



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

Hong Kong Institute of Certified Public Accountants settles regulatory proceedings involving a certified public accountant (practising)

(HONG KONG, 8 July 2022) The Hong Kong Institute of Certified Public Accountants has settled regulatory proceedings concerning alleged non-compliance with its professional standard by Mr. Cheung Wai Lun, certified public accountant (practising) (A19617).

Mr. Cheung's practice was selected for practice review in August 2020. Mr. Cheung, however, was unable to provide the requested information and documentation. The practice reviewer found that Mr. Cheung failed to establish and implement proper controls and procedures to maintain the safe custody, accessibility and retrievability of engagement documentation for a stipulated period of time.

As a result of the above, Mr. Cheung failed or neglected to observe, maintain or otherwise apply 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*.

Settlement agreement

The Council of the Institute has agreed with Mr. Cheung that:

1. Mr. Cheung acknowledges the facts of the case and area of non-compliance with a professional standard;
2. Mr. Cheung be reprimanded; and
3. Mr. Cheung pays a financial penalty of HK\$80,000 and costs of HK\$30,000.

The Institute considers a settlement on the agreed basis to be in the public interest. In the circumstances, the Institute is satisfied that there is no purpose to be served in pursuing disciplinary proceedings.

HKICPA Settlement Process

The interests of the public, the profession and Council's regulatory function may be best served by early resolution of complaints which are either anticipated to result in disciplinary proceedings or are already the subject of disciplinary proceedings. Settlement requests will be assessed based on established criteria. Appropriate sanctions will be based on the nature and gravity of the complaint, past disciplinary records of the respondent and any aggravating or mitigating circumstances. The HKICPA will not agree to a settlement unless the matter is subject to publicity in A Plus, press release, and other means deemed appropriate.

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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 13,000 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:

Olivia Mui
Associate Director
Phone: 2287-7002
Email: media@hkicpa.org.hk