

Councillor given suspended sentence for false claims of expenses

28.03.09

A member of the Kwai Tsing District Council (KTDC), charged by the ICAC, was today (Saturday) given a suspended sentence at Tsuen Wan Magistracy for making false claims of reimbursement of expenses totalling over \$69,000 from KTDC in relation to various activities organised by seven non-profit making organisations and a mutual aid committee.

Leung Kwong-cheong, 53, a member of KTDC, was sentenced by Deputy Magistrate Ms Lam Siu-yan to 16 months' imprisonment, suspended for three years. The defendant was also fined \$130,000.

The defendant earlier pleaded guilty to 13 counts of fraud. The prosecution offered no evidence to eight similar charges against him.

The defendant was arrested by the ICAC during a corruption inquiry.

The court heard that in July 2002, a friend of the defendant set up a company engaged in skin care business.

The defendant told his friend that he would use the latter's company to issue merchant receipts to facilitate his claim of subvention for activities he organized.

The friend acceded to the defendant's request, but reminded him to notify him whenever he issued receipts in the name of his company. However, the defendant never did so.

Between July 2004 and December 2006, the defendant falsely represented that the above company had provided the services as described in 10 receipts, and with intent to defraud, induced KTDC to pay a total of \$55,120 to seven non-profit making organisations and a mutual aid committee.

The non-profit making organisations and mutual aid committee concerned were Kwai Chung West Healthy Seniors, West Kwai Chung Women's Association, Kwan Fong Club, Kwan Fong Cantonese Operatic Society, Kwai Shing Cantonese Operatic Society, Kwai Shing Sing-A-Long, Shing Yin Club, and Shing Keung House Mutual Aid Committee.

The court also heard that between March 2004 and August 2006, the defendant falsely represented that the company had provided the services as described in three other receipts, and with intent to defraud, induced KTDC to pay a total of \$13,900 to Tsing Kwai Drama Workshop, another non-profit making organisation.

ICAC enquiries revealed that all the above receipts were false, and that the company concerned had never provided the services stipulated on the receipts.

Had KTDC known that either the claims or their supporting receipts were not genuine, it would not have approved the applications for reimbursement, the court was told.

The prosecution was today represented by Senior Public Prosecutor Jonathan Man, assisted by ICAC officer Ming Lee.