



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

Hong Kong Institute of Certified Public Accountants takes regulatory action against a certified public accountant (practising) and a corporate practice

(HONG KONG, 17 August 2018) The Hong Kong Institute of Certified Public Accountants has taken regulatory action against Cheng Po Yuen, certified public accountant (practising) (F06724) and Zenith CPA Limited (M0399) (Zenith) for their failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute.

Zenith expressed an unmodified auditor's opinion on the consolidated financial statements of Landing International Development Limited, a company listed in Hong Kong, and its subsidiaries for the year ended 31 December 2015. Cheng was the engagement director for the audit.

The basic and diluted loss per share disclosed in the audited financial statements was misstated due to a formulaic error in the calculation of the weighted average number of ordinary shares in issue. In March 2017, the company issued a clarification announcement disclosing the correct basic and diluted loss per share.

The Institute concluded that Cheng and Zenith were in breach of the fundamental principle of Professional Competence and Due Care in sections 100.5(c) and 130.4 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. Cheng and Zenith acknowledge the facts of the case and their non-compliance with the relevant professional standards;
2. they be reprimanded; and
3. they jointly pay an administrative penalty of HK\$25,000 and costs of HK\$10,000.

About Resolution by Agreement

In order to better serve the interests of the public and the profession, the Hong Kong Institute of Certified Public Accountants (the Institute) ensures complaints are dealt with in an effective and transparent manner. In accordance with Council powers outlined in the Professional Accountants Ordinance, a Resolution by Agreement (RBA) may be offered in uncontested cases considered to be moderate after taking into account the nature and gravity of the complaint, past disciplinary records of the Respondent and any

aggravating or mitigating circumstances. An RBA will not be offered in cases involving complaints of dishonesty, which are handled through a separate disciplinary process.

The RBA includes a mandatory public censure which entails publication of the name of the respondent, facts of the case and areas of non-compliance with professional standards. Information on the Institute's complaint handling process and guidelines for Resolutions by Agreement are available at the Institute website under the "Compliance" section at www.hkicpa.org.hk.

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About HKICPA

The Hong Kong Institute of Certified Public Accountants (HKICPA) is the statutory body established by the Professional Accountants Ordinance responsible for the professional training, development and regulation of certified public accountants in Hong Kong. The Institute has more than 42,000 members and 16,000 registered students.

Our qualification programme assures the quality of entry into the profession, and we promulgate financial reporting, auditing and ethical standards that safeguard Hong Kong's leadership as an international financial centre.

The CPA designation is a top qualification recognised globally. The Institute is a member of and actively contributes to the work of the Global Accounting Alliance and International Federation of Accountants.

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香港會計師公會對一名執業會計師及一間執業法團作出監管行動

(香港，二零一八年八月十七日) 香港會計師公會就一名執業會計師鄭保元先生 (會員編號：F06724) 及誠豐會計師事務所有限公司 (「誠豐」，執業法團編號：M0399) 沒有或忽略遵守、維持或以其他方式應用公會頒佈的專業準則，對他們作出監管行動。

誠豐對藍鼎國際發展有限公司 (一家香港上市公司) 及其附屬公司截至二零一五年十二月三十一日止年度的綜合財務報表，發表了無保留的核數師意見。鄭先生是負責該審計項目的執業董事。

該經審計財務報表所披露的每股基本及攤薄虧損有誤，原因是計算已發行普通股的加權平均數時涉及一項算式錯誤。該公司已於二零一七年三月刊發澄清公告，披露正確的每股基本及攤薄虧損。

公會認為鄭先生及誠豐違反了 Code of Ethics for Professional Accountants 第 100.5(c) 及 130.4 條內有關「Professional Competence and Due Care」的基本原則。

監管行動

基於上文所述及為省卻進一步程序，公會理事會決定以下列的方案解決這宗投訴：

1. 鄭先生及誠豐承認此個案中的事實及違反了相關專業準則；
2. 他們被譴責；及
3. 他們須共同繳交行政罰款 25,000 港元及費用 10,000 港元。

有關解決方案

為保障公眾及會計界的利益，香港會計師公會以有效及具透明度的方式處理投訴個案。根據《專業會計師條例》概述的公會理事會權力，公會在考慮投訴個案的性質與嚴重性、答辯人的過往處分紀錄，以及加重與寬減等因素後，若認為個案屬中度嚴重，便可在答辯人不抗辯的情況下藉解決方案處理。然而，如個案涉及不誠實行為的投訴，則不可藉解決方案處理，而須另按紀律處分程序處理。

對於所有解決方案，公會均作出強制性的公開譴責及公佈答辯人的姓名、個案涉及的事實和所違反的專業標準。公會投訴處理程序及解決方案的指引，可於公會網頁 (www.hkicpa.org.hk) 內「Compliance」部份查閱。

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關於香港會計師公會

香港會計師公會是根據《專業會計師條例》成立的法定機構，負責培訓、發展和監管本港的會計專業。公會會員超過 42,000 名，學生人數逾 16,000。

公會開辦專業資格課程，確保會計師的入職質素，同時頒佈財務報告、審計及專業操守的準則，以鞏固香港作為國際金融中心的領導地位。

CPA 會計師是一個獲國際認可的頂尖專業資格。公會是全球會計聯盟及國際會計師聯合會的成員之一，積極推動國際專業發展。

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