



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

HKICPA takes disciplinary action against a certified public accountant and a firm

(HONG KONG, 26 February 2018) — A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants reprimanded Tam Tak Kuen, Alfred, certified public accountant (membership number F02942) and Alfred T.K. Tam & Co. (firm number 1475) on 16 January 2018. In addition, the Committee ordered the two respondents to pay jointly and severally a penalty of HK\$414,463.40 and costs of the disciplinary proceedings of HK\$32,781.

Tam was the sole proprietor of Alfred T.K. Tam & Co., a firm which is now de-registered. In the period from February 2012 to August 2016, Tam and the firm breached their employer's obligation to make provident fund contributions for employees under the Mandatory Provident Fund Schemes Ordinance on three occasions. The breaches affected a number of employees and, on one occasion, occurred over a period of approximately 28 months. As a result of the breaches, Tam and the firm were ordered by relevant authorities to pay fines totalling HK\$127,000 in addition to contributions in arrears and surcharges.

After considering the information available, the Institute lodged a complaint under section 34(1)(a)(vi) of the Professional Accountants Ordinance (Cap 50).

The Disciplinary Committee found that the respondents were in breach of the fundamental principle of Professional Behavior of the Code of Ethics for Professional Accountants. Having taken into account the circumstances of the case including the respondents' conduct in the proceedings where they showed a lack of remorse, the Disciplinary Committee made the above order under section 35(1) of the ordinance. The committee noted the seriousness of the respondents' failure to meet their statutory obligation on multiple occasions and the possibility of them committing the offence again in future. In the circumstances, the Committee considered a heavy sanction should be imposed to deter the Institute's members from bringing disrepute to the profession and to maintain public confidence in the profession.

About HKICPA Disciplinary Process

The Hong Kong Institute of Certified Public Accountants (HKICPA) enforces the highest professional and ethical standards in the accounting profession. Governed by the Professional Accountants Ordinance (Cap. 50) and the Disciplinary Committee Proceedings Rules, an independent Disciplinary Committee is convened to deal with a complaint referred by Council. If the charges against a member, member practice or registered student are proven, the Committee will make disciplinary orders setting out the sanctions it considers appropriate. Subject to any appeal by the respondent, the order and findings of the Disciplinary Committee will be published.

For more information, please see:

<http://www.hkicpa.org.hk/en/standards-and-regulations/compliance/disciplinary/>

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About the Hong Kong Institute of Certified Public Accountants

The Hong Kong Institute of Certified Public Accountants (HKICPA) is the statutory body established by the Professional Accountants Ordinance responsible for the professional training, development and regulation of certified public accountants in Hong Kong. The Institute has more than 42,000 members and 18,000 registered students.

Our qualification programme assures the quality of entry into the profession, and we promulgate financial reporting, auditing and ethical standards that safeguard Hong Kong's leadership as an international financial centre.

The CPA designation is a top qualification recognised globally. The Institute is a member of and actively contributes to the work of the Global Accounting Alliance and International Federation of Accountants.

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