

16 January 2012

Companies Bill Team
Financial Services and the Treasury Bureau
15/F, Queensway Government Offices
66 Queensway
Hong Kong

By Email: co_rewrite@fstb.gov.hk

Dear Sirs


The Hong Kong Trustees' Association welcomes the opportunity to provide comments in response to the consultation on the qualifying criteria for private companies to prepare simplified financial and directors' reports.

Given that the companies at issue are private companies (not being banking/deposit-taking companies, insurance companies, stock-broking companies, or a companies which are engaged in the carriage of cargo), the Hong Kong Trustees' Association's view is that the preparation of audited financial accounts and directors reports are primarily for the benefit of the shareholders of the companies. That being the case, we would support Option 2; the form of financial reporting should be a matter for shareholders to decide.

We thank you for inviting the Hong Kong Trustees' Association to comment on this important bill.

Yours faithfully



 Ka Shi Lau
Chairman
HK Trustees' Association Ltd