



HKICPA takes disciplinary action against a certified public accountant (practising)

(HONG KONG, 10 April 2018) On 20 February 2018, a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants reprimanded Chan Wing Keung, Simon, certified public accountant (practising) (membership number A11614) and ordered his practising certificate be cancelled from 3 April 2018 with no issuance of a practising certificate to him for 12 months. In addition, Chan was ordered to pay the costs of disciplinary proceedings of HK\$56,204.

The Institute received a referral from the Law Society of Hong Kong about an accountant's report issued by Chan, in which he failed to report breaches of the Solicitors' Accounts Rules ("SAR") by a solicitor's firm. Chan did not comply with a number of provisions of the Institute's Practice Note 840 when he carried out procedures in relation to the accountant's report, and he failed to identify breaches of the SAR by the solicitor's firm, including rules over handling of client money.

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

Chan admitted the complaint against him. The Disciplinary Committee found that Chan was in breach of the fundamental principle of Professional Competence and Due Care in the Code of Ethics for Professional Accountants.

Having taken into account the circumstances of the case including the particulars in support of the complaint, Chan's personal circumstances and his conduct throughout the proceedings, the Disciplinary Committee made the above order under section 35(1) of the Professional Accountants Ordinance. The Committee found Chan's unquestioning acceptance of the very limited information provided by the firm's principal showed a total abdication by him of his responsibilities as an auditor under the Accountant's Report Rules.

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 HKICPA

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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