



Dear Assignment / News / Business Section Editor

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

(HONG KONG, 14 January 2010) — A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants found Lee Chee Ho, Juleus (membership number F01368) guilty of dishonourable conduct on 6 November 2009. It reprimanded Lee and ordered him to pay a penalty of HK\$100,000 to the Institute due to his failure or neglect to observe, maintain or otherwise apply a professional standard issued by the Institute.

In addition, Lee was ordered to pay HK\$13,000 towards the costs of the disciplinary proceedings.

In January 2007, Lee was convicted in the magistrates' court of Hong Kong of the criminal offences of assault occasioning actual bodily harm, dangerous driving and failing to report an accident involving personal injury. In June 2008, Lee was further convicted in the magistrates' court of two charges of failing to notify the Securities and Futures Commission of the liquid capital deficiencies of a licensed corporation of which he was the director and the responsible officer, and two charges of filing misleading financial returns in respect of the licensed corporation to the SFC. In light of the convictions and after considering the information available, the Institute lodged complaints against Lee under section 34(1A) of the Professional Accountants Ordinance.

The Disciplinary Committee found, on Lee's admission, that he was guilty of dishonourable conduct in his first conviction, and in his second conviction, he failed to conduct himself in a manner consistent with the good reputation of the profession and the Institute in breach of the fundamental principles set out in Statement 1.200 "Professional Ethics – Explanatory Foreword."

Having taken into account the circumstances of the case, the Disciplinary Committee made the order as stated above against Lee.

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 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 of lay persons 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 is aggrieved by an order made by a Disciplinary Committee may appeal to the Court of Appeal, which may confirm, vary or reverse the order.

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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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Note to editor

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 more than 29,000 members and 13,000 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 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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