



Dear Assignment / News / Business Section Editor

## **Hong Kong Institute of Certified Public Accountants takes regulatory action against a certified public accountant**

(Hong Kong, 15 February 2016) — The Hong Kong Institute of Certified Public Accountants has undertaken regulatory action against a certified public accountant, So Kai Kuen (A19133), for his failure or neglect to observe, maintain or otherwise apply a professional standard issued by the Institute.

So is a certified public accountant who does not hold a practising certificate. As such, he is not allowed to carry on business in a name that includes the characters "CPA" or "會計師". So arranged four registrations of his business in a name that included those characters. He also placed online advertisements for promoting his services and recruiting staff under a business name that included "CPA" and "會計師".

The Institute concluded that So was in breach of section 420.3 of the Code of Ethics for Professional Accountants by his inclusion of the characters "CPA" and "會計師" in the name of his business.

### **Regulatory action**

Based on the foregoing and in lieu of further proceedings, the Council concluded that the following Resolution should resolve the complaint:

1. So acknowledges the facts of the case and his non-compliance with the relevant professional standard;
2. So be reprimanded; and
3. So pay an administrative penalty of HK\$20,000 and costs of HK\$10,000.

In accordance with Council powers outlined in the Professional Accountants Ordinance and as a part of the regulatory process to handle complaints, a Resolution by Agreement (RBA) may be offered to respondents in cases considered to be moderate after taking into account factors including, but not limited to, the nature and seriousness of a complaint, past disciplinary records of the respondents and any aggravating or mitigating circumstances. An RBA will not be offered in cases involving complaints of dishonesty.

Information on the Institute's complaint handling process and guidelines for Resolution is available at the Institute website under the "Compliance" section at [www.hkicpa.org.hk](http://www.hkicpa.org.hk).

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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 more

than 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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