

**Process Review Panel for
the Financial Reporting Council**

2014 Annual Report

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Chapter 1 : Background

Overview

1.1 The Process Review Panel for the Financial Reporting Council (PRP) is an independent and non-statutory panel established by the Chief Executive of the Hong Kong Special Administrative Region in 2008 to review cases handled by the Financial Reporting Council (FRC), and to consider whether actions taken by FRC are consistent with its internal procedures and guidelines. The establishment of PRP reflects the Administration's continuing commitment to enhance the accountability of FRC.

1.2 FRC was established under the Financial Reporting Council Ordinance (Cap. 588) (FRC Ordinance) in 2006 as an independent statutory body to investigate auditing and reporting irregularities and enquire into non-compliance with accounting requirements of listed corporations and collective investment schemes in Hong Kong. FRC plays a key role in upholding the quality of financial reporting, promoting the integrity of the accounting profession, enhancing corporate governance and protecting investors' interest.

1.3 Under the FRC Ordinance, FRC is empowered to conduct independent investigations into possible auditing and reporting irregularities in relation to listed entities and is assisted by the statutory Audit Investigation Board (AIB) comprising officers from the FRC Secretariat. FRC is also tasked to conduct independent enquiries into possible non-compliance with accounting requirements on the part of listed entities, and is assisted by the Financial Reporting Review Committees (FRRC), whose members are drawn from the statutory Financial Reporting Review Panel comprising individuals from a wide range of professions in addition to accountants.

Functions of PRP

1.4 The terms of reference of PRP are as follows –

- (a) to receive and consider periodic reports from FRC on completed or discontinued cases;

- (b) to receive and consider periodic reports from FRC on investigations and enquiries which have lasted for more than one year;
- (c) to receive and consider periodic reports from FRC on complaints against FRC or its staff;
- (d) to call for files from FRC to review the handling of cases to ensure that the actions taken and decisions made adhere to and are consistent with internal procedures and guidelines and to advise FRC on the adequacy of its internal procedures and guidelines where appropriate;
- (e) to advise FRC such other matters relating to FRC's performance of statutory functions as FRC may refer to PRP or on which PRP may wish to advise; and
- (f) to submit annual reports to the Secretary for Financial Services and the Treasury.

1.5 The above terms of reference apply to the main Council of FRC (the Council). The internal procedures which PRP would make reference to in reviewing FRC's cases include guidelines on the handling of complaints, initiation and processing of investigations and enquiries, review of modified auditor's reports and financial statements under its risk-based financial statements review programme, working protocols with other regulatory bodies, preservation of secrecy and identity of informers, and relevant legislative provisions.

1.6 PRP is tasked to review and advise FRC on its handling of cases, not its internal operation or administrative matters. Therefore, the work of the committees set up under FRC is not subject to direct review by PRP.

Modus operandi of PRP

1.7 At its inaugural meeting held in mid-November 2008, PRP decided that except for the first review cycle that should start from July 2007 (when FRC became fully operational) until end December 2008, all case review cycles thereafter should run on a calendar year basis.

1.8 Based on FRC's caseload during the relevant review cycle, PRP would select cases for review at the end of the cycle, and all PRP members would join the case review session(s). The approach for case selection could be reviewed or fine-tuned as PRP proceeds with the case review work.

1.9 PRP members were reminded to preserve secrecy in relation to information furnished to them in the course of PRP's work, and to refrain from disclosing such information to other persons. To maintain the independence and impartiality of PRP, all PRP members would declare their interests upon the commencement of their terms of appointment and before conducting each case review.

Composition of PRP

1.10 At the time of the present review, PRP comprised six members, including the Chairman who is a lay person (i.e. non-accountant), the FRC Chairman as an ex-officio member, a member from the accountancy sector, and three other members from the financial and legal sectors.

1.11 The membership of PRP is at **Annex**.

Follow-up on PRP's recommendation made in the 2013 Annual Report

1.12 In its 2013 Annual Report, PRP recommended that FRC should consider setting out in its Operations Manual¹ the procedural arrangements between Hong Kong Institute of Certified Public Accountants (HKICPA) and FRC on the interpretation of professional standards. In response to PRP's recommendation, FRC has added a new paragraph in its Operations Manual requiring that whenever there was a need to interpret the Hong Kong Financial Reporting Standards, Hong Kong Standards on Quality Control, Auditing and Assurance and Related Services or Code of Ethics for Professional Accountants, FRC

¹ The Operations Manual of FRC sets out the internal procedures for handling complaints, investigations, enquiries and review of modified auditor's reports and financial statements under its risk-based financial statements review programme.

would consult HKICPA according to the Memorandum of Understanding signed between HKICPA and FRC.

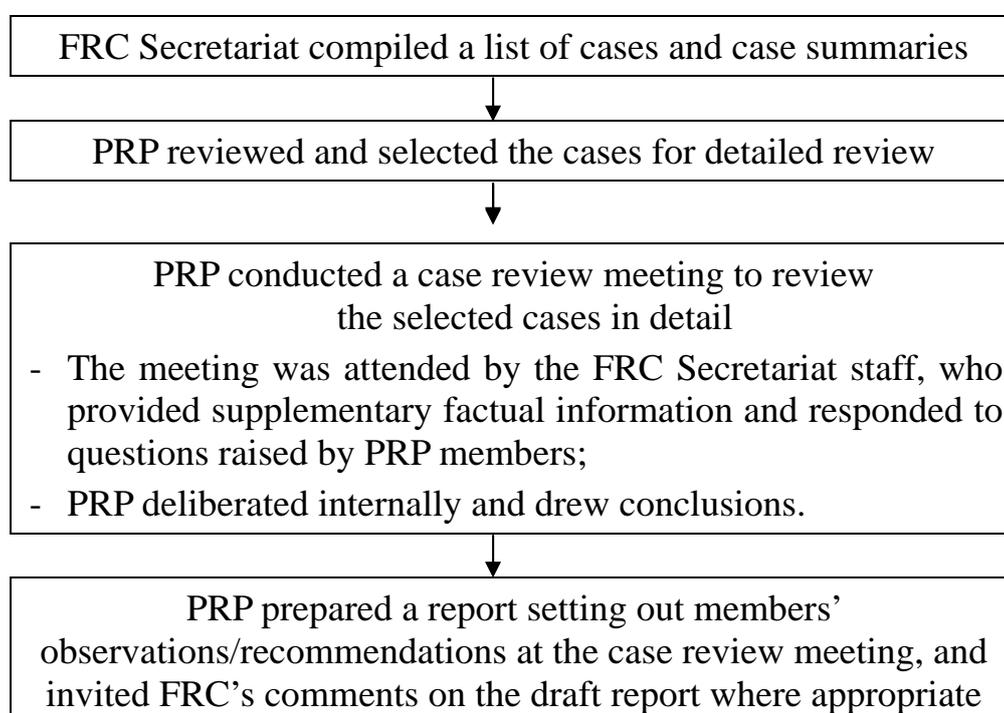
1.13 PRP has noted the follow-up action taken by FRC in the light of its recommendation made in the 2013 Annual Report and had no further comments.

Chapter 2 : Work of PRP in 2014

2.1 This Annual Report covers the work of PRP in 2014, which reviewed reports from FRC on cases completed by it during the sixth review cycle (i.e. from January to December 2013).

Case review workflow

2.2 The workflow adopted by PRP in reviewing the cases is set out below –



Selection of cases for consideration/review

2.3 The FRC Secretariat advised PRP that FRC had completed 14 cases during the sixth review cycle. There were also nine cases for which the review of complaints/review of relevant financial statements under the risk-based financial statements review programme had been completed but the investigations were still ongoing. Among these nine cases, two had lasted for more than one year by the end of the cycle. The PRP members were provided with summaries of all the 23 cases for review as follows –

<u>Category</u>	<u>Distribution of cases</u>	<u>Total number</u>
(I)	Ongoing investigations which had lasted for more than one year	2
(II)	Completed investigation cases	5
(III)	Completed enquiry cases	2
(IV)	Unsubstantiated cases	4
(V)	Cases that FRC directly followed up with the relevant listed entity/auditor concerned	3
(VI)	Completed review of complaints/review of relevant financial statements with ongoing investigations	7

2.4 Out of the 23 cases, PRP selected seven cases for review –

- (a) an ongoing investigation case which had lasted for more than a year (i.e. selected from Category I);
- (b) two completed investigation cases arising from the review of complaints (i.e. selected from Category II);
- (c) an ongoing investigation case with the review of complaint completed (i.e. selected from Category VI);
- (d) a completed enquiry case arising from the proactive review of financial statements (i.e. selected from Category III);
- (e) an unsubstantiated case arising from the proactive review of financial statements (i.e. selected from Category IV); and

- (f) a completed case followed up directly by FRC with the listed entity (i.e. selected from Category V).

PRP considered that the selection of these seven cases reflected a good mix of the cases which fell within the sixth review cycle.

Case review session

2.5 After PRP has selected the seven cases for review, and with the assistance of FRC, the PRP Secretariat made preparation for the case review meeting which was held in September 2014 to review the selected cases.

2.6 The PRP Secretariat had invited all members to declare any conflicts of interest before the meeting. A PRP member had declared potential conflict of interests² with regard to one of the cases under review. At the start of the case review meeting, the PRP Chairman further reminded members to declare any possible conflict of interest in the cases to be reviewed. The meeting agreed that since there was no real or apparent conflict of interest in respect of the issue declared by the member, it was not necessary for the member to withdraw from the review.

2.7 PRP's observations in respect of the selected cases and its recommendation to FRC are set out in the following chapters.

² The PRP member was acquainted with partners of the auditing firm of a case selected for review.

Chapter 3 : PRP's review of cases handled by FRC

3.1 On the whole, having considered the seven cases reviewed in the sixth cycle, PRP was of the view that FRC had followed the internal procedures in handling the cases.

(1) Review of an ongoing investigation case which had lasted for more than one year

Case facts

3.2 PRP reviewed a complaint case which led to a formal investigation into a suspected auditing irregularity. The investigation, which was in progress as at the end of the sixth review cycle and had lasted for more than one year, was initiated in November 2012 in respect of the audits of the consolidated financial statements of a listed entity for the years ended 31 December 2007, 31 December 2008 and 31 December 2009 respectively. It was alleged that the auditor had failed to identify the issues of non-compliance with accounting requirements during the course of the audit and the Engagement Quality Control Reviewer (EQCR) had not carried out a proper review according to the International Standards on Auditing.

FRC actions

3.3 The Council had examined the case and directed AIB to investigate the alleged auditing irregularity. FRC had requested the auditor and the EQCR to provide information during the investigation. Despite issue of repeated reminders and a warning letter, the auditor had not responded for nearly five months after the deadline had lapsed. FRC then applied to the Court of First Instance of the High Court for an inquiry into the failure of complying with the requirements. The Court of First Instance made an order that the auditor should comply with the FRC's requirement within a specified period. After receiving the court order endorsed with a penal notice, which stated that the auditor concerned might be punishable as guilty of contempt of court if he did not comply with the FRC's requirement, the auditor replied to FRC immediately.

PRP's areas of review

3.4 PRP focused its review on the long time taken by FRC to complete the investigation. FRC explained that the main reason for such a prolonged investigation was because of the auditor's delay in responding to a FRC's requirement. FRC had served several reminders to the auditor including a warning letter. As the auditor still did not reply after issue of the warning letter, FRC applied to the Court for an inquiry into the failure of complying with the requirements. FRC remarked that this case was the first time that FRC had to apply for a court order in relation to failure to comply with an investigation requirement. To demonstrate its determination in taking enforcement actions against listed entities or auditors which did not comply with FRC's requirements, FRC had issued a press release to inform the public that it had successfully obtained an order from the Court requiring the auditor concerned to produce specified records and documents for FRC's investigation.

3.5 In response to PRP's enquiry on how FRC communicated with the auditor concerned, FRC said that the first reminder was in writing and delivered to the auditor by courier, and subsequent reminders were conveyed through emails and telephone calls.

3.6 PRP noted that there was a prolonged period before FRC applied to the Court of First Instance for an inquiry, and asked if there was any special reason for the time lag. FRC said that it was intended to give the auditor sufficient time to respond before bringing the case to the Court. According to FRC's internal legal advice, the chance of successfully obtaining a Court order would increase if FRC could show that the auditor was not cooperative despite being given sufficient time to respond.

Conclusion

3.7 Having reviewed FRC's handling of the case and in the light of the above clarifications, PRP concluded that the reasons for the conduct of the investigation to last for more than a year were acceptable, and agreed that FRC had been handling the case in accordance with its internal procedures.

3.8 As the investigation was eventually completed in September 2014, the investigation process of the case will be subject to review, among other cases for selection of review, by PRP in the next review cycle.

(2) Review of a completed investigation case arising from a review of complaint

Case facts

3.9 PRP reviewed a complaint case leading to a formal investigation into a suspected auditing irregularity in relation to the audit of the consolidated financial statements of a listed entity for the years ended 31 December 2008 and 31 December 2009 respectively. The complainant alleged that there was non-compliance with accounting requirements in the preparation of financial statements, and that the auditor concerned should have modified its opinion on the relevant financial statements. During the course of investigation, the auditor concerned had sought multiple time extensions for commenting on the draft investigation report. The investigation was completed within a year.

FRC actions

3.10 The Council examined the case and directed AIB to investigate the alleged auditing irregularity. Based on its findings, AIB was of the view that the auditor concerned had not properly performed the audit with an attitude of professional skepticism, and had not made a critical assessment, with a questioning mind, of the validity and appropriateness of the audit evidence on which its audit opinions were based. The Council adopted the investigation report by AIB and referred the case to HKICPA to determine if any disciplinary action was warranted.

PRP's areas of review

3.11 Based on the case facts outlined above, PRP reviewed the following steps taken by FRC in handling the complaint case –

- (a) initial screening;

- (b) liaising with the listed entity and the auditor concerned to review the allegations;
- (c) preparation and submission of a complaint assessment report to the Council;
- (d) initiating a formal investigation;
- (e) issuing directions to AIB to conduct the investigation by the Council;
- (f) preparation and issue of the investigation report by AIB;
- (g) adoption of the investigation report by the Council; and
- (h) referral to another regulatory body for follow-up.

3.12 Regarding the repeated extensions granted to the auditor concerned for commenting on the draft investigation report, FRC said that the extensions had been granted on the ground that the auditor had been consulting its legal advisor and technical experts on the investigation report, and approval by the Chairman of the Operations Oversight Committee (OOC) had been sought in accordance with the internal procedures.

Conclusion

3.13 Having reviewed FRC's handling of the case, PRP took the view that FRC had handled the case in accordance with its internal procedures.

(3) Review of a completed investigation case arising from a review of complaint

Case facts

3.14 PRP reviewed a complaint case leading to a formal investigation into suspected auditing irregularity in relation to the audit of the consolidated financial statements of a listed entity for the year ended 31 December 2010. The case involved a possible non-compliance with accounting requirements relating to a business combination. The investigation was completed in eight months' time.

FRC actions

3.15 The Council examined the case and directed AIB to investigate the alleged auditing irregularity. Based on its findings, AIB considered that the non-compliance with the accounting requirements was material to the relevant financial statements and that the auditor concerned should have modified its reports in this respect. The Council adopted the investigation report by AIB and referred it to HKICPA to determine if any disciplinary action was warranted.

PRP's areas of review

3.16 Based on the case facts outlined above, PRP reviewed the following steps taken by FRC in handling the case –

- (a) initial screening;
- (b) liaising with the listed entity and the auditor concerned to review the allegations;
- (c) preparation and submission of a complaint assessment report to the Council;
- (d) initiating a formal investigation;
- (e) issuing directions to AIB to conduct the investigation by the Council;
- (f) preparation and issue of the investigation report by AIB;
- (g) adoption of the investigation report by the Council; and
- (h) referral to another regulatory body for follow-up.

3.17 PRP noted that only relevant sections of the draft investigation report were sent to the listed entity for comment, and asked how FRC determined whether the entire report or part of it should be sent to the listed entity. FRC said that the investigation report might cover information about the auditing methodologies adopted by the auditor, which were the auditor's proprietary assets and according to legal advice previously sought, FRC should redact the irrelevant parts when sending the investigation report to the listed entity for comment.

3.18 On the question whether FRC's internal procedures should expressly specify certain parts of the investigation report were required to be redacted before sending it to the listed entity concerned for comment, PRP agreed, after some discussion, not to impose such a requirement so that FRC might exercise more flexibility considering different circumstances of the cases.

Conclusion

3.19 Having reviewed FRC's handling of the case and taking into account the above clarifications, PRP took the view that FRC had handled the case in accordance with its internal procedures.

(4) Review of a completed complaint case which the investigation is ongoing

Case facts

3.20 PRP reviewed a complaint case received by FRC which comprised a total of seven allegations in relation to the financial statements of a listed entity for the year ended 31 March 2011. The complainant alleged that there was possible non-compliance with accounting requirements in the relevant financial statements and the auditor of the listed entity did not obtain sufficient appropriate auditing evidence to support its audit opinion on the financial statements. The investigation was still on-going as at the end of the sixth review cycle.

FRC actions

3.21 FRC examined the complaint and requested the listed entity to provide information in relation to the complaint. FRC granted extensions of deadline twice for the listed entity to respond. Having reviewed the complaint assessment report, the Council directed AIB to investigate the alleged auditing irregularities in May 2013.

PRP's areas of review

3.22 Against the above background, PRP reviewed the following steps taken by FRC in handling the case –

- (a) initial screening;
- (b) liaising with the listed entity and the auditor concerned to review the allegations;
- (c) preparation and submission of a complaint assessment report to the Council;
- (d) initiating a formal investigation; and
- (e) issuing directions to AIB to conduct the investigation by the Council.

3.23 PRP noted that FRC had consulted the OOC Chairman before granting the extension to the listed entity, and enquired under what circumstances the OOC Chairman should be consulted. FRC replied that its internal procedures specified that the OOC Chairman should be consulted if the total time requested by the listed entity for providing the requested information exceeded one month, and that the OOC Chairman would normally be consulted through email. FRC also confirmed that all the relevant correspondence had been documented in the files.

3.24 In addition, PRP asked why it took more than eight months to submit the complaint assessment report to the Council after receiving all the information from the listed entity. FRC explained that the report was in fact completed earlier but it could only be submitted in the next scheduled Council meeting which was about three months later as it had missed the circulation time for an earlier Council meeting.

3.25 PRP enquired in general how long a case would take to complete and whether there was any specified deadline for completion. FRC said that the time required to complete a case would depend on the complexity of the case concerned. While there was no specified time limit to complete a case, FRC endeavored to conduct investigations and enquiries in an efficient and effective manner. Consideration should also be given to the fact that the manpower in FRC was very tight. Currently, nine professional staff members in FRC were responsible for handling cases, and some of them had only been recruited since 2013.

Conclusion

3.26 Having reviewed FRC's handling of the case, PRP concluded that FRC had handled the case in accordance with its internal procedures.

(5) Review of a completed enquiry case arising from the proactive review of financial statements

Case facts

3.27 PRP reviewed a completed case leading to a formal enquiry into possible non-compliance with accounting requirements in relation to a business combination, which arose from FRC's proactive review of a listed entity's consolidated financial statements for the year ended 31 March 2009.

FRC actions

3.28 The Council appointed a FRRC to conduct an enquiry into the case in May 2012. Based on the results of the enquiry, FRRC concluded that there was non-compliance with accounting requirements in relation to the recognition of the identifiable assets and the relevant goodwill in the financial statements. Taking into account the FRRC's recommendations, FRC issued a notice under section 49 of the FRC Ordinance to the listed entity in May 2013 requiring the removal of the relevant non-compliance by making retrospective restatements to the consolidated financial statements for the year ended 31 March 2011.

PRP's areas of review

3.29 Based on the case facts outlined above, PRP reviewed the following steps taken by FRC in handling the case –

- (a) initial screening;
- (b) liaising with the listed entity and the auditor concerned to review the allegations;
- (c) preparation and submission of a review assessment report to the Council;
- (d) initiating a formal enquiry;
- (e) appointing and working with FRRC to conduct the enquiry;
- (f) preparation and issue of the enquiry report by FRRC;
- (g) adoption of the enquiry report by the Council; and
- (h) following up directly with the listed entity for rectification of the non-compliance identified.

3.30 PRP noted that the auditor had, on the grounds of medical and health reasons, sought a number of extensions of deadline for commenting on the draft enquiry report, and asked if he was using delaying tactics to postpone responding to FRC's request. FRC said that the auditor had submitted medical certificates proving that he was unfit to work.

3.31 PRP also noted that the listed entity had sought FRC's consent to issue letters to "relevant parties", and enquired the meaning and reason of such an action. FRC explained that the listed entity was required to seek FRC's consent before contacting its former board members for the requisite information given the confidential nature of the communication between the listed entity and FRC. The Council approved to grant such consent to the listed entity.

3.32 In response to PRP's enquiry on the issue of a section 49 notice, FRC said that according to section 49 of the FRC Ordinance, FRC might issue a written notice to the listed entity to take remedial action if it appeared to the Council that there was a relevant non-compliance. FRC added that although FRC did not have the power to discipline directors of a listed entity, it would inform the Hong Kong Exchanges and Clearing Limited³ or other regulators through their regular meetings to consider any follow-up action, if so warranted.

Conclusion

3.33 Having reviewed FRC's handling of the cases and taking into account the above clarifications, PRP agreed that FRC had handled the cases in accordance with its internal procedures.

³ The Hong Kong Exchanges and Clearing Limited was informed of the case subsequently.

(6) Review of an unsubstantiated case arising from the proactive review of financial statements

Case facts

3.34 Among the four completed cases whereby the allegations were unsubstantiated, PRP selected one case for review to consider if the case had been handled in accordance with FRC's internal procedures. The chosen case involved –

- (a) possible non-compliance with accounting requirements in relation to business combinations; and
- (b) possible auditing irregularity by the auditor concerned who had failed to modify its audit opinion on the financial statements in view of the above non-compliance.

FRC actions

3.35 After reviewing the relevant financial statements of the listed entity under its risk-based financial statements review programme, FRC sought clarification from the listed entity regarding the possible non-compliance with the accounting requirements in the financial statements and consulted the FRC Honourary Adviser during the process. It was concluded that there was no apparent non-compliance with accounting requirements as the listed entity had provided reasonable explanation to support its decision in the valuation of assets in the financial statements. It followed that there was no apparent auditing irregularity on the part of the auditor concerned. In view of the above findings, the Council decided not to pursue the case further.

PRP's areas of review

3.36 With the above background, PRP reviewed the following steps taken by FRC in handling the case –

- (a) initial screening;
- (b) liaising with the listed entity concerned to review the allegations;
- (c) preparation and submission of a review assessment report to the Council; and
- (d) closing the case.

3.37 On the question about seeking advice from the Honourary Adviser, FRC said that since the case involved a complex technical issue (i.e. application of a financial reporting standard), FRC considered that there was a need to consult the Honourary Adviser in order to address the technical issue.

3.38 PRP also asked why it took FRC almost six months to complete the review assessment report. FRC explained that the report was in fact completed earlier but it could only be submitted in the next scheduled Council meeting which was about two months later.

3.39 In response to PRP's enquiry on how many cases were reviewed under FRC's risk-based financial statement review programme, FRC said that a total of 75 sets of financial statements would be reviewed proactively by FRC every year.

Conclusion

3.40 Having reviewed FRC's handling of the case and taking into account the above clarifications, PRP was satisfied that FRC had handled the case in accordance with its internal procedures.

(7) Review of a completed case directly followed up by FRC with the listed entity

Case facts

3.41 The case arose from a proactive review of financial statements by FRC under the risk-based financial statements review programme. The issues of possible non-compliance with accounting requirements were the fair value measurement of the promissory note, the recognition of intangible assets and the calculation of loss per share in the financial statements.

FRC actions

3.42 FRC sought clarification from the listed entity and the auditor concerned regarding the above issues of possible non-compliance with the accounting requirements. On the basis of their clarification, FRC considered that there was no apparent non-compliance with accounting requirements in respect of the fair value measurement of the promissory note and the recognition of the intangible assets, and the Council decided not to pursue the case further.

3.43 In respect of the calculation of loss per share, FRC was of the view that it was not a significant disclosure deficiency. FRC therefore advised the listed entity that it should correctly apply the relevant accounting standards to its future financial statements.

PRP's areas of review

3.44 PRP noted the issues involved in the selected case and reviewed the following steps taken by FRC in handling the case –

- (a) initial screening;
- (b) liaising with the listed entity and the auditor concerned to review the allegations;
- (c) preparation and submission of a review assessment report to the Council; and
- (d) following up directly with the listed entity with advice.

3.45 In response to PRP's question on granting the extension of deadline to the listed entity in responding to FRC's request for information, FRC confirmed that the OOC Chairman had been consulted before approving such an extension.

3.46 PRP noted that FRC had only taken follow-up action with the listed entity, and asked whether there was any follow-up action against the auditor concerned. FRC said that since the non-compliance in respect of disclosure deficiency was not a significant disclosure deficiency affecting the true and fair view of the financial statements, FRC had not taken any follow-up action with the auditor.

3.47 PRP also noted that when preparing the review assessment report, FRC decided to obtain more information from the auditor, and asked whether there was any procedure in this regard. FRC replied that as set out in the internal procedures, FRC could request additional information from the listed entity and/or the auditor before concluding whether or not there was a possible auditing irregularity or non-compliance with accounting requirements.

Conclusion

3.48 Having reviewed FRC's handling of the case and taking into account the above clarifications, PRP was satisfied that FRC had handled the case in accordance with its internal procedures.

Chapter 4 : Recommendation and way forward

4.1 On the seven cases selected for review during the sixth review cycle, PRP concluded that FRC had handled the cases in accordance with its internal procedures. During the review process, PRP noted that currently there was no established procedure regarding the re-activation of review for suspended cases⁴. Although none of the cases selected in this review cycle had been suspended before, PRP considered that it might be helpful to set out in FRC's Operations Manual the relevant considerations and steps in re-activating a suspended case. At the same time, PRP noted that if it were to prescribe conditions for re-activation of cases without careful consideration of the possible implications, it might inadvertently restrict FRC's flexibility in handling these cases in future. PRP therefore recommended deferring to FRC to consider if it should set out guidelines on re-activation of suspended cases in the Operations Manual.

4.2 FRC pointed out that since the Council and the OOC would consider periodic reports on suspended cases in their regular meetings, there was already a system in place to review the suspended cases despite the absence of documented procedures in re-activating review of suspended cases. Nonetheless, FRC took note of PRP's recommendation above and will duly consider if it should set out guidelines on re-activating review of cases in the Operations Manual.

4.3 PRP will continue its work on the review of completed cases to ensure that FRC adheres to its internal procedures consistently. For 2015, PRP will select cases that FRC has completed during the period between January and December 2014 for review.

4.4 Comments on the work of PRP can be referred to the Secretariat of PRP for FRC by post (Address: Secretariat of PRP for FRC, 15th Floor, Queensway Government Offices, 66 Queensway, Hong Kong) or by email (email address: frcprp@fstb.gov.hk)⁵.

⁴ There were many different situations in which a case would be suspended, for example, when a case is pending results of investigations by specified enforcement agencies.

⁵ For enquiries or complaints not relating to the process review work of FRC, they should be made to FRC directly –

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

By telephone : (852) 2810 6321

By fax : (852) 2810 6320

By email : general@frc.org.hk

Chapter 5 : Acknowledgement

5.1 PRP would like to express its gratitude to FRC for its assistance in facilitating the review work, and its cooperation in responding to PRP's enquiries and recommendations in the past year.

**Secretariat of the Process Review Panel
for the Financial Reporting Council
March 2015**

**Process Review Panel
for the Financial Reporting Council**

Membership

Chairman

Mr. Edmund K H LEUNG, SBS, JP (梁廣灝) (until 31 December 2014)

Mr. Anthony CHOW, SBS, JP (周永健) (from 1 January 2015)

Members

Ms. Angelina Agnes KWAN (關蕙)

Ms. Elizabeth LAW, MH, JP (羅君美) (until 31 December 2014)

Miss Florence Chan (陳苑芬) (from 1 January 2015)

Mr. Vincent KWAN (關永盛)

Mr. Anthony CHOW, SBS, JP (周永健) (until 31 December 2014)

Prof. CK LOW (劉殖強教授) (from 1 January 2015)

Dr. John POON, JP (潘祖明), ex-officio member

(With Secretariat support provided by
the Financial Services and the Treasury Bureau)