

Press Release
19 November 2007

Memorandum of Understanding between Hong Kong Monetary Authority and Financial Reporting Council

The Hong Kong Monetary Authority (HKMA) and the Financial Reporting Council (FRC) announced today (Monday) that they entered into a Memorandum of Understanding (MOU).

The FRC is a statutory organisation which commenced operation in July 2007. Its main functions are to investigate auditing and reporting irregularities in relation to listed entities, and to enquire into non-compliances with relevant accounting requirements in listed entities' financial reports. The HKMA is charged with the responsibility for, among other things, the supervision of authorized institutions under the Banking Ordinance.

The Financial Reporting Council Ordinance (Cap. 588) provides, among other things, for certain notification and consultation requirements on the FRC where the listed entity that is the subject of investigation or enquiry is an authorized institution under the Banking Ordinance or its related company. In this regard the MOU aims to elaborate on the mechanisms for communication and information exchange between the HKMA and the FRC, and to enhance the cooperation and mutual assistance between the two parties.

Members of the public may access the main text of the [MOU](#) at the websites of the HKMA (<http://www.hkma.gov.hk>) and the FRC (<http://www.frc.org.hk>).