



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

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

(HONG KONG, 8 August 2018) A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered on 3 July 2018 that the name of Lee Yiu Sun, certified public accountant (practising) (F03440) be removed from the register of CPAs for 3 years with effect from 12 August 2018. In addition, Lee was ordered to pay costs of the disciplinary proceedings of HK\$35,857.

Lee was the Executive Director, Chief Executive Officer and the Compliance Officer of a Hong Kong listed company, First China Financial Network Holdings Ltd. ("First China"). He was found by the Court of First Instance in a court action filed by Securities and Futures Commission to have breached his director's duties to First China by falsely putting forward a non-existent agreement, causing First China to wrongly pay a dividend of RMB18.69 million. Lee was ordered to be disqualified from being a director or involved in the management of any listed or unlisted corporation in Hong Kong for five years.

After considering the information available, the Institute lodged complaints against Lee under sections 34(1)(a)(vi) and 34(1)(a)(viii) of the Professional Accountants Ordinance (Cap 50).

Disciplinary Committee found that Lee failed or neglected to observe, maintain or otherwise apply (i) the fundamental principle of integrity under sections 100.5(a) and 110.2(a) of the Code of Ethics for Professional Accountants ("Code") and (ii) the fundamental principle of professional behavior under sections 100.5(e) and 150.1 of the Code. As a result of these multiple failures, the Committee further found that Lee was guilty of professional misconduct.

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

### 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 16,000 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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