

Process Review Panel for Financial Reporting Council publishes 2019 report

The following is issued on behalf of the Process Review Panel for the Financial Reporting Council:

The Process Review Panel (PRP) for the Financial Reporting Council (FRC) published its 11th annual report today (April 24), covering the work of the PRP in 2019.

The Chairman of the PRP, Dr Anthony Chow, said, "In the 11th review cycle, the PRP reviewed six out of the 137 cases handled by the FRC in 2018. These cases are related to possible auditing and reporting irregularities and possible non-compliance with accounting requirements in relation to listed entities in Hong Kong."

Dr Chow added, "After reviewing these cases and considering the reports by the FRC executives, the PRP concluded that the FRC had handled the cases in accordance with its internal procedures. We are grateful for the co-operation and full support rendered by the FRC in facilitating the work of the Panel and following up on our suggestions. In view of the commencement of the new auditor regulatory regime, we also look forward to the review of cases handled by the FRC with its expanded functions."

The PRP is an independent panel established on November 1, 2008, to review cases handled by the FRC and consider whether the actions taken by the FRC are consistent with its internal procedures and guidelines. It comprises five members appointed by the Financial Secretary under authority delegated by the Chief Executive, with the FRC Chairman as an ex-officio member. With the commencement of the Financial Reporting Council (Amendment) Ordinance 2019 on October 1, 2019, the terms of reference of the PRP have been expanded to review cases handled by the FRC in the areas of inspection, investigation, discipline, oversight and recognition under the new regulatory regime.

The full text of the annual report can be downloaded from the website of the Financial Services and the Treasury Bureau at www.fstb.gov.hk/fsb/topical/doc/frc_prp_report19_e.pdf.