

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Dec 25, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named as Wang Jih-chun and Cho Ching-chuan, for whose violations against "Certified Public Accountant Act"; by the final adjudication of CPA Discipline Committee, a sanction has been given and imposed as 2 months-suspension from their services governed by Article 39 of the said Act from 2nd, January until 1st, March 2020.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Wang Jih-chun and Mr. Cho Ching-chuan, Certified Public Accountant, engaged to provide auditing the 2014 financial report of Siltrontech Electronics Corp., were found with following failures and violated related regulations:

1. Failure to perform appropriate audit procedures on the system of internal controls over operating revenues.
2. Failed to perform alternative audit procedures when "accounts receivable" confirmations were not replied.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Dec 19, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named as Wei Yueh-kuei and Fang Kuan-chih, for whose violations against "Certified Public Accountant Act"; by the final adjudication of CPA Discipline Committee, a sanction has been given to Wei and imposed as 9 months-suspension from whose services governed by Article 39 of the said Act from 2nd, January until 1st, October 2020; a sanction has been given to Fang and imposed as 6 months-suspension from whose services governed by Article 39 of the said Act from 2nd, January until 1st, July 2020.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Ms. Wei Yueh-kuei and Mr. Fang Kuan-chih, Certified Public Accountant, engaged to provide auditing the 2015 financial report of YUAN SHENG Inc.(the company changed its name to YUAN JIU Inc. on July 13, 2018), were found with following failures and violated related regulations:

1. Failure to perform appropriate audit procedures on the system of internal controls over operating revenues.
2. Failure to properly use the report of an expert as audit evidence.
3. Failure to perform appropriate audit procedures on the material item under "prepayments".

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Dec 18, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named Kuo Wen-chi and Liu Chien-liang, for their violations of "Certified Public Accountant Act", thus a sanction of NTD 1,200,000 fine was imposed to each by the final adjudication of CPA Discipline Committee

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Kuo Wen-chi and Mr. Liu Chien-liang, Certified Public Accountant, engaged to provide auditing the 2016 financial report of SAC Corporation, were found that failed to ascertain whether the accounting treatment of sales revenues is appropriate, which revealed a failure to exercise due professional care in the performance of the audit. This was a violation of Article 2 of Taiwan SAS No.1.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Dec 18, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named Kuo Wen-chi and Liu Chien-liang, for their violations of "Certified Public Accountant Act", thus a sanction of NTD 1,200,000 fine was imposed to each by the final adjudication of CPA Discipline Committee

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Kuo Wen-chi and Mr. Liu Chien-liang, Certified Public Accountant, engaged to provide auditing the 2016 financial report of ENG Electric Co., Ltd., were found that failed to ascertain whether the accounting treatment of sales revenues is appropriate, which revealed a failure to exercise due professional care in the performance of the audit. This was a violation of Article 2 of Taiwan SAS No.1.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

May 28, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named Chou Yin-lai and Lai Yung-chi, for whose violations against "Certified Public Accountant Act"; by the final adjudication of CPA Discipline Committee, a sanction of "Warning" was imposed on Chou and a fine of NTD 600,000 was imposed on Lai.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Chou Yin-lai and Mr. Lai Yung-chi, Certified Public Accountant, engaged to provide auditing of the 2011 and 2012 financial report of Han-Kang Technology Corporation, were found with following failures and violated related regulations:

1. Fail to perform appropriate audit procedures on newly listed during the present period as one of the top ten sales customers.
2. Fail to evaluate the sufficiency of allowance for uncollectible accounts.
3. Fail to exercise due professional care to obtain sufficient and appropriate evidence and identify whether any irregularity exists in the transactions while using expert's work as audit evidence.
4. Fail to ascertain the reason and reasonableness of significant prepayments.
5. Fail to ascertain the nature and importance of expense and fail to verify the appropriateness of classification of expense.
6. Fail to ascertain the reasonableness of triangle trades with XX Company and fail to perform proper audit procedures on overseas inventory.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Mar 27, 2019

### **Subject**

A disciplinary action prescribed to a CPA named Chang Wei-fu, for his violation against "Certified Public Accountant Act", thus a sanction of NTD 1,200,000 fine was imposed to Chang by the final adjudication of CPA Discipline Committee.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Chang Wei-fu, Certified Public Accountant, engaged to provide issuing of fairness opinion for a tender offer case of XPEC Entertainment Inc., were found that failed to document the related judgment procedure and pricing results to support the opinion. This was a violation of Article 41 of Certified Public Accountant Act.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Mar 4, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named as Wu Chia-hung and Wu Kun-yi, for whose violation against "Certified Public Accountant Act", a sanction has been given and imposed as 2 months-suspension from whose services from 15th, March to 14th, May 2019 to Wu Chia-hung and a "Reprimand" was given and imposed to Wu Chia-hung and Wu Kun-yi by the final adjudication of CPA Discipline Committee.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Mr. Wu Chia-hung and Mr. Wu Kun-yi, Certified Public Accountant, engaged to provide auditing the 2013 financial report of Bull Will Co., Ltd. (the "company"), and Mr. Wu Chia-hung, Certified Public Accountant, engaged to provide auditing the 2014 financial report of the company, were found with following failures and violated related regulations:

1. Failure to include new top ten sales customers in the audit sample when performed the audit procedures on the system of internal controls over operating revenues.
2. Failed to perform appropriate audit procedures on the purchase activities in response to the risks associated with the newly trading model and include new top ten purchases suppliers in the audit sample.

## **The resolution of the CPA Discipline Committee /the CPA Disciplinary Rehearing Committee**

### **Date of the resolution**

Feb 21, 2019

### **Subject**

A disciplinary action prescribed to 2 CPAs named Chen Ya-lin and Wang Ching-sung, for their violations against "Certified Public Accountant Act", thus a sanction of NTD 480,000 fine was imposed to each by the final adjudication of CPA Discipline Committee.

### **Legal basis of the resolution**

Article 68 of Certified Public Accountant Act.

### **Abstract**

Ms. Chen Ya-lin and Mr. Wang Ching-sung, Certified Public Accountant, engaged to provide auditing the 2014 financial report of CviLux Corporation, were found with following failures and violated related regulations:

1. Failed to perform appropriate audit procedures on the system of internal controls in response to the risks associated with the newly trading model.
2. Failed to assess about the reasonableness of sales revenue recognition.