

PRIVATE & CONFIDENTIAL

By email co_rewrite@ftsb.gov.hk

18 January 2012

Mr Nick Au Yeung
For Secretary for Financial Services and the Treasury
Companies Bill Team
Financial Services Branch
Financial Services and The Treasury Bureau
Government of The Hong Kong Special Administrative Region
15th Floor Queensway Government Offices
68 Queensway
Hong Kong

Dear Mr Au Yeung,

**Re: Companies Bill - Consultation on the Qualifying Criteria for Private
Companies to Prepare Simplified Financial and Director's Reports**

Thank you for your letter dated 6th December 2011, to Deborah Annells on the above consultation and many apologies we are a few days late in responding, but we did wish to consult our members at the British Chamber of Commerce in Hong Kong fully before replying to you. Deborah has asked me to reply to you on her behalf, and on behalf of the Chamber.

We are glad that the Government is proposing to review/ increase in the threshold levels for allowing Simplified Reporting in the new Companies Ordinance, to save compliance costs, for private companies and groups of private companies.

In fact, upon discussion, we support the stance of the HKICPA in recommending even higher threshold levels in the new Ordinance, ie simplified reporting should automatically be allowed where two of the following three criteria are complied with by private companies/groups of companies:-

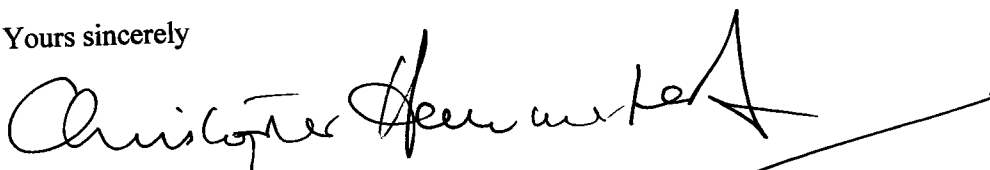
- Total annual revenue of not more than HK\$100m
- Total assets of not more than HK\$100m
- No more than 100 employees.

Where business gets done

If you require any further discussion with us on these matters please let us know.

Wishing you all best for the Year of the Dragon – Kung Hai Fat Choi

Yours sincerely



Brigadier Christopher Hammerbeck CB.CBE.
Executive Director

Cc: Kevin Taylor – Chairman
Paul Brough – Vice Chairman
Deborah Annells – Chair Financial Services Interest Group

Where business gets done

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