

Listing Decisions

Updated: 30/09/2009

**Listing Decisions Series 13-2 - Whether re-issued accounts were acceptable (April 2000)
(Updated in September 2009 and withdrawn in January 2024)**

[This listing decision is withdrawn.]

Summary	
Name of Party	Company A - a listed company
Subject	Whether re-issued accounts were acceptable
Listing Rules	General principles
Decision	Exchange relies on professional accountants on matters relating to a listed company's accounts

Summary of Facts

Company A proposed to spin-off a wholly-owned subsidiary.

According to its latest audited accounts, Company A's remaining business after the proposed spin-off would not comply with the requirements of paragraph 3(c) of Practice Note 15 and Rule 8.05 of the Listing Rules.

Company A's auditors withdrew the accounts and re-issued them with certain "errors" corrected. According to the re-issued accounts, Company A's remaining business after the proposed spin-off would comply with the requirements of paragraph 3(c) of the Practice Note 15 and Rule 8.05.

Analysis

As a general principle, the Exchange relies on a listed company's professional accountants on matters relating to such company's accounts.

The Exchange saw no reason to deviate from the norm in the present case. However, Company A is required to make a paid announcement¹ informing the market the effect of the withdrawal and re-issue of the audited accounts, and send circulars to its shareholders containing the re-issued accounts.

Decision

Subject to Company A making a newspaper announcement¹ and sending circulars to its shareholders, the Exchange would accept the re-issued audited accounts for the purposes of determining the proposed spin-off.

Note:

1. The requirement for publication of paid announcements in newspapers was abolished on 25 June 2007. After the rule amendment, issuers must publish their announcements required under the rules on the Exchange's website and their own website. (Added in September 2009)

