

Mr Kwan Yew Kwong (Mr Kwan), a public accountant (Registration No.: 00228), practising as a partner in the accounting firm Y K Kwan & Co (located at 101A Upper Cross Street, #05-23 People’s Park Centre, Singapore 058358) has failed to pass his revisit practice review. The PAOC had on 5 October 2018 ordered, among others, that:

- a. Mr Kwan be restricted from performing any audit and reporting of financial statements for the entities specified below during the periods specified below.

Entities	Period
(i) Any public company ¹ that is not dormant ² ; (ii) Any private company ³ that is not dormant and not an exempt private company (EPC); and (iii) Any EPC that is not dormant and has annual revenue of more than \$10 million.	18 months (from 20 October 2018 to 19 April 2020)
All public interest entities ⁴	24 months (from 20 October 2018 to 19 October 2020) or until he has undergone and has been informed that he has passed his next practice review, whichever is earlier

- b. Mr Kwan be required to undergo a review⁵ (commonly known as “hot review”) by a hot review partner approved by ACRA, for 6 audit engagements signed off by Mr Kwan, each involving annual turnover greater than S\$10 million, within a period of 9 months commencing from 20 April 2020.

Arising from the above orders, Mr Kwan shall not be an audit principal⁶ from 20 October 2018 until the end of the restriction period, and until he completes his hot review order, if this is later than the end of the restriction period.

¹ As defined in section 4(1) of the Companies Act, Cap.50

² As defined in section 205B(2) of the Companies Act, Cap. 50

³ As defined in section 4(1) of the Companies Act, Cap.50

⁴ The phrase “public interest entities” as used here has the same meaning as defined in paragraph 290.25 in the *Code of professional Conduct and Ethics for Public Accountants and Accounting Entities* at the Fourth Schedule of the Accountants (Public Accountants) Rules

⁵ More details on hot review orders can be found in Practice Direction No. 4 of 2010 at https://www.acra.gov.sg/uploadedFiles/Content/Publications/Practice_Directions/2010/PRACTICEDIRECTIONNO4of201015July.pdf

⁶ An audit principal is a public accountant who directly supervises or undertakes the overall oversight of a pupil’s acquisition of qualifying audit experience. The public accountant must have at least 5 years’ experience in public practice and must not be subject to any of the following PAOC orders:

- (i) An order prohibiting the public accountant from being an audit principal;
- (ii) A hot review order;
- (iii) A restriction order;
- (iv) A suspension order.