的監管有豐富經驗，他曾於一九九七年一月至二零零五年三月期間為證監會執行董事。

Mr. Martin Hadaway

Martin Hadaway 先生

(appointed on 1 December 2006) (於二零零六年十二月一日獲委任)

Mr. Hadaway is formerly the Chief Executive of Gammon Construction Limited and is the principal of Sunridge Management Limited. He is a Fellow of the Hong Kong Institution of Engineers and a member of the Vocational Training Council.

Hadaway先生曾任金門建築有限公司的行政總裁，現任Sunridge Management Limited總裁。他是香港工程師學會資深會員和職業訓練局成員。

Dr. P.M. Kam**甘博文博士**

(appointed on 1 December 2006 on nomination of HKICPA) (於二零零六年十二月一日由香港會計師公會提名委任)

Dr. Kam is a certified public accountant. He is the Group Financial Controller of Jardine Matheson Limited. He is a member of the Operations Review Committee of the Independent Commission Against Corruption and the Standards Advisory Council of the International Accounting Standards Board. He was the President of the then Hong Kong Society of Accountants (now renamed the HKICPA) in 1999 and 2000.

甘博士是一名會計師。他是怡和管理有限公司集團財務總監。現任廉政公署審查貪污舉報諮詢委員會及國際會計準則理事會準則顧問委員會成員。他曾在二零零零年及二零零零年出任香港會計師公會會長。

Hon. Mrs. Sophie Leung, G.B.S., J.P.**梁劉柔芬議員, G.B.S., J.P.**

(appointed on 1 December 2006) (於二零零六年十二月一日獲委任)

Mrs. Leung is a member of the Legislative Council representing the Textile and Garment constituency and the Chairperson of The Young Entrepreneurs Development Council (YDC).

梁劉柔芬議員是代表紡織及製衣界的立法會議員及青年企業家發展局主席。

Mr. Vernon Moore, B.B.S.**莫偉龍先生, B.B.S.**

(appointed on 1 December 2006) (於二零零六年十二月一日獲委任)

Mr. Moore is an executive director of CITIC Pacific Limited, and a non-executive director of Cathay Pacific Airways Limited and an independent non-executive director of CLP Holdings Limited. He has served as a council member of the then Hong Kong Society of Accountants and as a member of the Listing Committee of the SEHK. He is a certified public accountant.

莫偉龍先生是中信泰富有限公司的執行董事，亦是國泰航空公司的非執行董事及中電控股有限公司的獨立非執行董事。他曾任香港會計師公會理事會成員及聯交所上市委員會成員。他是一名會計師。

Prof. Judy Tsui**徐林倩麗教授**

(appointed on 1 December 2006) (於二零零六年十二月一日獲委任)

Prof. Tsui is the Associate Vice President and Dean of the Faculty of Business at the Hong Kong Polytechnic University, and has published widely on corporate governance. She was a council member of the then Hong Kong Society of Accountants from December 2001 to December 2004. Prof. Tsui is a certified public accountant.

徐林倩麗教授是香港理工大學協理副校長及工商管理學院院長，並曾就企業管治廣泛發表學術論著。她在二零零一年十二月至二零零四年十二月期間曾任香港會計師公會理事會成員。徐林倩麗教授是一名會計師。

Mr. Gordon W. E. Jones, J.P. (ex-officio)**鍾悟思先生, J.P.(當然成員)**

(from 1 December 2006 to 26 August 2007) (由二零零六年十二月一日至二零零七年八月二十六日)

Mr. Jones was the Registrar of Companies and served as an ex-officio Council member until 26 August 2007.

鍾悟思先生曾為公司註冊處處長，並於二零零七年八月二十六日前為委員會當然成員。

Ms. Ada Chung (ex-officio)**鍾麗玲女士(當然成員)**

(from 1 October 2007) (由二零零七年十月一日起)

Ms. Chung is both a certified public accountant and a barrister-at-law. Before her appointment as the Registrar of Companies on 27 August 2007, she was a Deputy Law Officer of the Department of Justice. Ms. Chung has joined the Civil Service since 1981.

鍾女士是一名會計師及大律師。她於二零零七年八月二十七日獲委任為公司註冊處處長，前為律政司副民事法律專員。鍾女士於一九八一年加入政府工作。

Mr. M.T. Shum, S.B.S. (ex-officio)**沈文燾先生, S.B.S.(當然成員)**

(from 1 February 2007) (由二零零七年二月一日起)

Mr. Shum is the Chief Executive Officer of the FRC. He is a certified public accountant and was the Director of Accounting Services from February 1999 to October 2003. He has served as an ex-officio council member of the then Hong Kong Society of Accountants for over 4 years.

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

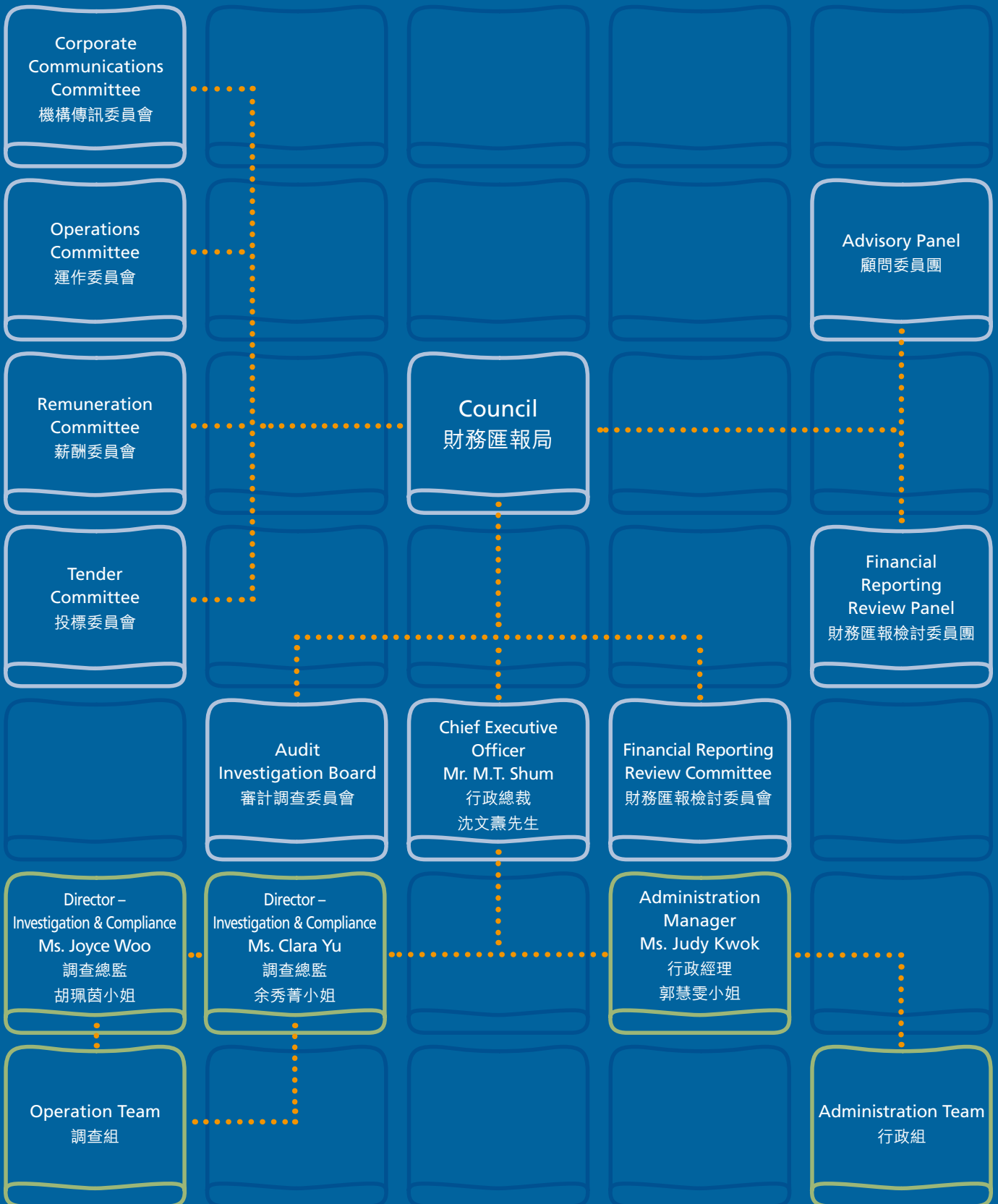
Team Work

群策群力



ORGANIZATION STRUCTURE

組織架構



Clear Goal

目標明確



CORPORATE GOVERNANCE

企業管治

The FRC recognizes the importance of good corporate governance and believes that it is able to perform its regulatory role effectively and efficiently by maintaining a high standard of corporate governance and pursuing excellence.

In the development of its corporate governance framework, the FRC has referenced the best practices adopted by public entities, “Governance in the Public Sector: A Governing Body Perspective, Study 13”, issued by the International Federation of Accountants.

The set up of the governance framework covers different areas: from the governing body to operational issues to human resources arrangement. In order to fulfill its public responsibility, the FRC is aware of the importance of transparency in its activities. Complaint statistics and the annual report are all released, on a timely basis, to ensure up-to-date communication with the public. The performance of the FRC, in each individual area, is discussed in more detail in the following sections.

Independence

The FRC’s credibility rests on its independence from the accounting profession. Furthermore, its independence is reinforced by funding that comes from four autonomous parties: the Companies Registry Trading Fund, the HKEx, the HKICPA, and the SFC. Also, the FRC is governed by the Council and the majority of Council Members are lay members, i.e. non-accountants, including the Chairman.

Transparency

The FRC has a commitment to openness and transparency in all of its activities, subject to the need for preserving confidentiality as required by the FRC Ordinance. Operations are reported to the public through press releases and statistics published on the website. Since the commencement of operation, complaint statistics have been updated on a monthly basis. The operating procedures governing complaints, investigations and enquiries are available on the website. Upon completion of an investigation or enquiry, the Council may decide to publish the investigation or enquiry reports. At times, only a part of the report, summarizing the findings of an investigation or enquiry, is published. Under the FRC Ordinance, the Council is required to consider whether publication of the report would affect any professional or legal proceedings, whether publication would adversely affect any people, and whether it is in the public interest to do so.

財務匯報局深明良好企業管治的重要性，並相信維持高水平的企業管治及不斷追求卓越，能確保有效及高效率地履行其監管職能。

建立企業管治架構時，財務匯報局已參考被視為公眾實體接納的最佳常規－國際會計師聯合會發表的《公共部門的管治：管治機構的角度，第十三號研究報告》“Governance in the Public Sector: A Governing Body Perspective, Study 13”。

管治架構涵蓋多方面，包括管治機構本身，其運作事宜，以及在人力資源方面的安排。為履行其公眾責任，財務匯報局明白到保持其運作的透明度的重要性。因此，所有投訴統計數字及年報均準時公布及刊發，以確保公眾能獲得最新的資訊。以下各段說明了財務匯報局於各個範疇的表現。

獨立性

財務匯報局的誠信建基於其獨立於會計行業的地位。此外，因其經費來自四個獨立營運的機構：公司註冊處營運基金、港交所、香港會計師公會及證監會，其獨立性得以進一步鞏固。財務匯報局由財務匯報局成員負責監管其運作，大部份成員，包括主席在內，均為業外人士，即非會計師。

透明度

財務匯報局需保持其所有運作的公開及透明度，亦需要遵守《財務匯報局條例》的保密規定。財務匯報局透過新聞公報及刊登於網站內的統計數字，向公眾匯報其運作情況。自開始運作以來，每月均有更新投訴的統計數字。有關投訴、調查及查訊的運作程序可於網站內查閱。於調查或查訊完成後，財務匯報局可決定發表調查或查訊報告，或只發表該報告的撮要。根據《財務匯報局條例》，財務匯報局須考慮發佈該報告是否可能影響任何專業或法律程序的進行；是否可能對任何人士有不利的影響；及是否符合公眾利益。



At the media reception held on 12 July 2007, the Financial Reporting Council announced that it would become fully operational on 16 July 2007.

於2007年7月12日舉行的傳媒茶敘上，財務匯報局宣佈於2007年7月16日正式全面投入運作。

Complainants will, in most cases, be informed of the outcomes of their complaints unless in exceptional circumstances (such as when the case is being investigated by other regulators and/or law enforcement agencies).

The Council

The Council, the highest governing board, is responsible for carrying out the functions of the FRC, as set out in the FRC Ordinance, and for the management and control of the FRC. Moreover, it is currently comprised of 11 members — eight members are appointed by the Chief Executive for a three-year term from 1 December 2006, and another member is appointed for the period from 1 October 2007 to 30 November 2009. Three of the appointed members are nominated respectively by the HKEx, the HKICPA, and the SFC. There are two ex-officio members — the Registrar of Companies, or his representative, and the Chief Executive Officer of the FRC.

The FRC Ordinance provides that a majority of the Council Members (including the non-executive Chairman) shall be lay persons. As of 31 December 2007, six Council Members, including the Chairman, are lay persons.

除特別情況外，例如個案已交由其他監管機構及 / 或執法機構進行調查，財務匯報局都會將大部份個案的投訴結果通知投訴者。

財務匯報局成員

財務匯報局成員為財務匯報局的最高管治層，專責執行根據《財務匯報局條例》的有關職能，以及管理及控制財務匯報局。本局現時由十一名成員組成，其中九名成員由行政長官委任。八名委任成員任期由二零零六年十二月一日起生效，為期三年。其餘一名委任成員的任期為二零零七年十月一日至二零零九年十一月三十日。其中三名委任成員是由港交所、香港會計師公會及證監會提名。本局成員中，有兩名當然成員，為公司註冊處處長或其代表及財務匯報局行政總裁。

根據《財務匯報局條例》，本局成員內超過半數的成員，包括主席在內，須為業外人士。於二零零七年十二月三十一日，包括主席在內，共有六名成員為業外人士。



Meeting with the delegates of the Ministry of Finance, led by Mr. Wang Jun, the Vice Minister, on 5 December 2007.

於2007年12月5日，與由王軍副部長帶領的財政部代表團舉行會議後的合照。

Council Members, other than the Chief Executive Officer, are not remunerated.

The meetings and proceedings of the Council are set out under the FRC Ordinance. The Council meets once every two months and holds additional meetings as necessary. Also, it resolves matters by circulation of papers. All important policies and matters are deliberated and decided by the Council.

Council Members receive timely and adequate information enabling them to consider issues to be discussed at Council meetings. Management accounts are submitted to the Council for information and review at every Council meeting.

The Chief Executive Officer is responsible for executing the Council's policies and decisions and is charged with the effective day-to-day management and operation of the FRC. The CEO reports regularly to the Council on operational matters and provides advice to the Council.

Council Meetings

The following table summarizes the attendance of Council Members during the period from 1 December 2006 to 31 December 2007.

本局成員，除行政總裁外，均沒有接受酬金。

《財務匯報局條例》列明財務匯報局的會議及程序。本局成員每兩個月舉行一次會議，亦會按需要而召開額外會議。此外，本局成員可以以書面傳閱方式進行議決。所有重要政策及事宜必須經過本局成員的討論及批准。

各成員均準時獲得充足的資料，以便於本局會議上討論。在每次會議上，各成員均收到管理帳目，以供參考及審閱。

行政總裁負責執行本局成員的政策及決定，並負責財務匯報局日常的管理及運作。行政總裁會定期向本局成員匯報財務匯報局的運作事宜及提供意見。

財務匯報局成員會議

以下為財務匯報局成員於二零零六年十二月一日至二零零七年十二月三十一日會議出席率。



Ms. Sophia Kao spoke at the Institute of Chartered Accountants in England and Wales and HKICPA Conference on 24 October 2007.

在2007年10月24日，高靜芝女士於英格蘭及威爾士特許會計師協會與香港會計師公會聯合舉辦的研討會上作主題發言。

Number of meetings 會議次數	7	
Sophia Kao (Chairman) 高靜芝 (主席)	7/7	100%
Bunny Chan (note 1) 陳振彬 (附註1)	2/2	100%
Moses Cheng 鄭慕智	4/7	57%
Mark Dickens 狄勤思	6/7	86%
Martin Hadaway	7/7	100%
P.M. Kam 甘博文	6/7	86%
Sophie Leung 梁劉柔芬	5/7	71%
Vernon Moore 莫偉龍	4/7	57%
Judy Tsui 徐林倩麗	4/7	57%
Registrar of Companies or his representative (note 2) 公司註冊處處長或其代表 (附註2)	7/7	100%
M.T. Shum (CEO) 沈文燾 (行政總裁)	7/7	100%
Average attendance of meetings 平均會議出席率	83%	

Notes :

1. Membership from 1.10.2007
2. Mr. Gordon Jones retired as the Registrar of Companies on 26.8.2007 and Ms. Ada Chung assumed the post of Registrar of Companies from 27.8.2007

附註：

1. 任期由二零零七年十月一日開始。
2. 鍾悟思先生曾為公司註冊處處長，於二零零七年八月二十六日退休。鍾麗玲女士為現任公司註冊處處長，於二零零七年八月二十七日上任。

Code of Conduct

The FRC is cognizant of its role and obligation to the public. It requires a high level of integrity from its staff and anyone who performs a function under the FRC Ordinance. All FRC staff members are subject to a Code of Conduct placing them under specific obligations of ethics and principles while performing the FRC functions. The standards of conduct — with regards to conflicts of interest, confidentiality, and personal investments — are set out in the Code of Conduct.

操守守則

財務匯報局深知其角色及公眾責任，因此要求本局職員及任何根據《財務匯報局條例》履行其職能的人士擁有高度誠信。所有財務匯報局的職員於履行財務匯報局職能時，須遵守操守守則，以負上特定的道德責任。有關利益衝突、保密及個人投資的操守準則均已載於操守守則內。



Mr. M.T. Shum spoke at the Association of Chartered Certified Accountants Annual Conference 2007 on 23 June 2007.

在2007年6月23日，沈文燾先生於特許公認會計師公會2007年週年研討會上演說。

Conflicts of Interest

A person performing a function under the FRC Ordinance, including: Council Members, members of the FRCs, AIB, Advisory Panel and FRC staff members, is required by law to declare his or her interests in a case, if any. Any conflicts of interest declared will be considered by the Council and the Council will determine if the person concerned should take part in any deliberation and decision of that case. The declaration is made before any information of a case is released to that person.

Confidentiality

FRC staff members are exposed to confidential information in the process of reviewing complaints, performing investigations, and conducting enquiries. Maintaining confidentiality is of utmost importance. Under the preservation of secrecy provision of the FRC Ordinance, failure to preserve the secrecy of information — obtained in the process of performing a function under the FRC Ordinance — is a criminal offence.

Personal Investments

In addition to declarations of interest on a case-by-case basis, all FRC staff members are also required to report, on a periodic basis, details of any investments in listed securities. There are also restrictions on the trading of securities relating to complaints received by the FRC.

Accountability and Audit

Finance and Accounting

The FRC is required to submit, to the Secretary for Financial Services and the Treasury, estimates of income and expenditure for each financial year for approval. The Council is responsible for overseeing the preparation of the annual financial statements, giving a true and

利益衝突

根據《財務匯報局條例》執行職能的人，包括財務匯報局成員、財務匯報檢討委員會成員、審計調查委員會成員、顧問委員會成員及財務匯報局職員，如有相關個案的利益，均須向本局成員作出聲明。本局成員將考慮所有聲明的利益衝突，決定涉及利益衝突的人士可否在商議個案期間在場，或參與個案的決定。上述聲明須於收取有關該個案的任何資料前作出。

保密

於審閱投訴、作出調查及查訊的過程中，財務匯報局的職員會接觸保密資料。因此，保密極為重要。根據《財務匯報局條例》的保密條文，披露於根據《財務匯報局條例》執行職能的過程中所獲得的資料，屬刑事罪行。

個人投資

除於每個個案聲明其利益外，所有財務匯報局的職員須定期報告其任何上市證券的投資詳情。此外，亦限制買賣有關財務匯報局接獲投訴的證券。

問責及審計

財務及帳目

財務匯報局須呈交每個財政年度的收支預算予財經事務及庫務局局長批准。財務匯報局成員負責監管年度財務報表的編製，真實並中肯地反映財務



The signing of the MoU by Mr. Wheatley (right), the CEO of the SFC and Mr. M.T. Shum on 12 November 2007.

證監會行政總裁韋奕禮先生(右)及沈文燾先生於2007年11月12日簽署諒解備忘錄。

fair view of the FRC's state of affairs, results, and cash flow. The Council is responsible for ensuring that proper accounting records are kept.

The financial statements are audited by the Director of Audit. The annual financial statements, and a report of the FRC's activities, are submitted to the Secretary for Financial Services and the Treasury and laid before the Legislative Council.

Process Review Panel for the FRC

To strengthen the FRC's accountability and transparency, the Chief Executive will appoint an independent and non-statutory Process Review Panel in the next financial year. The Process Review Panel aims to conduct reviews of the FRC's operating procedures to ensure that they are fair and reasonable, and to determine whether, in handling cases or taking actions or decisions, the FRC has followed its internal due process procedures. The Process Review Panel will select and review a number of completed cases and advise the FRC on the adequacy of its operating procedures.

Prevention of Corruption

The ICAC has reviewed the FRC's operating procedures for corruption prevention and has provided advice on its Code of Conduct. The FRC will continue to work with the ICAC to further enhance internal policies and procedures.

匯報局的財務狀況、收益及現金流量。本局成員負責備存妥善的會計紀錄。

本局的財務報表由審計署署長作審計。年度財務報表及財務匯報局事務報告須呈交財經事務及庫務局局長，並提交立法會省覽。

程序檢討委員會

為加強財務匯報局的問責及透明度，行政長官將於下個財政年度委任一個獨立及非法定的程序檢討委員會。程序檢討委員會主責審閱財務匯報局的運作程序，以確保程序公正合理，並釐定財務匯報局於處理個案或採取行動或作出決定時有否遵守其內部程序。程序檢討委員會將揀選某部份已完結的個案審閱，並就運作程序是否合適向財務匯報局提供意見。

防止貪污

廉政公署已審閱財務匯報局的運作程序，以防止貪污，並就其操守守則提供意見。未來，財務匯報局將繼續與廉政公署合作，以進一步改善內部政策及程序。



From left, Mr. M.T. Shum, Ms. Sophia Kao, Mr. Eddy Fong, the Chairman of the SFC and Mr. Wheatley, the CEO of the SFC after the signing of the MoU.

左起，沈文燾先生、高靜芝女士、證監會主席方正先生及證監會行政總裁韋奕禮先生在簽署諒解備忘錄後的合照。

Internal Control

The Council recognizes its responsibility to ensure a sound and effective internal control system is maintained, a clear organizational structure with defined authority, and a proper segregation of duties. The Council is responsible for reviewing internal control policies.

There are prescribed policies and guidelines for personnel administration, procurement, authorization of transactions, and safeguarding of assets. The annual budget is prepared by the Secretariat, endorsed by the Council, and then approved by the Secretary for Financial Services and the Treasury.

Staff Remuneration

The Remuneration Committee is responsible for advising the Council, based on recommendations by the Chief Executive Officer, on remuneration-related policy matters such as, remuneration structure, pay level, yearly pay adjustment, staff performance bonus, and other employment terms and conditions. Remuneration of the FRC staff members is determined by market conditions and work performance. Remuneration of the Chief Executive Officer is determined by the Chief Executive.

內部監控

財務匯報局成員了解其有責任確保內部監控系統保持健全及有效。本局的組織架構清晰，訂有明確界定的權力，而職責亦妥善劃分。本局成員負責審閱內部監控政策。

在人事行政、採購、交易授權及資產保護方面，均訂有指定的政策及指引。年度預算由財務匯報局秘書處編製，由本局成員批核，再呈交財經事務及庫務局局長批准。

員工薪酬

薪酬委員會負責按行政總裁的建議，就有關薪酬政策的事宜，包括薪酬架構、薪酬水平、每年薪酬調整、員工表現獎勵及其他僱用條款及條件，向財務匯報局成員提供意見。財務匯報局員工的薪酬按市場情況及員工表現釐定。行政總裁的薪酬由行政長官釐定。

Protection of 保護投資者 Investors



OPERATIONS STATISTICS

運作統計數字

Statistics for the period from 16 July 2007 (commencement of operation) to 31 December 2007
由2007年7月16日(開始運作日期)至2007年12月31日期間的統計數字

Review of Complaints 審閱投訴

Complaint 投訴	Since commencement 由開始運作至今	Note 附註
Complaints received 接收的個案	17	
Not pursued 終止跟進的個案	(3)	1
Withdrawn by complainants 投訴者撤銷的個案	–	
Review completed 完成審閱的投訴個案	(5)	
Under review as at 31 December 2007 於2007年12月31日在審閱中的投訴個案	9	

A complaint may contain multiple allegations. Each allegation may lead to different courses of action. On the other hand, more than one complaint may relate to the same entity and similar issues. These complaints will be consolidated for follow up purpose.

一項投訴可能包含多項指控。財務匯報局對每項指控可能需要採取不同的跟進行動。另一方面，某些投訴可能與同一個上市實體及指控有關。這些投訴將會一併跟進。

For completed reviews, the Council has taken the following actions:

對於已完成審閱的投訴，財務匯報局已經採取下列行動：

– Resolved without initiating an investigation or enquiry – 無需展開調查或查訊已獲解決的個案	1	2
– Referred to specified enforcement agencies – 轉交予指明執行機構的個案	2	3
– Enquiries initiated (see table below) – 展開查訊的個案	1	
– Investigations initiated (see table below) – 展開調查的個案	1	

Notes :

- The complaint is not pursued because the Council has reviewed the case by reference to the material provided by the complainant and additional information obtained from the party concerned and considered the case has no merit.
- The FRC has invited the party concerned to comment on the allegation. With the co-operation of the party concerned, the matter has been resolved satisfactorily without initiating an investigation or enquiry.
- Specified enforcement agencies are defined in the FRC Ordinance, e.g. HK Police, ICAC, HKICPA, SFC, HKEx, etc.

附註：

- 由於該項投訴經財務匯報局審閱投訴者提供的資料及有關人士提供的進一步資料後，認為該投訴無充分理據，因此財務匯報局決定終止跟進該項投訴。
- 財務匯報局要求有關人士就有關指控作出回應。經有關人士合作後，該個案無需展開調查或查訊已圓滿解決。
- 《財務匯報局條例》所指明的執行機構，例如：香港警務處、廉政公署、香港會計師公會、證監會、港交所等。

Statistics for the period from 16 July 2007 (commencement of operation) to 31 December 2007
 由2007年7月16日(開始運作日期)至2007年12月31日期間的統計數字

Progress of Enquiries 查訊進展

Enquiry 查訊	Since commencement 由開始運作至今	Note 附註
Initiated 展開查訊的個案	1	
Completed 完成查訊的個案	—	4
In progress as at 31 December 2007 於2007年12月31日在處理中的個案	1	

For completed enquiries, the following actions were taken:

對於已完成查訊的個案，財務匯報局已經採取下列行動：

– No further action recommended – 不建議採取進一步行動	—	5
– Notice to secure removal of non-compliance – 發出通知以消除有關不遵從事宜	—	6
– Application to Court to secure removal – 向原訟法庭申請以消除有關不遵從事宜	—	
– Referred to specified enforcement agencies – 轉交予指明執行機構	—	3

Progress of Investigations 調查進展

Investigation 調查	Since commencement 由開始運作至今	Note 附註
Initiated 展開調查的個案	1	
Completed 完成調查的個案	—	4
In progress as at 31 December 2007 於2007年12月31日在處理中的個案	1	

For completed investigations, the following actions were taken:

對於已完成調查的個案，財務匯報局已經採取下列行動：

– No further action recommended – 不建議採取進一步行動	—	5
– Referred to specified enforcement agencies – 轉交予指明執行機構	—	3

Notes :

3. Specified enforcement agencies are defined in the FRC Ordinance, e.g. HK Police, ICAC, HKICPA, SFC, HKEx, etc.
4. Upon completion of an enquiry or investigation, it may lead to multiple courses of action.
5. After the completion of an investigation or enquiry, the Council concluded that there is no audit irregularity or non-compliance. Hence, no further action is required.
6. Notice issued to listed entities to secure removal of non-compliance identified.

附註：

3. 《財務匯報局條例》所指明的執行機構，例如：香港警務處、廉政公署、香港會計師公會、證監會、港交所等。
4. 查訊或調查完成後，財務匯報局可能按照不同的情況採取多項行動。
5. 經調查或查訊後，財務匯報局總結並無審計方面的不當行為或不遵從事宜。因此，無需採取進一步行動。
6. 已發出通知要求上市實體消除有關不遵從事宜。



香港特別行政區政府
審計署

Independent Audit Report

獨立審計報告

To the Financial Reporting Council

致財務匯報局

I have audited the financial statements of the Financial Reporting Council set out on pages 38 to 49, which comprise the statement of financial position as at 31 December 2007, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the period from 1 December 2006 (date of establishment) to 31 December 2007, and a summary of significant accounting policies and other explanatory notes.

我已審計列載於第38至49頁財務匯報局的財務報表，該等財務報表包括於2007年12月31日的財務狀況表與2006年12月1日（設立日期）至2007年12月31日的綜合收入表、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。

Financial Reporting Council's responsibility for the financial statements

The Financial Reporting Council is responsible for the preparation and the true and fair presentation of these financial statements in accordance with section 18(2) of the Financial Reporting Council Ordinance (Cap. 588) and International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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，擬備及真實而中肯地列報該等財務報表。這責任包括設計、實施及維護與擬備及真實而中肯地列報財務報表有關的內部控制，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；選擇和應用適當的會計政策；以及按情況作出合理的會計估計。

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 as to whether the financial statements are free from material misstatement.

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 and true and fair presentation of the financial statements 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 2007 and of its results of operations and cash flows for the period from 1 December 2006 (date of establishment) to 31 December 2007 in accordance with International Financial Reporting Standards and have been properly prepared in accordance with section 18(2) of the Financial Reporting Council Ordinance.

YING Kwok-wing
Assistant Director of Audit
for Director of Audit

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

31 January 2008

審計涉及執程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及真實而中肯地列報財務報表有關的內部控制，以設計適當的審計程序，但並非為對財務匯報局的內部控制的效能發表意見。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2007年12月31日的事務狀況及2006年12月1日(設立日期)至2007年12月31日的業績及現金流量，並已按照《財務匯報局條例》第18(2)條妥為擬備。

審計署署長
審計署助理署長應國榮代行

審計署
香港灣仔
告士打道7號
入境事務大樓26樓

2008年1月31日

FINANCIAL STATEMENTS 財務報表

STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 December 2006 (date of establishment) to 31 December 2007

綜合收入表

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

		Note 附註	HK\$ 港元
Income	收入		
Annual contribution	每年投入資金	4	10,000,000
Non-recurrent contribution	非經常性投入資金	4	20,000,000
Interest income	利息收入	5	1,009,069
			<u>31,009,069</u>
Expenditure	支出		
Staff costs	員工成本	6	(4,287,580)
Staff recruitment expenses	招募員工支出		(491,550)
Depreciation expense	折舊支出		(64,885)
Other operating expenses	其他營運支出	7	(612,399)
			<u>(5,456,414)</u>
Surplus and total comprehensive income for the period	期內盈餘及總綜合收入		<u><u>25,552,655</u></u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2007

財務狀況表

於二零零七年十二月三十一日

		Note 附註	HK\$ 港元
Non-current assets	非流動資產		
Office equipment and furniture	辦公室設備及傢具	9	375,864
Current assets	流動資產		
Interest receivable	應收利息		58,405
Prepayments	預付款項	10	133,747
Time deposit	定期存款	11	25,500,000
Bank balances and cash	銀行結餘及現金	12	146,774
Total current assets	流動資產總值		25,838,926
Current liabilities	流動負債		
Accounts payable	應付賬款		(662,135)
Net current assets	流動資產淨值		25,176,791
Total assets less current liabilities	總資產減流動負債		<u>25,552,655</u>
Funds	資金		
General fund	一般資金	13	5,552,655
Reserve fund	儲備金	13	20,000,000
Total funds	總資金		<u>25,552,655</u>

Approved by the Council on 31 January 2008

於2008年1月31日獲財務匯報局批准


Sophia Kao 高靜芝
Chairman 主席

M.T. Shum 沈文燾
Chief Executive Officer 行政總裁

STATEMENT OF CHANGES IN FUNDS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

資金變動表

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

		General fund HK\$ 一般資金 港元	Reserve fund HK\$ 儲備金 港元	Total funds HK\$ 總資金 港元
Surplus for the period	期內盈餘	25,552,655	—	25,552,655
Transfer from general fund to reserve fund	由一般資金轉至儲備金	(20,000,000)	20,000,000	—
At 31 December 2007	於二零零七年十二月三十一日	<u>5,552,655</u>	<u>20,000,000</u>	<u>25,552,655</u>

STATEMENT OF CASH FLOWS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

現金流量表

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

		HK\$ 港元
Cash flows from operating activities	經營活動產生之現金流量	
Surplus for the period	期內盈餘	25,552,655
Adjustments for:	調整項目：	
Depreciation	折舊	64,885
Interest income	利息收入	(1,009,069)
Increase in prepayments	預付款項增加	(133,747)
Increase in accounts payable	應付賬款增加	662,135
Net cash inflow from operating activities	經營活動產生之現金流入淨額	25,136,859
Cash flows from investing activities	投資活動產生之現金流量	
Purchases of office equipment and furniture	購買辦公室設備及傢具	(440,749)
Interest received	已收利息	950,664
Net cash inflow from investing activities	投資活動產生之現金流入淨額	509,915
Net increase in cash and cash equivalents	現金及現金等價物之增加淨額	25,646,774
Cash and cash equivalents at 31 December 2007	於二零零七年十二月三十一日之現金及現金等價物	<u>25,646,774</u>
Analysis of balances of cash and cash equivalents	現金及現金等價物之結餘分析	
Time deposit	定期存款	25,500,000
Bank balances and cash	銀行結餘及現金	146,774
		<u>25,646,774</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

1. General

The Financial Reporting Council (the Council) was established in Hong Kong under the Financial Reporting Council Ordinance (the FRC Ordinance, Cap. 588), which was enacted on 13 July 2006. Its office address is 29th Floor, High Block, Queensway Government Offices, 66 Queensway, Hong Kong.

The financial statements, being the first set of the Council's financial statements, cover a thirteen-month period from 1 December 2006 (date of establishment) to 31 December 2007.

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

2. Principal Activities

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

3. Summary of Significant Accounting Policies

(a) Basis of preparation

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

In preparing the financial statements, the Council has early adopted all the new and revised standards, amendments and interpretations issued up to 31 December 2007 which are not yet effective for the current period. The new standards which are relevant to the preparation of the Council's financial statements are set out below.

IAS 1	Presentation of Financial Statements
IFRS 7	Financial Instruments: Disclosures

Except for presentation and disclosure requirements, the above new standards do not have any impact on the Council's financial statements.

Due to the nature of its operation, the Council does not have any funds that it regards as its capital.

財務報表附註

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

1. 一般資料

財務匯報局是根據於二零零六年七月十三日制定的《財務匯報局條例》(第588章)在香港設立。其地址為香港金鐘道66號金鐘道政府合署高座29樓。

本財務報表乃財務匯報局首份財務報表，報表涵蓋二零零六年十二月一日(設立日期)至二零零七年十二月三十一日十三個月期間。

本財務報表以港元(即財務匯報局之功能貨幣)列值。

2. 主要活動

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

3. 主要會計政策概要

(a) 編製基準

財務報表乃按國際財務報告準則編製而成，並根據歷史成本法編製。

編製財務報表時，財務匯報局提前採用所有於二零零七年十二月三十一日或之前所頒佈但於本期間尚未生效之新增及經修改的準則、對準則的修訂及解釋公告。與編制財務匯報局之財務報表相關之新準則如下：

國際會計準則第1號	財務報表的列報
國際財務報告準則第7號	金融工具：披露

除列報及披露規定外，以上新增的準則對財務匯報局之財務報表並無其他影響。

由於其營運性質，財務匯報局並無任何資金被視為資本。

3. Summary of Significant Accounting Policies

(continued)

(b) Office equipment and furniture

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

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

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

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

Impairment loss

At each financial year end, the carrying amounts of assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so 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 years. A reversal of an impairment loss is recognized as income immediately.

3. 主要會計政策概要(續)

(b) 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任何減值損失列賬，惟成本少於5,000港元的項目則於購入期間確認為支出。辦公室設備及傢具項目之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轉所必需的狀態而發生的直接可歸屬成本。

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

電腦	3年
其他辦公室設備	7年
辦公室傢具	10年

殘值、可使用壽命及折舊方法最少於每個年度結束時進行審核及調整(如適用)。

辦公室設備及傢具項目於處置時或預期通過使用該資產不能產生未來經濟利益時終止確認。因其處置或報廢之任何利得或損失(即處置淨收入和該資產之賬面金額的差額)將於其終止確認之期間確認為損益。

減值損失

在每一個年度結束時，資產之賬面金額會被審核，以評估是否存在該等資產可能已經減值的跡象。倘資產之可收回金額估計少於其賬面金額，則資產之賬面金額會減值至其可收回金額。減值損失會立即確認為支出。

倘減值損失其後轉回，資產的賬面金額會增加至其經修訂的估計可收回金額，惟增加後的賬面金額，不得高於若資產以前年度沒有確認減值損失的賬面金額。減值損失的轉回會立即確認為收入。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

財務報表附註

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

3. Summary of Significant Accounting Policies

(continued)

(c) Financial assets

Financial assets include interest receivable, time deposit and other bank balances. They are carried at amortized cost using the effective interest method, less any identified impairment losses. An impairment loss is recognized when there is objective evidence that the asset is impaired. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

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

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

(d) Financial liabilities

Financial liabilities include accounts payable and are measured at cost.

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

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments, normally with a maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

(f) 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.

3. 主要會計政策概要 (續)

(c) 金融資產

金融資產包括應收利息、定期存款及其他銀行結餘，均按採用實際利率法計算之攤餘成本減任何已確認的減值損失入賬。減值損失會於有客觀證據表明資產發生減值時確認，並按該資產之賬面金額與按照其初始實際利率折現的預計未來現金流量現值之間的差額計量。減值損失會確認為損益。

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

倘從資產獲收現金流量的權利到期或財務匯報局已轉讓該資產所有權上幾乎所有的風險和報酬，則會終止確認該金融資產。

(d) 金融負債

金融負債包括應付賬款並以成本計量。

金融負債於相關的義務解除、取消或到期時終止確認。

(e) 現金及現金等價物

現金包括手頭現金及活期存款。

現金等價物指期限短、流動性強、一般於購入後三個月內到期、易於換算成已知金額的現金，以及價值變動風險很小的投資。

(f) 收入確認

收入以其已收及應收對價的公允價值來計量。

無條件及不可發還之資金在其成為應收款項時確認為收入。

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

3. Summary of Significant Accounting Policies

(continued)

(g) Employee benefits

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

Provision for bonus payments are recognized when the Council 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 Mandatory Provident Fund (MPF) are charged as an expense when employees have rendered services entitling them to the contributions.

4. Contributions

Contributions represent funds received from the following parties:

	Annual contribution HK\$ 每年 投入資金 港元	Non- recurrent contribution HK\$ 非經常性 投入資金 港元	Total HK\$ 總數 港元
Companies Registry Trading Fund (CR) 公司註冊處營運基金	2,500,000	5,000,000	7,500,000
Hong Kong Institute of Certified Public Accountants (HKICPA) 香港會計師公會	2,500,000	5,000,000	7,500,000
Securities and Futures Commission (SFC) 證券及期貨事務監察委員會(證監會)	2,500,000	5,000,000	7,500,000
Hong Kong Exchanges and Clearing Limited (HKEx) 香港交易及結算所有限公司(港交所)	2,500,000	5,000,000	7,500,000
	<u>10,000,000</u>	<u>20,000,000</u>	<u>30,000,000</u>

CR, HKICPA, SFC and HKEx signed a Memorandum of Understanding (MoU) regarding the funding arrangement of the Council. Each party agreed to contribute an annual amount of HK\$2.5 million to the Council for the first three years to meet its operational needs. In addition, each party contributed a lump-sum amount of HK\$5 million to enable the Council to set up a reserve fund. All these contributions are not refundable.

The office premises of the Council are provided by CR free of charge. All the related utility and sewage charges, outgoings, costs and expenses incurred in repairing, maintaining and managing the office premises are paid by CR.

3. 主要會計政策概要(續)

(g) 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，會確認花紅撥備。

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。

4. 資金投入

資金是指由下列機構投入之款項：

	Annual contribution HK\$ 每年 投入資金 港元	Non- recurrent contribution HK\$ 非經常性 投入資金 港元	Total HK\$ 總數 港元
公司註冊處營運基金、香港會計師公會、 證監會及港交所就財務匯報局之資金安排簽 署諒解備忘錄。各機構同意首三年每年向財 務匯報局投入二百五十萬港元，以供財務 匯報局應付營運所需。此外，各機構投入 一筆過五百萬港元，以供財務匯報局成立 儲備金。所有已投入的資金均不可發還。	2,500,000	5,000,000	7,500,000
公司註冊處營運基金、香港會計師公會、 證監會及港交所就財務匯報局之資金安排簽 署諒解備忘錄。各機構同意首三年每年向財 務匯報局投入二百五十萬港元，以供財務 匯報局應付營運所需。此外，各機構投入 一筆過五百萬港元，以供財務匯報局成立 儲備金。所有已投入的資金均不可發還。	2,500,000	5,000,000	7,500,000
公司註冊處營運基金、香港會計師公會、 證監會及港交所就財務匯報局之資金安排簽 署諒解備忘錄。各機構同意首三年每年向財 務匯報局投入二百五十萬港元，以供財務 匯報局應付營運所需。此外，各機構投入 一筆過五百萬港元，以供財務匯報局成立 儲備金。所有已投入的資金均不可發還。	2,500,000	5,000,000	7,500,000
公司註冊處營運基金、香港會計師公會、 證監會及港交所就財務匯報局之資金安排簽 署諒解備忘錄。各機構同意首三年每年向財 務匯報局投入二百五十萬港元，以供財務 匯報局應付營運所需。此外，各機構投入 一筆過五百萬港元，以供財務匯報局成立 儲備金。所有已投入的資金均不可發還。	2,500,000	5,000,000	7,500,000
	<u>10,000,000</u>	<u>20,000,000</u>	<u>30,000,000</u>

公司註冊處營運基金、香港會計師公會、證監會及港交所就財務匯報局之資金安排簽署諒解備忘錄。各機構同意首三年每年向財務匯報局投入二百五十萬港元，以供財務匯報局應付營運所需。此外，各機構投入一筆過五百萬港元，以供財務匯報局成立儲備金。所有已投入的資金均不可發還。

財務匯報局之辦公室由公司註冊處營運基金免費提供。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支付。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

財務報表附註

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

5. Interest Income

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

5. 利息收入

利息收入來自按攤餘成本入賬之定期存款及其他銀行結餘。

6. Staff Costs

Salaries
MPF contributions
Medical insurance
Others

薪酬
強制性公積金供款
醫療保險
其他

HK\$
港元4,070,423
63,229
55,948
97,980
4,287,580

Staff costs included the emoluments of the Chief Executive Officer amounting to HK\$2,014,506, which comprised salaries of HK\$1,650,000, bonus of HK\$290,669, medical insurance of HK\$15,983, MPF contributions of HK\$11,000 and accrued annual leave of HK\$46,854.

員工成本包括行政總裁之酬金2,014,506港元，當中包括薪酬1,650,000港元、花紅290,669港元、醫療保險15,983港元、強制性公積金供款11,000港元及累計年假46,854港元。

7. Other Operating Expenses

Computers
Other office equipment
Office furniture
Legal and professional fees
Others

電腦
其他辦公室設備
辦公室傢具
法律及專業費用
其他

HK\$
港元35,608
55,561
100,346
164,736
256,148
612,399**8. Taxation**

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

8. 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。

9. Office Equipment and Furniture

9. 辦公室設備及傢具

		Computers HK\$ 電腦 港元	Other office equipment HK\$ 其他辦公室設備 港元	Office furniture HK\$ 辦公室傢具 港元	Total HK\$ 總數 港元
Cost	成本				
Additions	購入	336,758	89,591	14,400	440,749
At 31 December 2007	於二零零七年 十二月三十一日	336,758	89,591	14,400	440,749
Accumulated depreciation	累計折舊				
Charge for the period	期內支出	(56,819)	(7,466)	(600)	(64,885)
At 31 December 2007	於二零零七年 十二月三十一日	(56,819)	(7,466)	(600)	(64,885)
Carrying amount	賬面金額				
At 31 December 2007	於二零零七年 十二月三十一日	<u>279,939</u>	<u>82,125</u>	<u>13,800</u>	<u>375,864</u>

10. Prepayments

10. 預付款項

		HK\$ 港元
Professional liability insurance	專業責任保險	23,288
Medical insurance	醫療保險	60,800
Retainer fee	聘用費	45,973
Others	其他	3,686
		<u>133,747</u>

The Council has entered into a retainer arrangement with a law firm. The prepaid retainer fee will be utilized in future for legal services.

財務匯報局與一律師行達成聘用安排。預付聘用費將用作支付未來法律服務。

11. Time Deposit

Time deposit represents one-month term deposit which carries fixed interest of 3.8% per annum.

11. 定期存款

定期存款指一個月期限之定期存款，按固定年利率3.8厘計息。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 December 2006 (date of establishment) to 31 December 2007

財務報表附註

二零零六年十二月一日(設立日期)至二零零七年十二月三十一日

12. Bank Balances and Cash

		HK\$ 港元
Cash on hand	手頭現金	2,545
Savings account	儲蓄存款	96,814
Current account	支票活期存款	47,415
		<u>146,774</u>

Savings account earns interest at floating rates based on daily bank deposit rates ranging from 1.25% to 2.50% per annum in the current period. Current account is non-interest bearing.

儲蓄存款按浮動利率計息，利率根據期內每日銀行存款年利率計算，由1.25厘至2.50厘不等。支票活期存款不計息。

13. Funds

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

Reserve fund represents the non-recurrent contributions received from CR, HKICPA, SFC and HKEx at the establishment of the Council according to the MoU (See note 4). The reserve fund is to be deployed to meet any inadequacies of the recurrent funding and other exigencies of circumstances.

13. 資金

一般資金乃指財務匯報局經常性資金之經營盈餘。

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(見附註4)。儲備金可於經常性資金不足及其他緊急情況下動用。

14. Financial Risks

The Council's financial assets include interest receivable, time deposit and other bank balances. The Council's financial liabilities include accounts payable.

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

14. 金融風險

財務匯報局之金融資產包括應收利息、定期存款及其他銀行結餘。財務匯報局之金融負債包括應付賬款。

財務匯報局之金融資產及金融負債之賬面金額接近其公允價值。

(a) Credit risk

The Council's maximum exposure to credit risk is represented by the carrying amount of the bank deposits and the related interest receivable as set out on the statement of financial position.

The credit risk on these financial assets is limited because the time deposit and other bank balances were placed with a licensed and creditworthy commercial bank in Hong Kong.

(a) 信用風險

財務匯報局所承擔之最高信用風險為銀行存款及相關應收利息於財務狀況表之賬面金額。

由於定期存款及其他銀行結餘均存放於香港一間持牌及具誠信之商業銀行，故該等金融資產之信用風險有限。

(b) Liquidity risk

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

(c) Market risk*Currency risk*

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

Interest rate risk

The Council is exposed to cash flow interest rate risk in respect of funds deposited in savings account which carries interest at floating rates.

The Council has placed one-month term deposit with a creditworthy commercial bank in Hong Kong, which carries fixed interest rate and is therefore exposed to fair value interest rate risk. The one-month term deposit is renewed monthly depending on the cash flow requirements of the Council. Since the maturity of the deposit is very short, the exposure to fair value interest rate risk is limited.

(b) 流動性風險

財務匯報局之現金狀況充裕，因此流動性風險相當低。

(c) 市場風險*貨幣風險*

財務匯報局收取之資金為港元，並以港元支付所有開支。而所有金融資產及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

由於存於儲蓄賬戶之資金乃按浮動利率計息，故財務匯報局承擔現金流量利率風險。

財務匯報局於香港一間具誠信之商業銀行存放一個月定期存款，並按固定利率計息，財務匯報局因此承擔公允價值利率風險。該一個月定期存款因應財務匯報局之現金流量需要而每月續期。由於存款之期限相當短，故承擔之公允價值利率風險有限。

MEMBERSHIP OF FINANCIAL REPORTING REVIEW PANEL, AUDIT INVESTIGATION BOARD AND ADVISORY PANEL

財務匯報檢討委員團、審計調查委員會及 顧問委員團成員

Financial Reporting Review Panel (FRRP)

Members of the FRRP are appointed by the Chief Executive in consultation with the Council. The Council may direct the formation of a Financial Reporting Committee (FIRC), consisting of at least five panel members including a Convenor, to conduct an enquiry into non-compliances of a listed entity. In performing its function, an FIRC may exercise powers, as conferred on it by the FRC Ordinance, to require information and explanation from any relevant party.

The FRRP is made up of 35 members, including six Convenors. They are appointed because of their experience in accounting, auditing, finance, banking, law, administration, or management.

財務匯報檢討委員團

財務匯報檢討委員團成員乃由行政長官經諮詢財務匯報局後委任。本局成員可指示成立財務匯報委員會，由最少五名委員團成員組成，當中包括一名召集人，以就上市實體的不遵從事宜展開查訊。為履行其職責，財務匯報檢討委員會可行使《財務匯報局條例》所賦予的權力，要求任何有關各方提供資料及解釋。

財務匯報檢討委員團由三十五名成員組成，包括六名召集人。該等成員乃根據其於會計、審計、金融、銀行、法律、行政或管理的經驗而獲委任。

Panel Convenors	委員團召集人
Mr. FUNG Ying-wai, Wilson	馮英偉先生
Prof. LAU Hing-ling, Amy	劉盧希齡教授
Dr. LI Ka-cheung, Eric, G.B.S., J.P.	李家祥博士, G.B.S., J.P.
Mr. LIE Tai-chong, David, J.P.	李大壯先生, J.P.
Mr. Roderic N.A. SAGE	薛樂德先生
Ms. Elisabeth Charlotte SCOTT	Elisabeth Charlotte SCOTT女士

Members	成員
Mr. Roger Thomas BEST, J.P.	路沛翹先生, J.P.
Mr. Paul BROUGH	彭博倫先生
Mr. CHAN Ka-ling, Edmond	陳嘉齡先生
Ms. CHAN Wai-hing, Annie	陳惠卿女士
Ms. CHAU Suet-fung, Dilys	周雪鳳女士
Mrs. CHENG TANG Ho-kuen, Lina	鄭鄧荷娟女士
Mr. CHEUNG Ching-leung, David	張正樑先生
Prof. CHEUNG Yan-leung, Stephen, J.P.	張仁良教授, J.P.
Ms. CHEW Sein-mene	趙善敏女士
Mr. DING Wai-chuen, Raphael	丁偉銓先生
Mr. FUNG Pui-cheung, Eugene	馮培漳先生
Mr. Chris HALL	賀祈思先生
Mr. LAM Chi-yuen, Nelson	林智遠先生
Mr. Kenneth LAM	林侃先生
Mr. LAU Siu-ki, Kevin	劉紹基先生
Ms. LEE Sau-wai, Cecilia	李秀慧女士
Ms. LEE Tso-yun, Carol	李祖恩女士
Mr. John Robert LEES	John Robert LEES先生
Mr. LI Man-bun, Brian David	李民斌先生
Prof. LOW Chee-keong	劉殖強教授
Ms. Ayesha Abbas MACPHERSON	麥嘉軒女士
Ms. NGAN Man-ling, Edith	顏文玲女士
Ms. Josephine PRICE	潘佐芬女士
Mr. Stephen TAYLOR	Stephen TAYLOR先生
Mr. Carlson TONG, J.P.	唐家成先生, J.P.
Mr. TSOI Tong-hoo, Tony	蔡東豪先生
Mr. Paul F. WINKELMANN	Paul F. WINKELMANN先生
Mr. WONG Hong-yuen, Peter, G.B.S., J.P.	黃匡源先生, G.B.S., J.P.
Mr. WONG Tak-wai, Alvin	黃德偉先生

Audit Investigation Board (AIB)

The Chief Executive Officer 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 Council may direct the AIB to conduct an investigation of audit irregularities, exercising powers conferred on it by the FRC Ordinance.

Chairman	主席
Mr. M.T. Shum, S.B.S.	沈文燾先生, S.B.S.
Members	成員
Ms. Clara Yu	余秀菁小姐
Ms. Anna Lau	劉惠玲小姐

Advisory Panel

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

Mr. Stephen Chang

Mr. Chang, a certified public accountant, joined Ernst & Young Hong Kong in 1976 and retired as Deputy Chairman of Ernst & Young Hong Kong SAR and Mainland China in 2003.

Mrs. Ruby Leung

Mrs. Leung, a certified public accountant, joined KPMG Hong Kong in 1978 and retired as an audit partner in 2006.

Mr. Albert Li

Mr. Li, a certified public accountant, joined KPMG Hong Kong in 1973 and retired as an audit partner and a technical partner in 2003.

審計調查委員會

行政總裁是審計調查委員會的當然主席。審計調查委員會的其他成員，一般為財務匯報局職員，乃由財務匯報局委任。本局成員可指示審計調查委員會行使《財務匯報局條例》所賦予的權力，就審計方面的不當行為展開調查。

顧問委員會

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

張祖同先生

張先生是一名會計師，於一九七六年加入香港安永會計師事務所。他於二零零三年退休，退休前任職該事務所香港特別行政區及中國大陸副主席。

梁陳蕙文女士

梁陳蕙文女士是一名會計師，於一九七八年加入香港畢馬威會計師事務所。她於二零零六年退休，退休前任職該事務所審計部合夥人。

李國基先生

李先生是一名會計師，於一九七三年加入香港畢馬威會計師事務所。他於二零零三年退休，退休前任職該事務所審計部及執業技術部合夥人。

MEMBERSHIP OF COMMITTEES

委員會成員

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

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

Corporate Communications Committee

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

機構傳訊委員會

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

Chairman	主席
Dr. P.M. Kam	甘博文博士
Members	成員
Mr. Martin Hadaway	Martin Hadaway先生
Hon. Mrs. Sophie Leung, G.B.S., J.P. (from 28 June 2007)	梁劉柔芬議員, G.B.S., J.P. (由二零零七年六月二十八日起)
Prof. Judy Tsui	徐林倩麗教授
Mr. M.T. Shum, S.B.S. (ex-officio)	沈文燾先生, S.B.S. (當然成員)
No. of meetings: 3	舉行會議次數: 3
Attendance rate: 100%	出席率: 100%

Operations Committee

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

運作委員會

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

Chairman	主席
Mr. Mark Dickens, J.P.	狄勤思先生, J.P.
Members	成員
Mr. Vernon Moore, B.B.S.	莫偉龍先生, B.B.S.
Mr. Gordon Jones (from 1 December 2006 to 26 August 2007)	鍾悟思先生(當然成員) (由二零零六年十二月一日至二零零七年八月二十六日)
Mr. M.T. Shum, S.B.S. (ex-officio)	沈文燾先生, S.B.S. (當然成員)
No. of meetings: 2	舉行會議次數: 2
Attendance rate: 87.5%	出席率: 87.5%

Remuneration Committee

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

薪酬委員會

薪酬委員會的成立目的，是就有關員工薪酬的事宜向本局成員建議，包括：薪酬水平、不同職位的薪級、個別員工的薪酬升幅、個別員工的年終表現花紅，及其他福利及僱用條款的更改。由於行政總裁的薪酬由行政長官委任釐定，故其不在薪酬委員會檢討之列。

Chairman	主席
Mr. Martin Hadaway	Martin Hadaway先生
Members	成員
Mr. Mark Dickens, J.P.	狄勤思先生, J.P.
Mr. M.T. Shum, S.B.S. (ex-officio)	沈文燾先生, S.B.S. (當然成員)
No. of meetings: 1	舉行會議次數: 1
Attendance rate: 100%	出席率: 100%

Tender Committee

The Tender Committee considers and reviews procurement over HK\$ 0.1 million and is responsible for the selection of suppliers.

投標委員會

投標委員會的職責是考慮及審閱超過十萬港元的採購項目。委員會負責挑選供應商。

Chairman	主席
Ms. Sophia Kao, J.P.	高靜芝女士, J.P.
Members	成員
Ms. Ada Chung (ex-officio) (from 1 October 2007)	鍾麗玲女士 (當然成員) (由二零零七年十月一日起)
Mr. Gordon Jones (ex-officio) (from 1 December 2006 to 26 August 2007)	鍾悟思先生, J.P. (當然成員) (由二零零六年十二月一日至二零零七年八月二十六日)
Ms. Dorothy Silkstone (ex-officio) (from 27 August 2007 to 30 September 2007)	蕭善頌女士 (當然成員) (由二零零七年八月二十七日至二零零七年九月三十日)
Mr. M.T. Shum, S.B.S. (ex-officio)	沈文燾先生, S.B.S. (當然成員)

Decisions during the year have been resolved by circulation of papers.

本年內的各項決定，均以書面傳閱方式進行議決。

GLOSSARY

詞彙

AIB 審計調查委員會	Audit Investigation Board 審計調查委員會
Chief Executive 行政長官	Chief Executive of the HKSAR 香港特別行政區行政長官
Council 財務匯報局成員	The Council consists of appointed members and ex-officio members in accordance with section 7 of the FRC Ordinance 財務匯報局成員包括根據《財務匯報局條例》第7條委任的成員及當然成員組成
CICPA 中國註冊會計師協會	The Chinese Institute of Certified Public Accountants 中國註冊會計師協會
CSRC 中國證監會	China Securities Regulatory Commission 中國證券監督管理委員會
FRC 財務匯報局	Financial Reporting Council 財務匯報局
FRC Ordinance 《財務匯報局條例》	Financial Reporting Council Ordinance 《財務匯報局條例》
FRRC 財務匯報檢討委員會	Financial Reporting Review Committee 財務匯報檢討委員會
FRRP 財務匯報檢討委員團	Financial Reporting Review Panel 財務匯報檢討委員團
HKEx 港交所	Hong Kong Exchanges and Clearing Limited 香港交易及結算所有限公司
HKICPA 香港會計師公會	Hong Kong Institute of Certified Public Accountants 香港會計師公會
HKMA 金管局	Hong Kong Monetary Authority 香港金融管理局
HKSAR 香港特區	Hong Kong Special Administrative Region 香港特別行政區
ICAC 廉政公署	Independent Commission Against Corruption 廉政公署
MoF 財政部	Ministry of Finance 財政部
Secretariat 秘書處	The secretariat of the Council 財務匯報局秘書處
SEHK 聯交所	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
SFC 證監會	Securities and Futures Commission 證券及期貨事務監察委員會

CORPORATE INFORMATION

機構資料

The Financial Reporting Council

29th Floor, High Block
Queensway Government Offices
66 Queensway, Hong Kong

財務匯報局

香港金鐘道66號
金鐘道政府合署高座29樓

Tel 電話 : (852) 2810 6321
Fax 傳真 : (852) 2810 6320
Email 電郵 : general@frc.org.hk
Website 網址 : www.frc.org.hk

The Financial Reporting Council
29th Floor, High Block
Queensway Government Offices
66 Queensway, Hong Kong

財務匯報局

香港金鐘道66號
金鐘道政府合署高座29樓

Tel 電話 : (852) 2810 6321
Fax 傳真 : (852) 2810 6320
Email 電郵 : general@frc.org.hk
Website 網址 : www.frc.org.hk