



Experienced risk experts for sustainable business growth – SHINEWING Risk

风险管理专业团队协助您的业务持续发展 - 信永方略



Introduction

In the fast-changing business environment, risk management plays a dominant role in the sustainable development of business enterprises. A good internal control system not only improves the operating efficiency of organizations, but it also safeguards the interests of companies and their shareholders.

SHINEWING Risk Services professionals are equipped with extensive skills and experience in providing a broad range of risk advisory services. We, as a market leader, serve our clients with distinct advice and leading practice by adapting a flexible and collaborative approach. Being a trusted advisor to our clients, we understand your needs and strive to assist you in the following specialized services:

- Internal Control Review Services
- Corporate Governance Services
- Chinese SOX Services
- Sarbanes – Oxley Services
- Corporate and Directors Training Services

引言

商业环境不断变化，风险管理是每一间企业持续发展极重要的一环。一套良好的内部控制系统不但能够提高公司的经营效率，更能有效地保障公司及股东利益。

信永方略的专业团队拥有丰富技术及经验，为您提供各类型风险管理咨询服务。作为市场领导者，我们于各方面具备高度灵活性，为您提供独特及优质的顾问服务。我们深受客户信赖，真正了解您所面临的问题，并可为您提供最佳及有效的解决方案。我们的主要服务范畴包括：

- 内部控制审阅服务
- 企业管治服务
- 《企业内部控制基本规范》服务
- 《萨班斯·奥克斯利》法案服务
- 企业及董事培训服务



Internal Control Review Services

In today's business world, internal control is the key for companies to achieve corporate goal; enhance efficiency, improve business performance and strengthen competitiveness. In response to the present environment, a number of related provisions have been enforced in Hong Kong to govern companies in managing the assurance and execution of internal control. Those lacked good internal control systems may impair their reputation and even suffer from penalties. Therefore, a sound internal control system can vest companies in standing out from the peers.

SHINEWING Risk is composed of professionals with expertise in various industries and specialized capabilities. Together with our sophisticated knowledge in internal control and corresponding regulations, our consultants can provide professional opinions in respect of client's business. Our internal control review services include the following:

1. Initial Public Offering (IPO) Projects (Normally known as PN21/PN2 Review)

A sufficient preparation leads to a good chance of successful listing in Hong Kong. SHINEWING Risk brings the customized service of internal control review to pre-listing clients and their sponsors. Our team provides relevant and practical advices to these pre-listing companies which help them to formulate the implementation plan to enhance the existing business controls and processes before going public. Apart from conducting PN21/PN2 Review, we also assist pre-listing companies in complying the Hong Kong Exchanges and Clearing Limited (HKEx)'s regulatory requirements for the sake of launching the IPO successfully.

2. C.2.1 Review of Hong Kong Listed Companies

A flawless and effective internal control system is essential to success of listed companies. Internal control is an on-going process, so as to regularly assure the listed companies' resources are protected and allocated appropriately; procedures and guidelines are strictly followed. SHINEWING Risk helps Hong Kong listed companies conduct thorough C.2.1 Review by assessing the operating effectiveness of their internal control systems and management environment, and also evaluating the reliability of both financial accounting and management reporting policies. Furthermore, our team proactively provides constructive recommendations to management and assists listed companies in performing their duties effectively.

3. Resumption of Trading for Hong Kong Listed Companies

SHINEWING Risk investigates the underlying problems in accordance with the reason of suspension and assist companies in conducting various kinds of improvement on corporate and management reorganization. In addition to professional advice on internal control system, our team can help clients enhancing both the internal control system and corporate governance in order to comply with the Listing Rules in Hong Kong.

4. Policies and Procedures Establishment

SHINEWING Risk helps clients customizing the unique policy and procedures in relation to the business needs and nature, industry practice and requirement in the course of committing government and regulatory bodies' enforcement. Supporting with daily monitoring and regular evaluation, internal control system can definitely mitigate the corporate risk of an organization.

5. Special Review as requested by HKEx

Our internal control team provides innovative, up-to-date and effective value-added services to clients. In order to meet the special review request by HKEx, we assist client to implement risk management, monitor client's departments on the conformity in policy and procedure, and enhance internal monitoring efficiency and effectiveness.

内部控制审阅服务

在现今的商业社会，内部控制是公司实现企业目标、提高效率、强化业务、提升竞争力所不可缺少的机制，目前，香港已制定了相关法规，以加强企业内部控制的执行与稽核。没有良好内部控制的企业，有机会面临声誉受损，甚至受处分的影响，故此，建立一个完善的内部控制制度成为了企业其中一个重要的致胜之道。

信永方略的专业团队拥有不同行业及领域的经验。结合我们的内部控制经验及对相关法规的丰富知识，本团队能针对客户的业务提供专业的意见。我们的内部控制审阅服务包括：

1. 首次公开招股项目 (普遍称为PN21/PN2内控审阅)

充足的准备能增加成功上市的机会。信永方略会根据客户于香港的上市计划，度身订造一套适合客户的内部控制审阅服务，协助客户及保荐人在香港上市之前落实内部控制的执行，以强化其业务流程，务求让客户首次公开招股项目能顺利展开，并在符合香港交易及结算有限公司(香港交易所)要求的情况下成功上市。

2. 香港上市公司C.2.1审阅

任何业务能成功运作，都必须具备一套完善及有效的内部控制系统。而内部控制是一个持续进行的监控过程，才能定期确保公司资源得到适当的保障和运用，程序和指引得到严格遵守。因此，本所为香港上市公司客户提供的全面的C.2.1审阅，不但为香港上市公司客户评估内部控制制度和管理环境是否有效、财务会计制度和管理汇报制度是否可靠，更会主动向管理层提出有建设性的建议，协助管理层有效地履行其职责。

3. 香港上市公司复牌

针对停牌的原因，展开调查寻找问题所在，并就调查结果协助香港上市公司进行多项企业及管理重组改善工作，同时对香港上市公司内部控制系统提出改善意见，从而使公司内部控制系统及企业管治均得到改善，以符合香港上市规则的要求。

4. 政策及程序设立

信永方略能按公司行业的性质及业务特性，度身制定一套满足业务需要的政策及程序，信永方略专业团队会协助公司设立完善的内部控制系统及程序，以符合监管机构的要求。建立稳健的内部控制系统，并配合日常实施及定期分析检讨，定必能减低企业潜在的风险危机。

5. 香港交易所委派的特别内控审阅

本所的内部控制审阅团队会就客户的业务性质及市场趋势，提供创新、及时和有效的增值服务，以协助管理层进行风险管理、监察各部门对制度及程序的遵守情况，以及提高内部控制制度和程序的效率和效用，以符合香港交易所特别内部控制审阅要求。



Corporate Governance Services

Business environment is challenging on all fronts and new rules for listed companies are emerging in Hong Kong. Corporate governance has been an imperative issue for all companies. This has led to a mounting emphasis on accountability of Board of Directors, performance scrutiny, compliance and conformity. Consequently, in the recent years, more companies strive to maintain a high standard of corporate governance, so as to benefit from it.

SHINEWING Risk provides sophisticated and timely advice regarding the issues that arise from the recent changes on listing rules, code and provisions. Helping clients formulate a sound and healthy structure for corporate governance, we incorporate the corporate governance services into our scope:

1. Review of Listing Rules compliance

In response to the rapid changes in business environment, HKEx has often reviewed and revised the Listing Rules. Directors of the listed companies may feel annoyed with keeping notice on the frequent updates of listing rules. SHINEWING Risk, consisting of regulatory consultants and industry professionals for corporate governance, not merely provides the most up-to-date market information, but also reviews the process of clients' business, so as to be in line with the listing rules.

2. Review of Corporate Governance Report

With intensifying focus on corporate social responsibility, listed companies need to disclose their business performance to the public. Corporate governance report is one of the channels to reveal the performance of a listed company. It also entails management for further improvement. Upon preparing corporate governance report, listed companies can review their performance and strive for betterment, and thus increase their competitiveness. Understanding the importance of corporate governance, our professionals can digest the business needs of our clients with expertise. We, therefore, are able to guarantee the disclosure integrity, transparency as well as quality in reviewing corporate governance reports.

3. Review of applicable Code compliance

The HKEx introduced the Code on Corporate Governance Practices in Appendix 14 of Hong Kong Listing rules to enhance the corporate governance level of listed companies in Hong Kong. Corporate governance consists of several facets including provisions, accountability, relationships, policies and procedures. SHINEWING Risk believes that it is of great importance to incorporate corporate governance into management structure and internal control procedures of a listed company. At the same time, our professional consultants help companies establish sustainable and effective corporate governance structure through performing regular reviews and developing risk management strategies. In view of this, listed companies could be able to standardize and enhance effectiveness in operational management, and ensure full compliance with applicable laws, provisions and code of corporate governance.

企业管治服务

随着香港的营商环境持续改变，以及上市公司规则不断更新，企业管治已成为各企业必不可少的重要一环。此趋势令市场对董事会问责制度、工作监察、承诺及达标给予高度重视，故近年来愈来愈多公司务求实践良好的企业管治，以从中受惠。

信永方略就上市规则及其它不同规则、条例的更改及时向客户提供优质和专业的意见，协助客户制订稳健的企业管治架构。企业管治的服务范围包括：

1. 审阅流程，以确保遵守上市规则

市场瞬息万变，而香港交易所的上市规则亦经常因应市场转变而作出调整及更新。不少香港的上市公司往往未能及时得知并适应最新的上市规则而添上不少麻烦。作为专业的企业管治服务团队，本所不但能提供最及时的信息，亦会为公司审阅业务流程，确保公司不会违反上市规则。

2. 企业管治报告审阅

随着社会日趋关注企业社会责任，企业亦应该就各项不同范畴作出相关报告，报告不仅是公司表现其业绩的途径，更是改善管理水平的良好机会。编写企业管治报告之时，公司不但可以检视其表现，亦同时可以鼓励公司不断改善，从而提升公司竞争力。明白到企业管治报告的重要性，本所凭借其丰富经验，深入了解客户业务特点，审阅企业管治，确保数据披露的完整性、透明性和质量。

3. 检讨范围，确保遵守适当的企业常规守则

香港交易所在香港上市规则中加入附录14，引入企业管治的守则，以提升香港上市公司企业管治的质素。企业管治包含了规则、权责、关系、制度和程序。信永方略相信，企业管治需要融入管理架构与内部控制程序当中，同时透过本所的专业团队定期为公司进行检讨评估、制订风险管理策略及程序，可为公司建立一个可持续及有效的企业管治基础，令公司整体运作更规范化，管理更为有效，达致监管规定要求。



Chinese SOX Services

The Basic Standard for Enterprise Internal Control ("The Basic Standard") was jointly announced by China's Ministry of Finance, National Audit Office, China Securities Regulatory Commission, China Banking Regulatory Commission and China Insurance Regulatory Commission. As of this announcement, certain listed companies in China are required to adopt the additional guidelines for implementation of "The Basic Standard" by phase while non-listed sizable companies are also encouraged to follow "The Basic Standard".


By focusing on internal control system, "The Basic Standard" requires organizations to establish and implement internal control policies. In the meantime, organizations should assess the effectiveness of their internal controls and disclose the assessment reports on regular basis.

What can we help?

Since "The Basic Standard" has covered a wide range of areas in internal control, organizations are advised to actively prepare as earliest as possible. SHINEWING Risk professionals can assist you:

- To understand the requirements stated in "The Basic Standard" ;
- To identify the critical control areas;
- To establish clear policies to accomplish proper implementation of internal control projects;
- To develop manpower planning for long-run standardization.





《企业内部控制基本规范》 服务

中国财政部、国家审计署、证监会、银监会及保监会五部委联合颁布了《企业内部控制基本规范》（「简称《基本规范》」）。此基本规范及相应之配套指引于国内上市的公司分阶段施行，并鼓励非上市大中型企业提前执行。

《基本规范》主要针对企业的内部控制规范体系，企业必须设立并实施内部控制措施，同时需要定期对其内部控制的有效性进行自我评价，披露年度自我评价报告。

信永方略的应对建议

由于《基本规范》要求的内部控制工作范围大、时间紧，企业应该尽早计划并积极应对。信永方略的专业团队能协助您：

- 充分理解《基本规范》的要求；
- 确定首要的重点关注领域；
- 设立有效的政策，令内部控制项目得以全面实施；
- 实施必要的人才计划，为长远的合规性提供最佳效益。

Sarbanes-Oxley Act Services

In view of the financial scandals of Enron Corporation and WorldCom Group, George W. Bush, the former United States President, enacted the Sarbanes-Oxley Act (SOX Act). The act was sponsored by the United States of House Representatives, Mike Oxley, and the United States Senator, Paul Sarbanes. The introduction of the act signifies that the governor of the largest capital market in the world has already considered that the management of an organization is responsible for the establishment, maintenance, assessment and reporting of internal control. All listed companies in the United States (including those Chinese companies being listed in the US stock exchange) are strictly required to follow the SOX Act. According to the mandates, there are two compliances monitoring the Chief Executive Officers and Chief Financial Officers of listed companies:

Chief Executive Officer:

- Ensure the financial statements submitted to the US Securities and Exchange Commission are credible and reliable
- Provide effective declaration on internal control with regard to financial reporting

Chief Financial Officer:

- Ensure the financial statements submitted to the US Securities and Exchange Commission are credible and reliable

Both the CEOs and CFOs have to take criminal responsibility in case of failure to comply with the above compliances.

Furthermore, the Chinese companies listed in the US market have to comply with the SOX Act Section 302 and 404:

SOX Section 302:

- Management must certify that they are responsible for designing, establishing and maintaining internal controls
- Material information relating to the company and its consolidated subsidiaries is made known to the signing officers
- Officers must have evaluated the effectiveness of internal controls as of a date within 90 days prior to the report

SOX Section 404:

- Internal control report must affirm that the management is responsible for establishing and maintaining adequate internal control structure and procedures for financial reporting
- The report must contain an assessment of the effectiveness of internal control structure and procedures as of the end of the most recent fiscal year

What should Chinese Corporations do?

US SOX Act is the most stringent financial regulation since the 1930s. The management within entities is pressured into formulating long-run internal control structure for financial reporting in order to strictly follow the SOX mandates.

SHINEWING Risk Services Limited is committed to provide full range of support for risk management with service excellence. SHINEWING Risk team, with professional corporate risk management expertise and profound knowledge on the US Sarbanes-Oxley Act, can help you understand and analyze the act thoroughly. We provide a comprehensive strategic solution to prevent our clients from suffering the severe penalties that exist for non-compliance. Our services include:

- High-level risk identification
- Scoping significant locations, cycles, business processes, accounts and disclosures
- Process and control documentation
- Process and control assessment
- Design testing of controls
- Execute testing of controls
- Ongoing compliance



萨班斯·奥克斯利法案服务

针对美国安然、世界通讯等财务欺诈事件，由美国总统布殊签署的《萨班斯·奥克斯利法案》（Sarbanes-Oxley Act）正式生效。该法案由美国众议院金融服务委员会主席奥克斯利（Mr. Oxley）和参议院银行委员会主席萨班斯（Mr. Sarbanes）联合提出。是次法案颁布，标志着世界上最发达资本市场的监管者已经将内部控制体系的建立、维护、评价和报告看作是经营者的重要责任。所有在美国上市的公司（包含所有在美国上市的中国企业）将被要求严格遵守萨班斯法案。法案针对上市公司首席执行官和首席财务官，已设有以下的两项规定：

首席执行官

- 保证向美国证监会提交的财务报告真实可靠
- 作出与财务相关的内部控制有效的声明

首席财务官

- 保证向美国证监会提交的财务报告真实可靠

如于上述情况出现问题，首席执行官及首席财务官均需为此承担刑事责任。

同时，于美国上市的中国企业亦必需符合法案内的第302及第404条款的要求：

《法案》302条款

- 管理层应该设计所需的内部控制
- 保证知道所有重大信息
- 在签署报告前90天内保证公司内部控制评核的有效性

《法案》404条款

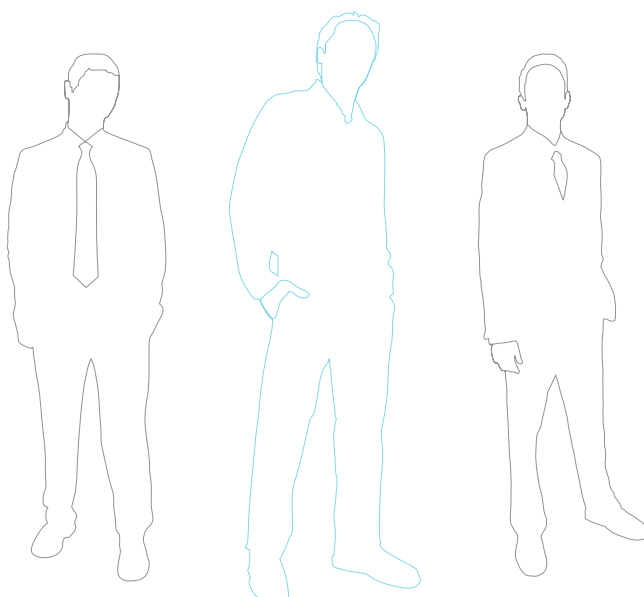
- 管理层应该建立和维护内部控制系统及相应控制程序
- 管理层要对最近财政年度末对内部控制体系及控制程序的有效性进行评核

中国企业如何应对？

萨班斯法案是美国自20世纪30年代颁布财务规则以来，最为严厉和企业必须严格遵守的财务法则。巨大的压力迫使公司高层在公司内部控制机制和财务控制方面，必须花费大量精力建立起基础性和长期性的可监控体系。

在风险管理服务方面，信永方略不断提高服务质素，提供多元化的服务及支援。我们优秀的企业风险管理专才对了解《萨班斯奥克斯利法案》具备丰富的经验，定必能尽力为您透彻分析法案的内容，并提供全面的策略方案和建议，避免因未能遵守法案要求而受到不必要的惩罚或赔偿，服务范围包括：

- 高层次的风险鉴定
- 厘定重要地点、流程、业务程序、账户及披露事项
- 程序及监控记录
- 程序及监控评估
- 监控测试设计
- 监控测试执行
- 持续合规检定



Corporate and Directors Training Services

Leveraging on SHINEWING Risk's extensive intellectual knowledge and experience, we provide a range of Training Services on "Listing Rules", "Internal Control", "Corporate Governance", "Role of Directors", etc. for listed companies to fulfill the listing requirements of HKEx and Securities and Futures Commission (SFC).

1. Listing Rules Compliance

The global economy still faces considerable uncertainty, whereas Hong Kong remains its attractions as an international financial centre for the corporations in China. Many mainland companies still consider Hong Kong as their major fund-raising region. In our trainings and seminars, we will draw the insights to the top management of mainland corporations, analyze and explain the listing issue in Hong Kong.

2. Listing Rules Technical Updates

The number of corporations listed in the HKEx is increasing yet the recurrence of negligence towards listing rules is found, hence the HKEx has imposed a stringent supervision on the disclosure of listed company information. Besides, the HKEx concerns the extent of the members from the Board of Directors equipped with sufficient understanding on the listing rules. We will impart advanced knowledge to both directors and management through the trainings and seminars.

3. Corporate Governance Practice and Internal Control

The global economic environment is rapidly changing under the influence of the financial crisis. This has led to a challenge to the directors of the listed companies on how to effectively manage, mitigate, and monitor risk. Good corporate governance and reliable internal control is a source of competitive advantage which can help organizations withstand the downturns. We will have an in-depth discussion on the importance of corporate governance as well as the structure of internal control in our trainings and seminars.

4. Role of Director

With experience on corporate training, SHINEWING Risk provides training session on the role, function and duties of executive directors and independent non-executive directors of listed companies for the purpose of helping the board members meet the listing requirements of HKEx and SFC.

企业及董事培训服务

凭借信永方略广泛的知识及睿智的经验，我们为上市公司提供《上市规则》、《内部监控》、《企业管治》及《董事职能》等相关培训，以符合香港交易所及证监会对上市公司的要求。

1. 上市规则

虽然受到全球经济负面影响，香港作为国际金融中心，对于国内的企业仍有相当程度的吸引力。许多国内企业仍以香港作为他们上市集资的主要地区。我们的培训及研讨会，目的在于为国内企业的领导分析及讲解于香港进行上市活动的需注意事项。

2. 上市条例信息更新

随着更多的企业于香港交易所上市及持续有上市公司对上市条例的疏忽，香港交易所不断对上市公司的披露责任作出严厉的监管。除此之外，董事会成员对上市条例的认知度亦是香港交易所非常关注的事项。培训及研讨会可加深企业的高管人员及董事会成员对上市条例的认知。

3. 企业管治常规及内部控制

全球金融危机正在迅速地改变世界的经济格局。经济快速衰退所产生的空前挑战给董事会有效处理危机及管理相关机构的风险组合带来一系列的难度，而良好的企业管治及内部控制于经济低迷时会为企业带来优势，让企业处于有利位置并继续发展。我们的培训及研讨会将深入讨论企业管治及内部控制的元素及其重要性。

4. 董事职能

信永方略拥有丰富的专业知识及经验，能为上市公司的管理层，提供董事及独立非执行董事的职能培训，以符合香港交易所及证监会对上市公司的要求。

About SHINEWING

信永中和简介

SHINEWING is a network of professional firms specializing in audit, tax and advisory services. Originated in China, our history can be traced back to the early 1980s, when SHINEWING pioneered the professional services in the region. We are the Chinese accounting network that has extended our reach to territories overseas.

Present in China, SHINEWING has domestic offices which are spread across the major cities, including Beijing, Shenzhen, Chengdu, Shanghai, Xi'an, Tianjin, Qingdao, Changsha, Changchun, Yinchuan, Jinan, Dalian, Kunming, Guangzhou, Fuzhou, Nanjing, Urumqi, Wuhan, Hangzhou, Taiyuan, Chongqing, Nanning and Hefei. Other member firms include Hong Kong, Singapore, Australia, Japan, Pakistan and Egypt.

Today, SHINEWING employs over 6,000 staff. With our extensive network, we are able to leverage fellow members' expertise and geographical presence and enhance our ability to serve the dynamic needs of transnational clients. SHINEWING is also a member of Praxity, an award-winning Alliance of global independent accountancy, tax and business consulting firms. ¹Praxity has 64 participating firms in 103 countries with more than 39,000 personnel operating out of over 630 offices.

信永中和是专业服务机构，主要提供审计、税务及咨询等服务。信永中和的发展历史可追溯到上世纪八十年代初期，是中国专业服务领域的开拓者。我们立足中国，走向世界，在海外设立成员所并形成自主的国际网络。

信永中和在中国多个城市设有办事处，当中包括北京、深圳、成都、上海、西安、天津、青岛、长沙、长春、银川、济南、大连、昆明、广州、福州、南京、乌鲁木齐、武汉、杭州、太原、重庆、南宁及合肥。其他成员所包括香港、新加坡、澳大利亚、日本、巴基斯坦及埃及。

信永中和成员所合共拥有超过6,000名员工。凭借我们的庞大网络，我们可运用各成员所的专长及地理优势，进一步提升我们服务国际客户的能力。信永中和也是Praxity联盟的成员之一。Praxity是一个由独立会计师事务所组成的国际联盟。

¹Praxity有64家成员所，其拥有超过630个办事处，遍布全球103个国家，员工超过39,000名。

¹ As of Dec 2015

¹ 截止至2015年12月

為人信
求道永
執事
取法中

Contact us

联络我们

HONG KONG 香港

Address 地址: 43/F., Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong
香港铜锣湾希慎道33号利园一期43楼

Tel 电话: (852) 3583 8000

Fax 传真: (852) 3583 8532

Email 电邮: info@shinewing.hk

Website 网址: www.shinewing.hk

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