



Hong Kong Institute of  
Certified Public Accountants  
香港會計師公會

Dear Assignment / News / Business Section Editor

## **Hong Kong Institute of Certified Public Accountants takes regulatory action against a certified public accountant (practising)**

(Hong Kong, 13 April 2016) - The Hong Kong Institute of Certified Public Accountants has undertaken regulatory action against Tong Kwong Lit, Kenneth, a certified public accountant (practising) (membership no.:F00964), for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute.

Tong is the sole proprietor of Kenneth Tong & Co., a firm which audited the financial statements of two private companies for the years ended 31 March 2006 to 31 March 2013. The following deficiencies were found in the audits:

1. Tong inappropriately accepted a failure to make required disclosures concerning an amount due to a related party in the financial statements.
2. There were recurrent management-imposed limitations of audit scope on properties and inventory over the years. In the face of these limitations, Tong failed to give due consideration, or properly document his consideration, of the appropriateness of continuing to accept appointment as auditor of the companies.
3. Tong inappropriately accepted the non-disclosure in the financial statements of the fact that an item stated to be a balance between the company and a shareholder was in fact a balance between the company and the wife of the deceased shareholder.

The Institute concluded that Tong was in breach of the following Hong Kong Standards of Auditing (HKSA):

- HKSA 220 *Quality control for audits of historical financial information* (issued 2004) and HKSA 220 *Quality control for an audit of financial statements* (issued 2009),
- HKSA 550 *Related Parties*, and
- HKSA 700 *The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements*

### **Regulatory action**

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

1. Tong acknowledges the facts of the case and his non-compliance with the relevant professional standards;
2. Tong be reprimanded; and

3. Tong pays an administrative penalty of HK\$20,000 and 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](http://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 39,000 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

## 香港會計師公會對一名執業會計師作出監管行動

(香港，二零一六年四月十三日) — 香港會計師公會就一名執業會計師湯廣烈(會員編號: F00964)沒有或忽略遵守、維持或以其他方式應用公會頒布的專業準則，對他作出監管行動。

湯先生為湯廣烈會計師行的獨資經營者。該會計師行審核兩間私人公司由2006年3月31日至2013年3月31日多個年度的財務報表，審核過程中出現下列缺失：

1. 湯先生不恰當地接納財務報表沒有就應付關連人士的款額作出所須的披露。
2. 公司管理層對公司物業和庫存的審計範圍重複地作出限制。面對此等限制，湯先生沒有詳細考慮是否適宜繼續應聘為公司的核數師，或沒有適當地記錄他對這問題的考慮。
3. 財務報表內顯示的公司與股東往來結餘，實為公司與該名已故股東妻子的結餘。湯先生不恰當地接納報表沒有就此項事實作出披露。

公會認為湯先生違反了以下的Hong Kong Standards of Auditing (HKSA):

- HKSA 220 *Quality control for audits of historical financial information* (於2004年頒布) 及 HKSA 220 *Quality control for an audit of financial statements* (於2009年頒布), 及
- HKSA550 *Related Parties*,
- HKSA 700 *The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements*

### 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. 湯先生承認此個案中的事實及他所違反的專業準則；
2. 湯先生被譴責；及
3. 湯先生須繳交行政罰款二萬港元及費用港幣一萬元。

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，會員人數超過三萬九千，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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