



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) and a firm

(HONG KONG, 13 November 2018) The Hong Kong Institute of Certified Public Accountants has taken regulatory action against Miss Lee Po Chi, certified public accountant (practising) (A16447) and Deloitte Touche Tohmatsu (0166) (collectively "Respondents") for their failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute.

Deloitte audited the consolidated financial statements of **Culturecom Holdings Limited**, a Hong Kong listed company, and its subsidiaries (collectively "Group") for each of the years ended 31 March 2013 to 2016 and expressed unmodified auditor's opinions. Lee was the engagement partner in those audits.

The financial statements for 2014 and 2015 included an impairment loss of HK\$29.6 million on the Group's investment in **a listed company**. This loss was inappropriately recorded, as the market value of the investee's shares was greater than their carrying amount in the two years. As a result, the Group's net assets were understated in those financial statements. In the Group's 2016 audited financial statements, the impairment loss was retrospectively reversed.

The Institute concluded that the Respondents were in breach of Hong Kong Standard on Auditing (HKSA) 500 *Audit Evidence* in the audits of the 2014 and 2015 financial statements.

Regulatory action

Based on the foregoing and in lieu of further proceedings, the Council concluded that the following should resolve the complaint:

1. The Respondents acknowledge the facts of the case and their non-compliance with HKSA 500;
2. they be reprimanded; and
3. each of Lee and Deloitte pay an administrative penalty of HK\$50,000 and they jointly pay costs of HK\$10,000.

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 (the Institute) 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 more than 42,000 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:

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



香港會計師公會對一名執業會計師及一間事務所作出監管行動

(香港，二零一八年十一月十三日) 香港會計師公會就一名執業會計師李寶芝小姐 (會員編號：A16447) 及德勤·關黃陳方會計師行 (事務所編號：0166) (統稱為「答辯人」) 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，對他們作出監管行動。

德勤曾審核文化傳信集團有限公司 (一家香港上市公司) 及其附屬公司 (統稱為「集團」) 二零一三年至二零一六年期間每年截至三月三十一日止的綜合財務報表，並發表了無保留的核數師意見。李小姐是負責該等審計項目的合夥人。

集團的二零一四年及二零一五年財務報表包括一筆其於一間上市公司的投資減值虧損，金額為 2,960 萬港元。該虧損為不恰當入賬，原因是有關股份的市值高於該兩年的賬面值，以致集團的資產淨值於上述財務報表被低估。在集團二零一六年經審計的財務報表，相關減值虧損被追溯撥回。

公會認為答辯人在審核二零一四年及二零一五年財務報表時，違反了 Hong Kong Standard on Auditing (「HKSA」) 500 「Audit Evidence」。

監管行動

基於上文所述及為省卻進一步程序，公會理事會決定以下列的方案解決這宗投訴：

1. 答辯人承認此個案中的事實及違反了 HKSA 500；
2. 他們被譴責；及
3. 李小姐及德勤各須繳交行政罰款 50,000 港元及共同繳交費用 10,000 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指控，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標準。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。公會會員超過 42,000 名，學生人數逾 18,000。

公會開辦專業資格課程，確保會計師的人職質素，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。

香港會計師公會聯絡資料：

何玉淳

公共關係經理

直線電話：2287-7002

電子郵箱：gemmaho@hkicpa.org.hk