

CONSENT ORDERS HEARING

CONSENT ORDERS COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Wong Siew Chow

Heard on: Tuesday, 13 October 2020

Location: Remotely via ACCA Offices, The Adelphi, 1-11 John Adam Street, London WC2N 6AU

Committee: Mr James Kellock (Chair)

Legal Adviser: Miss Judith Chrystie

Summary Consent order recommended for amendment

1. A Consent Order is made on the order of the Chair under the terms of Regulation 8 of the Complaints and Disciplinary Regulations 2014 (as amended) ('the Regulations').
2. The Chair considered a bundle with page numbers 1-42, which included a draft Consent Order signed by Mr Wong Siew Chow on 17 July 2020 and on behalf of ACCA on 07 July 2020.

ALLEGATION

3. The Consent Order stated the agreement between Mr Wong Siew Chow and ACCA as follows

1 Mr Wong Siew Chow admits to the following:

ACCA



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The Adelphi 1/11 John Adam Street London WC2N 6AU United Kingdom

Allegation 1

Pursuant to byelaw 8(a)(vi), Mr David Wong Siew Chow is liable to disciplinary action by virtue of action taken against him by the Disciplinary Committee of the Malaysian Institute of Accountants on 19 December 2018.

2. That Mr Wong be reprimanded and shall pay costs to ACCA in the sum of £400

BACKGROUND

4. Mr Wong Siew Chow became an ACCA member in 1997.
5. Mr Wong Siew Chow is the sole proprietor of a firm, Wong Siew Chow & Co ('the firm').
6. A report by the Malaysian Institute of Accountants ('the Institute') dated 27 September 2017 set out areas of weakness identified during a Practice Review. This was a follow-up review conducted by the Institute to check whether the firm had shown satisfactory improvements. Weaknesses, which the report described a 'fundamental', were found in non-compliance with audit documentation (ISA 230), auditor's responses to assessed risks (ISA 330), audit evidence (ISA 500), audit evidence – specific considerations for selected items (ISA 501) and external confirmations (ISA 505).
 - a. *Mandatory professional standards breached:*
 - ISA 230 – Audit Documentation**
 - ISA 330 – The Auditor's Responses to Assessed Risks**
 - ISA 500 – Audit Evidence**
 - ISA 501 – Audit Evidence – Specific Considerations For Selected Items**
 - ISA 505 – External Confirmations**
7. The continuing deficiencies in audit work resulted in the firm being rated as unsatisfactory and referred to the Investigation Committee, which subsequently led to disciplinary action being initiated against Mr Wong Siew Chow.
8. On 19 December 2018, the Institute's Disciplinary Committee found Mr Wong Siew Chow guilty of unprofessional conduct under the Malaysian Institute of Accountants (Disciplinary) Rules 2002.
9. The following order was imposed by the Institute:

- a. Fine of RM4,000.00;
 - b. Cost order in the sum of RM2,000.00;
 - c. Attendance at a course on Audit Quality Enhancement conducted by the Institute.
10. On 22 February 2019, the Institute notified ACCA that Mr Wong Siew Chow had been found guilty of unprofessional conduct.
11. In an email to ACCA dated 18 September 2019, Mr Wong Siew Chow advised as follows:
 - a. The Firm had, *"purchased and implemented a new audit programme into their workflow to improve documentation of the work that is being done"*.
 - b. He had paid the fines and costs imposed by the Institute.
12. ACCA submitted the following were aggravating features of the case:
 - a. By being publicly sanctioned by another professional body, Mr Wong Siew Chow has brought discredit to himself, ACCA and the accountancy profession;
 - b. The conduct which led to Mr Wong Siew Chow being the subject of action by the Institute was serious and fell below the standards expected of a qualified ACCA member; and
 - c. The Institute imposed a fine as well as directing Mr Wong Siew Chow to pay the costs and expenses of the proceedings and attend a course on the Audit Quality Enhancement Programme conducted by the Institute
13. ACCA submitted that the following were mitigating factors in the matter, namely that Mr Wong Siew Chow had:
 - a. Been a member of ACCA since 1997 and has a previous good record with no previous complaint or disciplinary history;
 - b. Taken remedial action to address his conduct, including implementing a new audit programme;
 - c. Evidenced his attendance at the course he was ordered to attend by the Institute and paid the costs and fine imposed by the Institute;
 - d. Held a practising certificate with the Institute since 2002 and continues to hold one;

- e. Shown insight in acknowledging the facts of the case and his non-compliance with the relevant professional standards;
 - f. Fully co-operated with ACCA's investigation and regulatory process.
- 14. ACCA advised that it had not seen any evidence that third parties had lost monies owing to the conduct that led to the Institute's action against Mr Wong Siew Chow.

DECISION AND REASONS

- 15. The Chair recognised his powers under Regulation 8 of the Regulations were to either:
 - a. Approve the draft Consent Order signed by ACCA and Mr Wong Siew Chow,
 - b. Reject the Order only if he was of the view that the admitted breaches would more likely than not result in exclusion of Mr Wong Siew Chow from membership, or
 - c. Recommend amendments to the signed Order.
- 16. In considering this matter, the Chair had regard to ACCA's Guidance for Disciplinary Sanctions.
- 17. The Chair was content that the single allegation in the case was not fundamentally incompatible with Mr Wong Siew Chow remaining as a member of ACCA. As a consequence, he was content that the matter was appropriate to be dealt with through a Consent Order.
- 18. However, the Chair considered that the current suggested sanction within the draft Consent Order of reprimand was excessive in all the circumstances of the case. He considered that the admitted allegation necessitated the imposition of a disciplinary order by ACCA in the public interest but was of the view that a reprimand was disproportionate.
- 19. The Chair accepted that by being publicly sanctioned by another professional body, Mr Wong Siew Chow has brought discredit to himself, ACCA and the accountancy profession and that the conduct considered by the Institute was serious and fell below the standards expected of a qualified ACCA member. However, the Chair did not accept ACCA's submissions that the imposition of

a fine and costs in the case, together with a requirement to attend a professional course, were aggravating features. He noted that no action had been taken by the Institute on the member's practising certificate - no suspension or conditions had been imposed.

20. Moreover, the Chair considered that there was ample mitigation in the case for it to be sufficient to conclude the matter with an admonishment. In addition to the mitigation identified by ACCA - namely Mr Wong Siew Chow's lengthy previous good record, his cooperation, his recognition of the issues, the remedial action he had taken and his full cooperation - the Chair considered that there was supplementary mitigation in the case. In particular, the Chair considered that credit should be given for the fact that no additional concerns regarding Mr Wong Siew Chow's conduct or performance had been brought to ACCA's attention in the time since disciplinary action had been taken by the Institute. Further, the Chair identified that Mr Wong Siew Chow admitted both the allegation brought by the Institute and his liability to disciplinary action before ACCA.
21. As part of the signed draft Consent Order, Mr Wong Siew Chow had agreed to pay costs to ACCA in the sum of £400. The Chair considered that this was not an unreasonable amount and noted that the member had agreed to the amount claimed.
22. The Chair recommended that the disciplinary order for reprimand should be substituted with an order for admonishment.

Mr James Kellock
Chair
13 October 2020