



Dear Assignment / News / Business Section Editor

Hong Kong Institute of Certified Public Accountants takes disciplinary action against a certified public accountant

(HONG KONG, 15 December 2015) — A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered on 4 December 2015 that the name of Poon Ming Pui (membership number A10636) be removed from the register of certified public accountants for one year with effect from 18 January 2016 as a result of Poon's breach of professional standards issued by the Institute. In addition, Poon was ordered to pay a penalty of HK\$10,000 and costs of the disciplinary proceedings of HK\$21,947.

Poon was a licensed person under the Securities and Futures Ordinance. From 2005 to 2011, he was employed in turn by two securities companies. During this period, Poon made several materially false or misleading declarations to his employers in which he failed to disclose securities trading activities he carried out through two of his friends' securities accounts. The Securities and Futures Commission subsequently took disciplinary action against Poon, banning him from re-entering the securities industry for 10 months from January 2014. Poon reported the Commission's disciplinary decision to the Institute during his annual membership renewal in December 2014. After considering the information available, the Institute lodged complaints against him under section 34(1)(a)(vi) of the Professional Accountants Ordinance (Cap.50).

Poon admitted the complaints against him. The Disciplinary Committee found that he conducted himself in a manner inconsistent with the good reputation of the profession contrary to Statement 1.200 which applied up to June 2006, and he was in breach of the Fundamental Principle of Integrity in sections 100 and 110 of the Code of Ethics for Professional Accountants which applied from July 2006.

Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Poon under section 35(1) of the ordinance.

Under the ordinance, if a respondent is aggrieved by the order, he may give notice of an appeal to the Court of Appeal within 30 days after he is served the order.

The order and findings of the Disciplinary Committee are available at the Institute's website under the "Compliance" section at www.hkicpa.org.hk.

Disciplinary proceedings of the Institute are conducted in accordance with Part V of the ordinance by a five-member Disciplinary Committee. Three members of each committee, including a chairman, are non-accountants chosen from a panel appointed by the Chief Executive of the HKSAR, and the other two are CPAs.

Disciplinary hearings are held in public unless the Disciplinary Committee directs otherwise in the interest of justice. A hearing schedule is available at the Institute's website. A CPA who feels aggrieved by an order made by a Disciplinary Committee may appeal to the Court of Appeal, which may confirm, vary or reverse the order.

Disciplinary Committees have the power to sanction members, member practices and registered students. Sanctions include temporary or permanent removal from membership or cancellation of a practicing certificate, a reprimand, a penalty of up to \$500,000, and payment of costs and expenses of the proceedings.

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About the Hong Kong Institute of Certified Public Accountants

The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to certified public accountants in Hong Kong. The Institute has nearly 39,000 members and more than 18,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designation CPA.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

The Hong Kong Institute of CPAs is a member of the Global Accounting Alliance – an alliance of the world's leading professional accountancy bodies, which was formed in 2005. The GAA promotes quality services, collaborates on important international issues and works with national regulators, governments and stakeholders.

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