

## OPERATIONS STATISTICS - 2009

### REVIEW OF COMPLAINTS

for the period from 1 January 2009 to 30 June 2009

Note

Complaint	Current Period	Since commencement	1
No. of cases under review at the beginning of the period	6	-	
Complaints received	7	36	
Reviews suspended	-	(4)	2
Reviews completed:			
- No. of cases with no follow-up action	(7)	(18)	3
- No. of cases with follow-up action (see below)	(2)	(10)	4
Under review as at 30 June 2009	4	4	
Follow-up action taken:			4
- Resolved without initiating an investigation or enquiry	-	1	5
- Referred to specified enforcement agencies	1	8	6
- Enquiries initiated (see "Progress of Enquiries")	1	2	
- Investigations initiated (see "Progress of Investigations")	-	1	

#### Notes :

1. The FRC commenced its operation on 16 July 2007.
2. Reviews are suspended pending results of investigations by specified enforcement agencies. (See Note 6)
3. After the FRC reviewed the complaints by reference to the material provided by the respective complainants and the additional information obtained from the parties concerned, it considered that the complaints had no merit or the parties concerned had provided a satisfactory explanation to support the claim that there was no auditing or reporting irregularity, or non-compliance with accounting requirements.
4. The number of follow-up action taken may not equal to the number of cases with follow-up action because a complaint may contain multiple allegations and the FRC may need to take different actions for different allegations. On the other hand, more than one complaint may relate to the same entity on similar issues. These complaints were consolidated for follow-up purpose.
5. The FRC discussed the alleged non-compliance with the complainees who subsequently published a clarification announcement. The issue was satisfactorily resolved without initiating an investigation or enquiry.
6. Cases not within the remit of the FRC or those requiring other follow-up action are referred to specified enforcement agencies. According to the FRC Ordinance, "specified enforcement agency" means the Commissioner of Police of Hong Kong, the Commissioner of the Independent Commission Against Corruption, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Exchanges and Clearing Limited, the Securities and Futures Commission, the Registrar of Companies, the Monetary Authority, the Insurance Authority, the Commissioner of Inland Revenue, the Official Receiver, the Mandatory Provident Fund Schemes Authority, or the Market Misconduct Tribunal.