



Dear Assignment / News / Business Section Editor

Hong Kong Institute of Certified Public Accountants takes regulatory action against two certified public accountants (practising) and a firm

(Hong Kong, 15 November 2016) - The Hong Kong Institute of Certified Public Accountants has undertaken regulatory action against Wai Siu Hung, Bennett, a certified public accountant (practising) (membership number A10216), Tong Ka Yan, Augustine, a certified public accountant (practising) (membership number A15240) and Ernst & Young (firm number 0422) for their failure or neglect to observe, maintain or otherwise apply a professional standard issued by the Institute.

In April 2015, Ernst & Young issued an unmodified audit report on the financial statements of a Hong Kong listed company and its subsidiaries ("Group") for the year ended 31 December 2014. The financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS"). Wai was the engagement partner and Tong was the engagement quality control reviewer.

The audited financial statements recorded the Group's disposal of a subsidiary group during the year. A premium arising from the previous acquisition of a non-controlling interest in the subsidiary group was incorrectly transferred to profit and loss on the disposal of the group, contrary to IFRS 10. As a result, the gain on discontinued operations was materially understated. In May 2015, the Group issued amended financial statements for the year ended 31 December 2014 in which the misstatement was adjusted. Ernst & Young issued an unmodified audit report on the amended financial statements. In June, the company issued a clarification announcement about the misstatement.

The Institute concluded that Wai, Tong and Ernst & Young were in breach of the Fundamental Principle of Professional Competence and Due Care in sections 100.5 and 130 of the Code of Ethics for Professional Accountants.

Regulatory action

Based on the foregoing and in lieu of further proceedings, the Council concluded that the following should resolve the complaint:

1. Wai, Tong and Ernst & Young acknowledge the facts of the case and their non-compliance with the relevant professional standard;
2. Each of Wai and Ernst & Young pay an administrative penalty of HK\$30,000, and Tong pay an administrative penalty of HK\$15,000; and
3. All three respondents be reprimanded and jointly pay costs of HK\$10,000.

In accordance with Council powers outlined in the Professional Accountants Ordinance and as a part of the regulatory process to handle complaints, a Resolution by

Agreement ("RBA") may be offered to respondents in cases considered to be moderate after taking into account factors including, but not limited to, the nature and seriousness of a complaint, past disciplinary records of the respondents and any aggravating or mitigating circumstances. An RBA will not be offered in cases involving complaints of dishonesty.

Information on the Institute's complaint handling process and guidelines for Resolution is available at the Institute website under the "Compliance" section at www.hkicpa.org.hk.

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About the Hong Kong Institute of Certified Public Accountants

The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to certified public accountants in Hong Kong. The Institute has more than 40,000 members and more than 18,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designation CPA.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

The Hong Kong Institute of CPAs is a member of the Global Accounting Alliance – an alliance of the world's leading professional accountancy bodies, which was formed in 2005. The GAA promotes quality services, collaborates on important international issues and works with national regulators, governments and stakeholders.

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致：編採主任/新聞/財經版編輯

香港會計師公會對兩名執業會計師及一間會計師事務所作出監管行動

(香港，二零一六年十一月十五日) — 香港會計師公會就兩名執業會計師韋少雄先生(會員編號：A10216) 與唐嘉欣先生(會員編號：A15240)及安永會計師事務所(事務所編號：0422)沒有或忽略遵守、維持或以其他方式應用公會頒布的一項專業準則，對他們作出監管行動。

2015年4月，安永就一間上市公司及其子公司（「集團」）截至2014年12月31日的財務報表發出了無保留意見的核數師報告。該財務報表是根據國際財務報告準則（「IFRS」）制訂。韋先生是該項審計項目的合夥人，而唐先生是項目質量控制覆核人員。

經審核的財務報表記錄集團在年中出售一組附屬公司。一筆因過去收購該組附屬公司的非控股權益而產生的溢價，在出售該組附屬公司時被錯誤地轉錄至損益表內，此舉違反了IFRS10的規定。因此，已終止經營業務的溢利被嚴重地少報。2015年5月，集團發出截至2014年12月31日經修正的財務報表，對錯誤作出更正。安永對經修正的財務報表發出無保留意見的核數師報告。6月，集團發出有關該錯誤的澄清公告。

公會認為韋先生、唐先生及安永違反了Code of Ethics for Professional Accountants第100.5及130條規定的Fundamental Principle，即 *Professional Competence and Due Care*。

監管行動 (Regulatory action)

基於上文所述及為省卻進一步的程序，公會理事會決定以下列的方案解決這宗投訴：

1. 韋先生、唐先生及安永承認此個案中的事實及其所違反的專業準則；
2. 韋先生和安永須各繳交行政罰款港幣三萬元，唐先生須繳交行政罰款港幣一萬五千元；及
3. 三名答辯人均被譴責及須合共繳交費用港幣一萬元。

根據《專業會計師條例》對公會理事會權力的概述，以及作為處理投訴的監管程序之一，如公會經考慮答辯人涉及投訴的性質及嚴重程度、答辯人過往的處分紀

錄、各種加重和寬減的情況等等之後，認為個案屬輕微的，便可藉解決方案處理。如個案涉及不誠實行為的投訴，則不可藉解決方案處理。

有關公會的投訴處理程序及解決方案的指引，可於公會網頁內**Compliance**部份查閱，網頁為<http://www.hkicpa.org.hk>。

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關於香港會計師公會

香港會計師公會是香港唯一獲法例授權負責專業會計師註冊兼頒授執業證書的組織，會員人數超過四萬，註冊學生人數逾一萬八千。公會會員可採用「會計師」稱銜（英文為 **certified public accountant**，簡稱 **CPA**）。

公會(**Hong Kong Institute of Certified Public Accountants**)於一九七三年一月一日成立，當時的英文名稱為 **Hong Kong Society of Accountants**。

公會根據《專業會計師條例》履行職責，以公眾利益為依歸。其職能廣泛，包括開辦專業資格課程(**Qualification Programme**)以確保會計師的入職質素，以及頒布香港的財務報告、審計及專業操守準則。此外，公會亦負責在香港監管和推動優良而有效的會計實務，以鞏固香港作為國際金融中心的領導地位。

香港會計師公會是全球會計聯盟（**Global Accounting Alliance**，**GAA**）的成員之一。全球會計聯盟於二零零五年成立，聯合了全球頂尖的專業會計團體，推動優質服務，並積極與各地監管機構、政府及關連人士就國際重要議題共同合作。

香港會計師公會聯絡資料

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