



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

(HONG KONG, 7 October 2020) A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants reprimanded Mr. Ng Ka Kuen, certified public accountant (practising) (A25914) on 18 June 2019 for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute. The Committee further ordered that the practising certificate issued to Ng be cancelled and no practising certificate shall be issued to him for 16 months. In addition, Ng was ordered to pay costs of the disciplinary proceedings of HK\$52,977.

Ng lodged an appeal against the Disciplinary Committee's order but subsequently he withdrew the appeal, whereupon his practising certificate was cancelled for 16 months with effect from 21 September 2020 pursuant to the order.

Ng was the sole practising director of UC CPA (Practising) Limited ("Practice") and was responsible for the Practice's quality control system. The Practice was selected by the Institute for practice review in 2016.

The practice reviewer identified multiple breaches of auditing standards in two audit engagements selected for the review. The breaches show that Ng did not carry out the audits with the level of professional competence and due care expected of him. In addition, the breaches show that the Practice failed to have an adequate system of quality control to ensure that it had adequate human resources to uphold audit quality and that it performed audit engagements in accordance with professional standards.

After considering the information available, the Institute lodged a complaint against Ng under section 34(1)(a)(vi) of the Professional Accountants Ordinance, Cap 50.

Ng admitted the complaint against him. The Disciplinary Committee found that Ng was in breach of (i) the fundamental principle of professional competence and due care in sections 100.5 (c) and 130 of the Code of Ethics for Professional Accountants, and (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*.

Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Ng 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/>

- End -

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 46,000 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.

Hong Kong Institute of CPAs' contact information:

Ms Gemma Ho
Public Relations Manager
Phone: 2287-7002
Email: gemmaho@hkicpa.org.hk

Ms Rachel So
Head of Corporate Communications and Member Services
Phone: 2287-7085
Email: rachelso@hkicpa.org.hk