



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Dear Assignment/News/Business Section Editor

Hong Kong Institute of Certified Public Accountants takes disciplinary action against one certified public accountant (practising)

(HONG KONG, 12 August 2016) – A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered cancellation of the practising certificate of Lam Kin Kun, Arthur (membership number F05360) beginning 6 September 2016 with no issuance of a practising certificate to him for twelve months. In addition, Lam was ordered to pay costs of the disciplinary proceedings totaling HK\$37,648.

Lam practiced in his own name on a part-time basis and was subject to a practice review. As a result of Lam's failure to confirm a date for the site visit, the Practice Review Committee ("PRC") issued a direction requiring Lam to cooperate with the reviewer for the purpose of the practice review. Despite repeated reminders, Lam continued to fail to provide relevant working papers which were necessary for a practice review to be carried out. On the basis of this failure to cooperate, the Institute lodged a complaint against Lam under section 34(1)(a)(v) of the Professional Accountants Ordinance ("Ordinance").

The Disciplinary Committee found that Lam without reasonable excuse, failed or neglected to comply with a direction issued by the PRC under section 32F(2)(b) of the Ordinance.

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

Under the Ordinance, if Lam 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 more than 40,000 members and 17,000 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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