



Dear Assignment / News / Business Section Editor

Hong Kong Institute of Certified Public Accountants takes disciplinary action against a certified public accountant

(HONG KONG, 14 September 2017) — On 14 August 2017, a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered that the name of Poon Wai Kit (membership number A31544) be removed from the register of CPAs permanently with effect from 23 September 2017. In addition, Poon was ordered to pay costs of the disciplinary proceedings of HK\$17,130.

Poon was convicted in the District Court in July 2016 of the offence of theft which he committed during his employment with two companies. As an accountant of the first company, Poon forged the managing director's signature on the company's cheques amounting to about HK\$7 million and issued them to himself.

Later, Poon was employed by another company as deputy financial manager. He deceived the company into paying him funds totalling about HK\$5 million. Poon falsely claimed to the company that the funds were used to pay for purchases of goods which did not in fact occur. To cover up the embezzlement, Poon forged supplier invoices which also bore the company's chops purportedly evidencing receipt of goods purchased.

After considering the information available, the Institute lodged complaints under sections 34(1)(a)(ii) and 34(1)(a)(iii)(A) of the Professional Accountants Ordinance (Cap 50).

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

Under the ordinance, if the respondents are aggrieved by the order, they 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 <http://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 remaining two members 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 with (where appropriate) an order that a practice certificate shall not be issued either permanently or temporarily, a reprimand, a penalty of up to HK\$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 41,000 members and 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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