



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)

(HONG KONG, 3 May 2021) The Hong Kong Institute of Certified Public Accountants has taken regulatory action against Mr. Yu Chi Fat, certified public accountant (practising) (F06857) for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute.

Yu was the engagement partner in an audit conducted by HLB Hodgson Impey Cheng, a firm now deregistered, on the consolidated financial statements of **See Corporation Limited (now known as Emperor Culture Group Limited), a Hong Kong listed company, and its subsidiaries (collectively, "Group") for the year ended 30 June 2012.** HLB expressed an unmodified auditor's opinion on the financial statements.

The Institute received a **referral from the Financial Reporting Council** about deficiencies in the audit. The financial statements included the Group's investment in a private group that was classified as an interest in an associate, and stated that the accounting policy for the investment was to incorporate the results and assets and liabilities of the associate using the equity method of accounting under Hong Kong Accounting Standard ("HKAS") 28 *Investments in Associates*. **This stated accounting policy was inconsistent with the Group's accounting practice of stating the investment at fair value.**

Yu **failed to carry out audit procedures to resolve the inconsistency between the Group's accounting practice adopted for the interest in associate and relevant accounting policy disclosed in the financial statements.**

The Institute concluded that Yu failed or neglected to observe, maintain or otherwise apply Hong Kong Standard on Auditing ("HKSA") 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Hong Kong Standards on Auditing*, HKSA 500 *Audit Evidence* and HKSA 700 *Forming an Opinion and Reporting on Financial Statements*.

Regulatory action

Based on the foregoing and in lieu of further proceedings, the Council of the Hong Kong Institute of Certified Public Accountants concluded that the following should resolve the complaint:

1. Yu acknowledges the facts of the case and areas of non-compliance with professional standards;
2. Yu be reprimanded; and

3. Yu pays the costs of the Institute and the Financial Reporting Council totalling HK\$39,132.

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 ("HKICPA") 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 over 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.

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香港會計師公會對一名執業會計師作出監管行動

(香港，二零二一年五月三日) 香港會計師公會就執業會計師余智發先生(會員編號：F06857) 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，對他作出監管行動。

現已撤銷註冊的國衛會計師事務所曾審計香港上市公司漢傳媒集團有限公司(現稱英皇文化產業集團有限公司)及其附屬公司(統稱「該集團」)截至二零一二年六月三十日止年度的綜合財務報表，並發表了無保留的核數師意見，而余先生為該審計項目的合夥人。

公會收到財務匯報局的轉介，指該審計項目有違規情況。有關的財務報表將該集團於一私人集團的投資界定為聯營公司權益，並披露就該項投資採納的會計政策為根據香港會計準則(“HKAS”) 28 Investments in Associates 訂明的權益會計法把聯營公司的業績及資產負債計算在內。唯此披露的會計政策與集團慣常把該項投資以公允值入賬的處理方法不一致。

余先生未有執行審計程序解決該集團計算聯營公司權益的會計方法及財務報表中披露的相關會計政策之間的差異。

公會認為余先生沒有或忽略遵守、維持或以其他方式應用 Hong Kong Standard on Auditing (「HKSA」) 200 「Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Hong Kong Standards on Auditing」、HKSA 500 「Audit Evidence」及 HKSA 700 「Forming an Opinion and Reporting on Financial Statements」。

監管行動

基於上文所述及為省卻進一步程序，香港會計師公會理事會決定以下列的方案解決這宗投訴：

1. 余先生承認此個案中的事實及違反了專業準則之處；
2. 余先生被譴責；及
3. 余先生須繳交公會及財務匯報局的費用共 39,132 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準則。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。公會會員逾 46,000 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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