

**Certified public accountant jailed nine years for listing fraud****19.02.08**

A certified public accountant, charged by the ICAC, was today (Tuesday) sentenced to nine years' imprisonment at the Court of First Instance for his role in a fraudulent scam in relation to the listing of a company and making false representations in the company's annual report.

Li Wing-kei, 41, was convicted unanimously by a jury on two counts of conspiracy to defraud in relation to the listing of Fu Cheong International Holdings Limited (Fu Cheong), and making false representations in Fu Cheong's annual report.

Mr Justice Lunn meted out a concurrent nine years' jail term for each charge, but ordered one year to be served consecutively to the 10-year prison term earlier imposed on Li in a separate case involving another listed company, Gold Wo International Holdings Limited.

The court also ordered that Li be disqualified from being a company director for 12 years.

In passing sentence, Mr Justice Lunn said Li's acts had undermined the integrity of the listing system of the Stock Exchange of Hong Kong Limited (Stock Exchange).

The court heard that Li had been engaged by Fu Cheong's chairman Ho Wing-cheong as a financial consultant to assist with the company's listing application.

Between October 1, 2000 and March 27, 2002, Li conspired with Ho Wing-cheong, Chan Wing-kui, Kwok Shuk-wah and other persons, to defraud the Stock Exchange.

Chan and Kwok were then respectively the financial controller and a director of Fu Cheong.

The court heard that in order to satisfy the listing requirements of the Stock Exchange, Li and the others had falsified sales invoices and accounting records to inflate the sales turnover and profits figures of Fu Cheong and its subsidiaries for the financial years of 1998, 1999 and 2000.

They had submitted documents containing the inflated sales turnover and profits figures for the three financial years concerned to the Stock Exchange. Fu Cheong was listed in March 2002.

The court heard that had it not been for the inflated sales turnover and net profits, Fu Cheong would not have been able to meet the listing requirements and the listing would not have been approved.

Li and co-conspirators had also defrauded shareholders, investors and creditors of Fu Cheong and its subsidiaries by dishonestly misrepresenting the sales turnover and profits figures of Fu Cheong in its annual report for the financial year ended 2001.

Ho, Chan and Kwok were earlier convicted of similar charges and received jail terms ranging from six years and nine months to nine and a half years.

The prosecution was today represented by prosecuting counsel Audrey Campbell-Moffat, assisted by ICAC officer Ellen Tong.