



HKICPA takes disciplinary action against a certified public accountant

(HONG KONG, 9 March 2018) — On 30 January 2018, a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered that the name of Mak Wai Man (membership number A37354) be removed from the register of CPAs for five years with effect from 11 March 2018. In addition, Mak was ordered to pay costs of the disciplinary proceedings of HK\$72,446.

Mak was convicted of three counts of offences under section 9 of the Theft Ordinance (Cap 210) after she forged the signature of one of her employer's directors and drew a cheque in her own favour. As a result, the company dismissed her.

Subsequently, Mak provided false information about her professional qualifications and work experience to another employer. That employer unknowingly submitted the false information in an Application Proof to the Hong Kong Stock Exchange for listing purposes.

Mak failed to declare to the Institute that she had criminal convictions in the Institute's annual membership renewal.

After considering the information available, the Institute lodged a complaint against Mak under sections 34(1)(a)(ii) and 34(1)(a)(vi) of the Professional Accountants Ordinance (Cap 50).

Mak admitted the complaint against her. The Disciplinary Committee found that Mak was in breach of section 34(1)(a)(ii) of the PAO because she had been convicted of offences involving dishonesty. Mak was also in breach of the fundamental principle of Integrity under sections 100.5(a) and 110.2 of the Code of Ethics for Professional Accountants.

Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Mak under section 35(1) of the Ordinance.

About HKICPA Disciplinary Process

The Hong Kong Institute of Certified Public Accounts (HKICPA) enforces the highest professional and ethical standards in the accounting profession. Governed by the Professional Accountants Ordinance (Cap. 50) and the Disciplinary Committee Proceedings Rules, an independent Disciplinary Committee is convened to deal with a complaint referred by Council. If the charges against a member, member practice or registered student are proven, the Committee will make disciplinary orders setting out the sanctions it considers appropriate. Subject to any appeal by the respondent, the order and findings of the Disciplinary Committee will be published.

For more information, please see:

<http://www.hkicpa.org.hk/en/standards-and-regulations/compliance/disciplinary/>

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About HKICPA

The Hong Kong Institute of Certified Public Accountants (HKICPA) is the statutory body established by the Professional Accountants Ordinance responsible for the professional training, development and regulation of certified public accountants in Hong Kong. The Institute has more than 42,000 members and 18,000 registered students.

Our qualification programme assures the quality of entry into the profession, and we promulgate financial reporting, auditing and ethical standards that safeguard Hong Kong's leadership as an international financial centre.

The CPA designation is a top qualification recognised globally. The Institute is a member of and actively contributes to the work of the Global Accounting Alliance and International Federation of Accountants.

Hong Kong Institute of CPAs' contact information:

Gemma Ho
Manager, Public Relations
Phone: 2287-7002
Email: gemmaho@hkicpa.org.hk

Terry Lee
Director, Marketing and Communications
Phone: 2287-7209
Email: terrylee@hkicpa.org.hk



香港會計師公會對一名會計師作出紀律處分

(香港，二零一八年三月九日) 香港會計師公會轄下一紀律委員會，於二零一八年一月三十日命令將麥惠雯小姐(會員編號：A37354)由二零一八年三月十一日起從會計師名冊中除名，為期五年。此外，麥小姐須支付紀律程序費用 72,446 港元。

麥小姐因假冒受僱公司董事的簽名並提取了一張以其本人為受益人的支票，被裁定犯下香港法例第 210 章《盜竊罪條例》第 9 條的三項罪行，並因而被解僱。

麥小姐其後向另一僱主提交了有關其專業資格和工作經驗的虛假資料。該僱主在不知情下將虛假資料遞交香港交易所作申請上市之用。

麥小姐沒有在公會的周年會籍更新程序中向公會申報其刑事定罪紀錄。

公會經考慮所得資料後，根據香港法例第 50 章《專業會計師條例》第 34(1)(a)(ii)條及第 34(1)(a)(vi)條對麥小姐作出投訴。

麥小姐承認投訴中的指控屬實。因麥小姐干犯了涉及不誠實行為的罪行，紀律委員會裁定麥小姐違反了《專業會計師條例》第 34(1)(a)(ii)條。此外，麥小姐亦違反了 Code of Ethics for Professional Accountants 第 100.5(a)條及 110.2 條有關「Integrity」的基本原則。

經考慮有關情況後，紀律委員會根據《專業會計師條例》第 35(1)條向麥小姐作出上述命令。

香港會計師公會的紀律處分程序

香港會計師公會致力維持會計界的最高專業和道德標準。公會根據香港法例第 50 章《專業會計師條例》及紀律委員會訴訟程序規則，成立獨立的紀律委員會，處理理事會轉介的投訴個案。委員會一旦證明對公會會員、執業會計師事務所會員或註冊學生的檢控屬實，將會作出適當懲處。若答辯人未有提出上訴，紀律委員會的裁判將會向外公佈。

詳情請參閱：

<http://www.hkicpa.org.hk/en/standards-and-regulations/compliance/disciplinary/>

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關於香港會計師公會

香港會計師公會是根據《專業會計師條例》成立的法定機構，負責培訓、發展和監管本港的會計專業。公會會員超過 42,000 名，學生人數逾 18,000。

公會開辦專業資格課程，確保會計師的入職質素，同時頒佈財務報告、審計及專業操守的準則，以鞏固香港作為國際金融中心的領導地位。

CPA 會計師是一個獲國際認可的頂尖專業資格。公會是全球會計聯盟及國際會計師聯合會的成員之一，積極推動國際專業發展。

香港會計師公會聯絡資料

何玉淳
公共關係經理
直線電話：2287-7002
電子郵箱：gemmaho@hkickpa.org.hk

李志強
市務及傳訊總監
直線電話：2287-7209
電子郵箱：terrylee@hkickpa.org.hk

IN THE MATTER OF

A Complaint made under Section 34(1) and 34(1A) of the Professional Accountants Ordinance (Cap.50) (“the PAO”) and referred to the Disciplinary Committee under Section 33(3) of the PAO

BETWEEN

The Registrar of the Hong Kong Institute of Certified Public Accountants COMPLAINANT

AND

Ms. Mak Wai Man RESPONDENT
(Membership no.: A37354)

Before a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants

Members: Ms. Chan Yi Ting Bonnie (Chairman)
Mr. Chan Chak Ming
Mr. Chiu Shun Ming
Ms. Chua Suk Lin Ivy
Mr. Shen Ka Yip Timothy

ORDER & REASONS FOR DECISION

1. This is a complaint made by the Registrar of the Hong Kong Institute of Certified Public Accountants (the “**Institute**”) against Mak Wai Man, CPA (the “**Respondent**”).
2. The Complaint as set out in a letter dated 29 June 2017 from the Registrar to the Council of the Institute (the “**Complaint**”) are as follows:-

First Complaint

- (1) Section 34(1)(a)(vi) of the PAO applies to the Respondent in that she failed or neglected to observe, maintain or otherwise apply professional standards as provided in section 100.5(a) as elaborated in section 110.2 of the Code of Ethics for Professional Accountants ("COE"), as a result of her furnishing materially false statements or information to **Wodinghua Holdings Limited** and the Institute as particularized in paragraphs 8 to 11 below, knowing that the same were false or being reckless as to the truth.

Second Complaint

- (2) Section 34(1)(a)(ii) of the PAO applies to the Respondent in that she has been **convicted of an offence involving dishonesty on 26 June 2014 in case no. TW/1713/14, involving three charges under section 9 of the Theft Ordinance (Cap. 210).**

Third Complaint

- (3) Section 34(1)(a)(vi) of the PAO applies to the Respondent in that she failed or neglected to observe, maintain or otherwise apply professional standards as provided in section 100.5(a) as elaborated in section 110.2 of the COE, as a result of her **making a false statement when she declared that she had no criminal conviction in the Institute's annual membership renewal for 2015, despite her having been convicted in TW/1713/14 in June 2014,** of which she knew the statement to be false or being reckless as to its truth.

Applicable statutory provision and professional standard

- (4) Section 34 the PAO provides that:

"(1) A complaint that –

(a) a certified public accountant-

...

(ii) has been convicted in Hong Kong or elsewhere of any offence involving dishonesty;

...

(vi) failed or neglected to observe, maintain or otherwise apply a professional standard,"

- (5) The COE stated the fundamental principle of Integrity under section 100.5(a), as elaborated in 110, of the COE, as follows:

"100.5 A professional accountant shall comply with the following fundamental principles:

(a) Integrity – to be straightforward and honest in all professional and business relationships."

"110.2 A professional accountant shall not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:

- (a) Contains a materially false or misleading statement;*
- (b) Contains statements or information furnished recklessly"*

Facts and circumstances supporting the First Complaint

- (6) The Respondent was appointed as the company secretary of Wodinghua Holdings Limited ("WHL") on 23 October 2015.
- (7) In her job application, the Respondent submitted false information or statements on professional qualification and working experience to WHL. Based on the Respondent's false information, WHL submitted to the Hong Kong Stock Exchange an Application Proof for listing purposes.
- (8) The false information about the Respondent's professional qualification and working experience included in WHL's Application Proof are as follows:
 - (a) She became a fellow member of Association of Chartered Certified Accountants ("ACCA") (英國公認會計師公會) in March 2015; and
 - (b) She was the Finance Manager (財務經理) of Sound Technology Development Ltd (聲研科技發展有限公司) ("STDL") for the period from September 2012 to August 2015.
- (9) The above information was false because:
 - (a) The Respondent was admitted a member of ACCA on 29 January 2015. She was not a fellow member of ACCA in March 2015.
 - (b) The Respondent could not have been employed by STDL for the period from September 2012 to August 2015 because:
 - i. The Respondent said the post at STDL was a full-time position , and yet she held another full-time employment as Financial Manager of A&S (HK) Logistics Limited ("A&S") for the period from 3 September 2012 to 21 November 2013.
 - ii. STDL was incorporated on 13 December 2012 and was dissolved by deregistration on 5 June 2015. This period of about 2.5 years is about 5 months shorter than the employment period claimed by the Respondent.
- (10) Not only did the Respondent furnished the above false information regarding her employment period to WHL, she repeated these misrepresentations in correspondence with the Institute:-

- (a) The Institute first asked her about (inter alia) her claimed employment period with STDL of September 2012 to August 2015 in letter dated 27 July 2016. Her initial response (through her solicitors) was that the information was incorrect, but that was due to inadvertence and not intended to be fraudulent . She did not explain or elaborate how the information was "incorrect".
- (b) However, her solicitor then asserted in a subsequent letter dated 20 October 2016 that the Respondent's period of employment with STDL was indeed from September 2012 to August 2015, the same statement in WHL's Application Proof that she had earlier admitted to be "incorrect".
- (c) The Respondent was asked to explain and clarify, and in particular how could her period of employment with STDL be from September 2012 to August 2015, when the company was only in existence from December 2012 to June 2015 (see above). The Respondent then changed her story to say that STDL employed her during the period of 13 December 2012 to 5 June 2015, whereas another Chinese company running a similar business as STDL employed her during the period of September to 12 December 2012 and from 6 June to August 2015 .
- (d) When asked later to explain her period of employment with A&S, the Respondent confirmed that the period was from September 2012 to November 2013 . A&S has also confirmed that it was a full-time position .
- (11) As such, the Respondent had repeated the false statements that she was employed by STDL, or company associated with STDL, from September 2012 to August 2015, in the letters dated 20 October and 16 December 2016 from her solicitor to the Institute.
- (12) It is believed that the purpose of asserting her employment with STDL commenced in September 2012 was that the Respondent wanted to conceal her employment with A&S, as she was dismissed by A&S by reason of her serious misconduct as described below.

Facts and circumstances supporting the Second and Third Complaints

- (13) During her employment as Financial Manager with A&S, the Respondent forged signature(s) of company director and drew a cheque in her own favour. A&S reported the matter to the police and asked the Respondent to resign.
- (14) In June 2014, the Respondent was convicted of three counts of offences under section 9 of the Theft Ordinance in TW/1713/14. The Magistrate sentenced the Respondent to serve 480 hours of community service.
- (15) In the annual membership renewal procedure of the Institute, members are required to declare if they have been convicted of any criminal offence since the date of last renewal application. The Respondent declared "No" under the "Declaration of Convictions in Hong Kong or elsewhere" section when she applied to renew her membership for 2015. This was a false statement as she had been convicted in TW/1713/14 just about 5 months earlier.

Conclusion

- (16) Any assertion by the Respondent that any of the above false statements were made out of "inadvertence" has no credibility because, inter alia, she saw fit to repeat some of those false statements to the Institute as set out above, and further she had been disciplined previously for committing the same kind of dishonest acts. In D-13-0862C (order dated 19 August 2015), the Respondent admitted to having made at least 4 misrepresentations regarding her qualifications or credentials .
- (17) In the premises, the Respondent had furnished false information or statements to WHL and the Institute regarding ACCA membership and her employment period with STDL. The Respondent had also been convicted of an offence involving dishonesty, and she further made a false statement to the Institute by declaring that she had no criminal conviction in her 2015 membership renewal.
3. The Respondent admitted the complaints against her. She did not dispute the facts as set out in the Complaint. On 17 August 2017, the parties agreed that the steps set out in paragraphs 17 to 30 of the Disciplinary Committee Proceedings Rules ("DCPR") be dispensed with.
 4. The Disciplinary Committee agreed to the parties' joint application to dispense with the steps set out in Rule 17 to 30 of the DCPR in light of the admission made by the Respondent and directed the parties to make written submissions on sanctions and costs.
 5. The complaints were all found proved on the basis of the admission by the Respondent.
 6. The Complainant and Respondent provided their submissions on sanctions and costs on 28 December 2017 and 11 January 2018 respectively.
 7. In considering the proper order to be made in this case, the Disciplinary Committee has had regard to all the aforesaid matters, including the particulars in support of the Complaints, the Respondent's personal circumstances, and the conduct of the Respondent throughout the proceedings.
 8. The Disciplinary Committee orders that:-
 - (a) the name of the Respondent be removed from the register of certified public accountants for five years under Section 35(1)(a) of the PAO;
 - (b) the Respondent do pay the costs and expenses of and incidental to the proceedings of the Complainant in the sum of HK\$72,446 under Section 35(1)(iii) of the PAO.

The above shall take effect on the 40th day from the date of this Order.

Dated 30 January 2018