



審計署
香港灣仔
告士打道七號
入境事務大樓
二十六樓

Audit Commission
26th Floor
Immigration Tower
7 Gloucester Road
Wanchai, Hong Kong

圖文傳真 Facsimile : 2824 2087

電話 Telephone : 2829 4204

本署編號 Our Ref. : (43) in UG/ASN/HKI/0 VOL. 2

來函編號 Your Ref. :

12 September 2008

Mr. Steve Ong,
Deputy Director, Standard Setting,
Hong Kong Institute of Certified
Public Accountants,
37th Floor, Wu Chung House,
213 Queen's Road East,
Wanchai, Hong Kong

Dear Mr Ong,

**HKICPA Consultation Paper
on Financial Reporting by Private Companies**

Thank you for your letter of 16 June 2008 inviting me to comment on the Consultation Paper.

In general, I support the proposal to develop a financial reporting framework for large private companies, as the two existing financial reporting frameworks (Hong Kong Financial Reporting Standards, and Small and Medium-sized Entity Financial Reporting Framework and Standards) may not be appropriate for reporting the operations of these companies or may be providing less useful information to users of their financial statements. In this connection, I share the Institute's view that such a framework should have the characteristics of being stable, simple and able to address issues specific to Hong Kong, as set out in paragraph 36 of the Consultation Paper.

Regarding Questions 1 to 6 in the Consultation Paper, I have no comments to offer.

Yours sincerely,

(S C Poon)
for Director of Audit