



Dear Assignment / News / Business Section Editor

## **Hong Kong Institute of CPAs takes disciplinary action Against a certified public accountant**

(HONG KONG, 20 December 2011) — A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered on 2 December 2011 that the name of Choy Ye King (membership number A13412) be removed from the register of certified public accountants for a period of two years with effect from 16 January 2012, due to his conviction in Hong Kong of offences involving dishonesty.

In addition, Choy was ordered to pay the full costs of the disciplinary proceedings amounting to HK\$23,316.

Choy was the financial controller of a Hong Kong listed group that included two companies licensed to carry out securities dealing and related activities in Hong Kong. From April 2002 to January 2003, Choy knowingly accounted for certain unbanked cheque receipts as cash at the bank, and thereby materially inflated the liquid capital positions of the two licensed companies that were reported to the Securities and Futures Commission.

In June 2004, Choy was convicted in Hong Kong of three counts of providing false information to the commission and was fined HK\$2,000 on each count. The Institute received information in August 2010 about Choy's conviction. After considering the information available, the Institute lodged a complaint against Choy under section 34(1A) of the Professional Accountants Ordinance. A Disciplinary Committee was constituted in April 2011.

The Disciplinary Committee found, on evidence submitted and Choy's admission, that the complaint against him was proven. Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Choy under section 35(1) of the ordinance.

Under the Professional Accountants Ordinance, if Choy 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](http://www.hkicpa.org.hk).

Disciplinary proceedings of the Institute are conducted in accordance with Part V of the Professional Accountants Ordinance by a five-member Disciplinary Committee. The majority (three members) of each committee, including the chairman, are non-accountants chosen from a panel appointed by the Chief Executive of the HKSAR, and the other two members are CPAs.

Disciplinary hearings are held in public unless the Disciplinary Committee directs otherwise in the interests 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.

The 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 practising 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 CPAs**

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 nearly 33,000 members and 16,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designatory letters *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 CPA 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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