



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

(HONG KONG, 7 September 2022) A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants reprimanded Mr. Wong Yip Ming, a certified public accountant (practising) (A37059) on 26 July 2022 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 his practising certificate, effective 6 September 2022, with no issuance of a practising certificate to him for 4 months. In addition, Mr. Wong was ordered to pay a penalty of HK\$50,000 and costs of the disciplinary proceedings of HK\$63,704.

Mr. Wong is practising in his own name with no staff. His practice was selected for its first practice review in November 2019. The reviewer identified various significant deficiencies in the practice's quality control system and its completed audit and compliance reporting engagements. Mr. Wong was responsible for the quality control system and the quality of his audit and compliance reporting engagements.

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

Mr. Wong admitted the complaints against him. The Disciplinary Committee found that Mr. Wong failed or neglected to observe, maintain or otherwise apply:

- (i) Hong Kong Standard on Auditing ("HKSA") 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*;
- (ii) HKSA 250 (Revised) *Consideration of Laws and Regulations in an Audit of Financial Statements*;
- (iii) HKSA 315 *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*;
- (iv) HKSA 500 *Audit Evidence*;
- (v) HKSA 505 *External Confirmations*;
- (vi) Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*;
- (vii) 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*;
- (viii) Practice Note 810.1 (Revised) *Licensed Insurance Broker Companies – Compliance with the Insurance (Financial and Other Requirements for Licensed Insurance Broker Companies) Rules*;

- (ix) Practice Note 820 (Revised) *The Audit of Licensed Corporations and Associated Entities of Intermediaries*; and
- (x) the fundamental principle of professional competence and due care in section R113.1 under Chapter A of the Code of Ethics for Professional Accountants.

The Committee further found that Mr. Wong had been guilty of professional misconduct.

Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Mr. Wong 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 nearly 14,000 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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