



Dear Assignment / News / Business Section Editor

Hong Kong Institute of Certified Public Accountants takes disciplinary action against a certified public accountant

(HONG KONG, 10 November 2014) — A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered on 27 October 2014 that the name of Szeto Ho Kei (membership number A30880) be removed from the register of certified public accountants for 6 months with effect from 8 December 2014. In addition, Szeto was ordered to pay costs of the disciplinary proceedings of HK\$19,207.

Szeto was convicted in the Magistrates' Court of one count of indecent assault and one count of loitering causing concern. Szeto was fined HK\$6,000 and ordered a probation order for 12 months with special conditions. Szeto notified the Institute of the conviction in accordance with his membership obligations. After considering the information available, the Institute lodged a complaint against Szeto under section 34(1)(a)(x) of the Professional Accountants Ordinance.

Szeto admitted the complaint against him. The Disciplinary Committee found that Szeto was guilty of dishonourable conduct.

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

Under the ordinance, if Szeto is aggrieved by the order, he may give notice of an appeal to the Court of Appeal within 30 days after he is served the order.

The order and findings of the Disciplinary Committee are available at the Institute's website under the "Compliance" section at www.hkicpa.org.hk.

Disciplinary proceedings of the Institute are conducted in accordance with Part V of the ordinance by a five-member Disciplinary Committee. The majority (three members) of each committee, including the chairman, are non-accountants chosen from a panel appointed by the Chief Executive of the HKSAR, and the other two members are CPAs.

Disciplinary hearings are held in public unless the Disciplinary Committee directs otherwise in the interests of justice. A hearing schedule is available at the Institute's website. A CPA who feels aggrieved by an order made by a Disciplinary Committee may appeal to the Court of Appeal, which may confirm, vary or reverse the order.

The Disciplinary Committees have the power to sanction members, member practices and registered students. Sanctions include temporary or permanent removal from membership or cancellation of a practising certificate, a reprimand, a penalty of up to \$500,000, and payment of costs and expenses of the proceedings.

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About the Hong Kong Institute of Certified Public Accountants

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 37,000 members and more than 18,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designation 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 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.

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致：編採主任／新聞／財經版編輯

香港會計師公會對一名會計師作出紀律處分

(香港，二零一四年十一月十日) — 香港會計師公會轄下紀律委員會於二零一四年十月二十七日命令將司徒浩基先生(會員編號：A30880)的名字由二零一四年十二月八日起從專業會計師註冊紀錄冊中除名，為期六個月。此外，司徒先生須支付紀律程序的費用一萬九千二百零七港元。

司徒先生被裁判法院裁定一項猥褻侵犯及一項遊蕩導致他人擔心的罪名成立。他被判罰款6,000港元及在有條件下判感化令12個月。司徒先生按照公會會員申報責任，向公會申報他的定罪。公會經考慮所得資料，根據《專業會計師條例》第34(1)(a)(x)條對司徒先生作出投訴。

司徒先生承認投訴中的指控屬實。紀律委員會裁定司徒先生犯上不名譽行為。

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)條向司徒先生作出上述的命令。

根據《專業會計師條例》，如司徒先生不服紀律委員會對他作出的命令，可於命令文本送達後30天內向上訴法庭提出上訴。

紀律委員會的書面判決可於公會網頁內Compliance部份查閱，網頁為<http://www.hkicpa.org.hk>。

公會的紀律程序是根據《專業會計師條例》第V部份，由五位成員組成的紀律委員會執行。每個紀律委員會的大多數成員，即包括主席在內的三名成員，是由香港特別行政區行政長官從業外人士組成的紀律小組中選派委任，另外兩名成員由專業會計師出任。

除非負責的紀律委員會因公平理由認為不恰當，否則紀律聆訊一般以公開形式進行。紀律聆訊的時間表可於公會網頁查閱。如當事人不服紀律委員會的裁判，可向上訴法庭提出上訴，上訴法庭可確定、修改或推翻紀律委員會的裁判。

紀律委員會有權向公會會員、執業會計師事務所會員及註冊學生作出處分。紀律處分範圍包括永久或有限期地將違規者從會計師註冊紀錄冊中除名或吊銷其執業證書、對其作出譴責、下令罰款不多於五十萬港元，以及支付紀律程序的費用。

— 完 —

關於香港會計師公會

香港會計師公會是香港唯一獲法例授權負責專業會計師註冊兼頒授執業證書的組織，會員人數超過三萬七千，註冊學生人數逾一萬八千。公會會員可採用「會計師」稱銜（英文為 **certified public accountant**，簡稱 **CPA**）。

公會(**Hong Kong Institute of Certified Public Accountants**)於一九七三年一月一日成立，當時的英文名稱為 **Hong Kong Society of Accountants**。

公會根據《專業會計師條例》履行職責，以公眾利益為依歸。其職能廣泛，包括開辦專業資格課程(**Qualification Programme**)以確保會計師的入職質素，以及頒布香港的財務報告、審計及專業操守準則。此外，公會亦負責在香港監管和推動優良而有效的會計實務，以鞏固香港作為國際金融中心的領導地位。

香港會計師公會是全球會計聯盟 (**Global Accounting Alliance, GAA**) 的成員之一。全球會計聯盟於二零零五年成立，聯合了全球頂尖的專業會計團體，推動優質服務，並積極與各地監管機構、政府及關連人士就國際重要議題共同合作。

香港會計師公會聯絡資料

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IN THE MATTER OF

A Complaint made under Section 34(1)(a) 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

Mr. SZETO Ho Kei
Membership No. A30880

RESPONDENT

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

Members: Mr. Ko Ming Tung Edward (Chairman)
Mr. Ngai Tak Sing Alfred
Mr. Tsui Wai Hang
Mr. Tang Chak Yei
Mr. Kam Pok Man

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 Mr. SZETO Ho Kei as the Respondent, a certified public accountant. Section 34(1)(a)(x) of the PAO applied to the Respondent.
2. The particulars of the Complaint as set out in a letter dated 27 May 2014 (the “Complaint”) from the Registrar to the Council of the Institute for consideration of referring the Complaint to the Disciplinary Panels, are as follows:-

BACKGROUND

- (1) On 15 December 2013, the Institute received a declaration from the Respondent reporting his conviction of the criminal offences of:
 - (i) one count of indecent assault, contrary to section 122(1) of the Crimes Ordinance, Cap. 200 (KTCC 3654/2011) ("**First Offence**"), on 9 August 2011; and
 - (ii) one count of loitering causing concern, contrary to section 160(3) of the Crimes Ordinance, Cap. 200 (KTCC 5409/2013) ("**Second Offence**"), on 8 November 2013.
- (2) The Respondent had pleaded guilty to the charges and was fined HK\$6,000 for the First Offence and ordered a probation order for 12 months (from 8 November 2013 to 7 November 2014) with special conditions for the Second Offence.
- (3) The special conditions under which the Respondent had to comply with during the 12-month period include attending psychological treatments and other programs as directed by the supervising probation officer.
- (4) The Respondent became a member of the Institute in February 2009 and was at all material times a certified public accountant.

RELEVANT PROFESSIONAL STANDARDS

- (5) The Code of Ethics for Professional Accountants ("**Code**")

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

...

(e) Professional Behavior – to comply with relevant laws and regulations and avoid any action that discredits the profession."

"150.1 The principle of professional behaviour imposes an obligation on all professional accountants to comply with relevant laws and regulations and avoid any action that the professional accountant knows or should know may discredit the profession. This includes actions that a reasonable and informed third party, weighing all the specific facts and circumstances available to the professional accountant at that time, would be likely to conclude adversely affects the good reputation of the profession."

THE COMPLAINT

First Complaint

- (6) Section 34(1)(a)(x) of the PAO applies to the Respondent in that he was guilty of dishonourable conduct due to his conviction of the criminal offences of (i) indecent assault; and (ii) loitering causing concern, contrary to sections 122(1) and 160(3) of the Crimes Ordinance, Cap. 200, respectively.

Second Complaint (in the alternative to the First Complaint)

- (7) Section 34(1)(a)(vi) of the PAO applies to the Respondent in that he failed or neglected to observe, maintain or otherwise apply a professional standard, namely paragraphs 100.5 and 150.1 of the Code for failing to comply with relevant laws and regulations and avoid any action that discredits the profession, when he committed the criminal offences of (i) indecent assault; and (ii) loitering causing concern, contrary to sections 122(1) and 160(3) of the Crimes Ordinance, Cap. 200, respectively.

FACTS AND CIRCUMSTANCES IN SUPPORT OF THE COMPLAINT

First Offence

- (8) In the criminal proceedings of the First Offence, the Respondent did not dispute the following facts:
- (a) At about 8:45am on 27 June 2011, the Respondent entered an elevator of the building where he resided. Apart from the Respondent, a male (victim) and a female were inside the elevator.
 - (b) As the male victim was stepping out of the elevator after it reached the ground floor, he felt that his left buttock was touched once. The victim immediately turned around and saw the Respondent standing closely behind him.
 - (c) When questioned by the victim, the Respondent denied that he had touched the victim and immediately went out of the elevator and fled. The victim reported the matter to the police.
 - (d) At 8:37am on 29 June 2011, while the police was conducting a touring with the victim at the same building, the Respondent appeared at the ground floor lift lobby and was positively identified by the victim. The Respondent was then arrested by the police.
 - (e) Under police caution, the Respondent admitted that he has paid attention to the victim for awhile and had touched the victim's buttock with his left hand out of impulse on the morning of 27 June 2011.

Second Offence

- (9) In the criminal proceedings of the Second Offence, the Respondent did not dispute the following facts:
- (a) The Respondent was a member of "California Fitness" health club. The male victim in this case was a fitness instructor of the health club.
 - (b) At 11:30 am on 16 September 2013, the victim went to the male toilet of California Fitness located at the Mega Box shopping centre in Kowloon.
 - (c) While the victim was using the toilet inside a cubicle at the fitness club, the victim found the Respondent peeping at him from the next cubicle.
 - (d) The victim immediately confronted the Respondent and the Respondent apologized to the victim for his act. The victim reported the matter to the police.
 - (e) At 1:10pm on the same day, the Respondent was arrested by the police. Under police caution, the Respondent admitted the offence and said he peeped at the victim because he found the victim attractive and handsome.
3. The Respondent submitted to the Institute his reasons for committing the offences together with letters of mitigation to plead for leniency.
4. On 22 May 2014, the Respondent admitted both complaints against him. He did not dispute the facts as set out in the complaints. The parties agreed that the steps set out in paragraphs 17 to 30 of the Disciplinary Committee Proceedings Rules be dispensed with.
5. On 19 August 2014, the Disciplinary Committee informed the parties that they should make written submissions on sanctions and costs.
6. 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 Complaint, the Respondent's personal circumstances, and the conduct of the Complainant and the Respondent throughout the proceedings.
7. The Disciplinary Committee orders that:-
- 1) the name of the Respondent be removed from the register of certified public accountants for 6 months on the 40th day from the date of this order under Section 35(1)(a) of the PAO; and
 - 2) the Respondent do pay the costs and expenses of and incidental to the proceedings of the Complainant in the sum of HK\$19,207 under Section 35(1)(iii) of the PAO.

Dated the 27th day of October 2014

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AND

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RESPONDENT

ORDER & REASONS FOR DECISION

Dated the 27th day of October 2014