



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

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

(HONG KONG, 31 January 2022) A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants reprimanded Mr. Cheung Chun Bong, certified public accountant (practising) (A35716), on 23 December 2021 for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute, and for professional misconduct. The Committee further ordered the cancellation of Mr. Cheung's practising certificate, effective 3 February 2022, with no issuance of a practising certificate to him for 12 months. In addition, the Committee ordered Mr. Cheung to pay a penalty of HK\$100,000 and costs of the disciplinary proceedings of HK\$43,285.

Mr. Cheung practised in his own name and was responsible for his practice's quality control system and the quality of its audit engagements. An initial practice review identified a number of deficiencies in the quality control system and audit engagements. In addition, Mr. Cheung was found to have created audit working papers and a self-monitoring review report on the quality control system in response to the practice review notification.

After considering the information available, the Institute lodged the complaints against Mr. Cheung under sections 34(1)(a)(vi) and 34(1)(a)(viii) of the Professional Accountants Ordinance.

Mr. Cheung admitted the complaints against him. The Disciplinary Committee found that Mr. Cheung was in breach of:

- (i) the fundamental principle of integrity in sections 100.5(a), 110.1 and 110.2 of the Code of Ethics for Professional Accountants;
- (ii) 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*;
- (iii) Hong Kong Standard on Auditing ("HKSA") 230 *Audit Documentation*; and
- (iv) HKSA 500 *Audit Evidence*.

The Committee found that Mr. Cheung's lack of integrity and competence to be serious, amounting to professional misconduct.

Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Mr. Cheung under section 35(1) of the Ordinance.

About HKICPA Disciplinary Process

The Hong Kong Institute of Certified Public Accountants ("HKICPA") enforces the highest professional and ethical standards in the accounting profession. Governed by the Professional Accountants Ordinance (Cap. 50) and the Disciplinary Committee Proceedings Rules, an independent Disciplinary Committee is convened to deal with a complaint referred by Council. If the charges against a member, member practice or registered student are proven, the Committee will make disciplinary orders setting out the sanctions it considers appropriate. Subject to any appeal by the respondent, the order and findings of the Disciplinary Committee will be published.

For more information, please see:

<http://www.hkicpa.org.hk/en/standards-and-regulations/compliance/disciplinary/>

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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 over 47,000 members and 17,000 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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