

Press Release

FRC welcomes the Government’s consultation conclusions on proposals to improve the regulatory regime for listed entity auditors

(26 June 2015, Hong Kong) The Financial Reporting Council (**FRC**) welcomes the release of the Government’s conclusions of the public consultation on proposals to improve the regulatory regime for listed entity auditors (**Consultation Conclusions**) (www.fstb.gov.hk/fsb/ppr/consult/conclu_rpirrlea.htm).

Dr John Poon, Chairman of the FRC, said, “I am pleased with the Consultation Conclusions which support the FRC’s position that the future auditor regulatory regime should be independent of the profession, and be benchmarked against international standards and practices.”

In October 2013, the FRC published an international comparative study on independent audit oversight. In our submission to the Government’s public consultation proposals last September, the FRC provided its response and recommendations from a public interest perspective, having due regard to our international comparative study and international practices and experience.

Dr Poon added, “We continue to believe that the future auditor regulatory regime of Hong Kong should at least enable Hong Kong to be eligible for membership in the International Forum of Independent Audit Regulators and to attain regulatory equivalence status with the European Commission. The FRC will continue to actively participate in bringing the reform process to its fruition. Whatever the

changes ahead, including the additional responsibilities to be vested in the FRC as mentioned in the Consultation Conclusions, we remain confident in our ability to fulfil our core mission and to discharge our statutory functions.”

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Note to editors

About the FRC

The FRC is a statutory body established in December 2006 under the Financial Reporting Council Ordinance. The FRC is entrusted with the statutory responsibilities to conduct independent investigations into possible auditing or reporting irregularities in relation to listed entities and to enquire into possible non-compliance with accounting requirements on the part of listed entities. The FRC has 11 members with a variety of professional backgrounds and the majority of whom, including the Chairman, are lay persons. For more information, please visit www.frc.org.hk.