

1 October 2006 to 30 September 2007

28 April 2008

1 October 2007 to 31 December 2008

7 August 2009

RELEVANT PROFESSIONAL STANDARDS

- (3) The Code of Ethics for Professional Accountants (Effective on 30 June 2006 until 31 December 2010) provides the following:

"100.4 A professional accountant is required to comply with the following fundamental principles:

(a) Integrity

A professional accountant should be straightforward and honest in all professional and business relationships."

"110.1 The principle of integrity imposes an obligation on all professional accountants to be straightforward and honest in professional and business relationships. Integrity also implies fair dealing and truthfulness.

110.2 A professional accountant should not be associated with reports, returns, communications or other information where they believe that the information:

(a) Contains a materially false or misleading statement;

(b) Contains statements or information furnished recklessly; or

(c) Omits or obscures information required to be included where such omission or obscurity would be misleading."

THE COMPLAINTS

First Complaint

- (4) Section 34(1)(a)(vi) of the PAO applies to the Respondent in that he failed or neglected to observe, maintain or otherwise apply a professional standard on the fundamental principle of integrity as stated in paragraph 100.4(a) (under section 100) and section 110 of the then applicable Code of Ethics for Professional Accountants for having signed the Auditor's Reports in the name of the CPA Firm, a firm of certified public accountants (practising), without the firm's knowledge or authority.

Second Complaint

- (5) Section 34(1)(a)(x) of the PAO applies to the Respondent for being guilty of dishonourable conduct in that he had signed the Auditor's Reports in the name of the CPA Firm, a firm of certified public accountants (practising), without the firm's knowledge or authority.

FACTS AND CIRCUMSTANCES IN SUPPORT OF THE COMPLAINTS

- (6) In late February or early March 2010, the CPA Firm discovered that the Respondent had signed the Auditor's Reports without the knowledge or authority of the firm. At the relevant time, the Respondent was a senior manager of the CPA Firm. The Respondent left the CPA Firm in January 2010.
 - (7) According to the CPA Firm, the firm's practice was that senior managers or below were not given authority to sign any auditor's report in the name of the CPA Firm.
 - (8) According to the Institute's records, the Respondent did not hold a practising certificate at the material times.
 - (9) The Respondent admitted to signing the Auditor's Reports in the CPA Firm's name on his own volition without the CPA Firm's authority. He also admitted that as a senior manager at the time, he was prohibited from signing auditor's reports unless specifically authorized by the firm's partners.
 - (10) The Respondent apologized for his conduct which he claimed to have been committed due to his imprudence and intense working pressure during that time. He claimed to have not received any benefits on this matter.
3. On 5 September 2014, the Respondent admitted the complaints against him. He did not dispute the facts as set out in the complaints. The parties agreed that the steps set out in paragraphs 17 to 30 of the Disciplinary Committee Proceedings Rules ("DCPR") be dispensed with.
 4. On 16 October 2014, the Disciplinary Committee agreed to the parties' joint application to dispense with the steps set out in Rule 17 to 30 of the DCPR in light of the admission made by the Respondent and the parties should make written submissions on sanctions and costs.
 5. In considering the proper order to be made in this case, the Disciplinary Committee has had regard to all the aforesaid matters, including the particulars in support of the Complaints, the Respondent's personal circumstances, and the conduct of the Complainant and the Respondent throughout the proceedings.
6. The Disciplinary Committee orders that:-
 - (1) the name of the Respondent be removed from the register of certified public accountants for 12 months on the 40th day from the date of this order under Section 35(1)(a) of the PAO;
 - (2) the Respondent do pay a penalty of HK\$30,000 under Section 35(1)(c) of the PAO;

- (3) the Respondent do pay the costs and expenses of and incidental to the proceedings of the Complainant in the sum of HK\$20,499 under Section 35(1)(iii) of the PAO.

Dated the 22nd day of January 2015