



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, 6 November 2018) The Hong Kong Institute of Certified Public Accountants has taken regulatory action against Law Ka Lok, certified public accountant (practising) (F06586) and Latitude CPA Limited (M0302) (collectively "Respondents") for their failure or neglect to observe, maintain or otherwise apply a professional standard issued by the Institute.

Latitude CPA Limited audited the financial statements of two private companies. Law is the managing director of Latitude and was the engagement director of the relevant audits.

In response to the Institute's enquiries, Latitude claimed that there had been unauthorised deletion and consequent permanent loss of the audit documentation which was kept in electronic form in the practice's computer server. The Institute's review of Latitude's policies and procedures revealed that it had failed to design and implement proper control policies to ensure the integrity and retention of audit documentation. As such, the Respondents were in breach of Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*.

Regulatory action

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

1. The Respondents acknowledge the facts of the case and their non-compliance with the relevant professional standard;
2. they be reprimanded; and
3. they jointly pay an administrative penalty of HK\$40,000 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 18,000 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，二零一八年十一月六日) 香港會計師公會就一名執業會計師羅嘉樂先生 (會員編號：F06586) 及利駿達會計師事務所有限公司 (執業法團編號：M0302) (統稱「答辯人」) 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，對他們作出監管行動。

利駿達會計師事務所有限公司曾為兩間私人公司審計財務報表。羅先生是利駿達的執行董事及該等審計項目的董事。

利駿達回覆公會的查詢時，聲稱相關審計底稿以電子方式保存於執業單位的電腦伺服器，且在未經授權下遭刪除，導致文件永久性遺失。公會查閱利駿達的政策和程序後，發現利駿達未有妥善設計及實施適當監控政策確保審計底稿完整保存。因此，答辯人違反了 Hong Kong Standard on Quality Control 1 「Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements」。

監管行動

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. 答辯人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 40,000 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 18,000。

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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