



Dear Assignment/News/Business Section Editor

## **Hong Kong Institute of CPAs reprimands and Fines a certified public accountant (practising)**

(HONG KONG, 19 November 2008) — On 30 August 2008, a disciplinary committee of the Hong Kong Institute of Certified Public Accountants reprimanded Mr. Fong Yuk Kee, Maurice (membership number F03040) and ordered him to pay to the Institute a penalty and costs of the disciplinary proceedings totaling HK\$300,000 due to his failure or neglect to observe, maintain or otherwise apply the professional standards issued by the Institute.

Mr. Fong is the sole proprietor of a firm of certified public accountants, Maurice Fong & Company. The Institute received a letter alleging threats to independence in that a company beneficially owned by Mr. Fong acted as a nominee director of an audit client of Maurice Fong & Company. After considering the information provided in the letter and by Mr. Fong, the Institute lodged complaints against Mr. Fong under section 34(1A) of the Professional Accountants Ordinance.

Upon hearing the complaints, the disciplinary committee was satisfied by the evidence adduced before it that the complaints were proved. The disciplinary committee found that Mr. Fong failed or neglected to observe, maintain or otherwise apply Statement 1.203 “Professional Ethics – Integrity, Objectivity and Independence” and Statement 1.303 “General Guidance – Restrictions on Appointments as Secretaries and Directors of Audit Clients” from the PAO.

Having considered the evidence and the circumstances of the case, the disciplinary committee ordered that Mr. Fong:

- (1) be reprimanded;
- (2) pay a penalty of HK\$50,000 to the Institute; and
- (3) pay HK\$250,000 towards the costs of the disciplinary proceedings.

– End –

### **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 27,000 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 CPA 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.

**Hong Kong Institute of CPA's contact information:**

Stella To  
Deputy Director, Communications  
Phone: 2287 7209  
Mobile: 9027 7323  
Email: [stella@hkicpa.org.hk](mailto:stella@hkicpa.org.hk)