

Ex-councillor gets 30 months for false claims of DC funds

21.12.09

A former member of the North District Council (NDC), charged by the ICAC, was today (Monday) sentenced to an imprisonment of two and a half years at the District Court for false claims of two assistants' salaries totalling more than \$730,000 over a period of five years.

Au Wai-kwan, 58, was earlier found guilty of seven counts of fraud.

In sentencing, Deputy Judge Anthony Kwok Kai-on said the court had to mete out a jail term to the defendant in view of his serious breach of trust.

The judge also reprimanded the defendant for his premeditated plan to carry out the fraudulent scheme.

The case arose from a corruption complaint. ICAC inquiries revealed the fraud offences.

The court heard that at the time of the offences, the defendant was a member of the NDC. He employed two persons as his assistants.

In early 2002, the defendant asked one of the assistants to assist in some advertisement work. The assistant offered to help him as a volunteer.

Between January 1, 2002 and November 30, 2007, the defendant asked the assistant to sign employment contracts and salary receipts in advance on six occasions. But the particulars of the contracts and the receipts, including the assistant's salary and his post, were left blank.

During the period, the defendant had paid a total of \$71,000 to the assistant. However, on the assistant's salary receipts, the defendant entered a monthly salary payment ranging from \$4,000 to \$10,000.

The defendant then submitted operating expenses allowance reimbursement forms and the salary receipts to the NDC Secretariat for reimbursement.

The NDC Secretariat accepted those documents as genuine, and notified the Treasury to release a total of \$431,000 to the defendant.

The court also heard that in mid 2003, the defendant employed another person as his part-time assistant.

Between September 2003 and November 2007, the assistant was asked to sign blank employment contracts and salary receipts in advance on five occasions.

During the period, the defendant had paid the assistant a total of \$73,500. But on the salary receipts, he entered a monthly salary payment ranging from \$2,500 to \$7,000.

The defendant then submitted operating expenses allowance reimbursement forms and the salary receipts to the NDC Secretariat for reimbursement.

Having accepted those documents as genuine, the NDC Secretariat notified the Treasury to release a total of \$306,000 to the defendant.

As a result of the above fraudulent scams, the defendant dishonestly gained a total of \$737,000 from the NDC, the court was told.

The prosecution was today represented by Senior Public Prosecutor Richard Ma, assisted by ICAC officer Glory Leung.