



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Hong Kong Institute of Certified Public Accountants takes disciplinary action against a registered student

(HONG KONG, 29 March 2022) A Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ordered on 18 February 2022 that Hu Yi (student number S045468) be declared unfit to remain a registered student, and his name be removed from the register of registered students with effect from 30 March 2022. In addition, Hu was ordered to pay costs of the disciplinary proceedings of HK\$55,465.

Hu was registered as a student of the Institute's Qualification Programme (QP). At the relevant time in 2019 and 2020, he was an audit senior of a CPA firm. In March 2020, the firm conducted spot checks on the examination results submitted by its staff members and found that Hu had provided the firm with two falsified Examination Status Reports for the June and December 2019 QP examinations. The firm dismissed Hu and reported the matter to the Institute.

After considering the information available, the Institute lodged a complaint against Hu under by-law 34(1)(d) of the Professional Accountants By-Laws (Cap. 50A).

The Disciplinary Committee found that Hu's falsification of the examination results on two occasions demonstrated serious misconduct, and that Hu lacked honesty and integrity and had an intention to mislead. Having taken into account the circumstances of the case, the Disciplinary Committee made the above order against Hu under by-law 35(1).

About HKICPA Disciplinary Process

The Hong Kong Institute of Certified Public Accountants ("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/>

- End -

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 over 47,000 members and 17,000 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:

Jun Sat
Associate Public Relations Manager
Phone: 2287-7002
Email: media@hkipa.org.hk



香港會計師公會對一名註冊學生作出紀律處分

(香港，二零二二年三月二十九日) 香港會計師公會轄下紀律委員會，於二零二二年二月十八日頒佈胡屹 (註冊學生編號：S045468) 不適宜維持註冊學生的身份，並命令將其姓名由二零二二年三月三十日起從註冊學生的註冊紀錄冊中刪除。此外，胡先生須繳付紀律程序費用港幣五萬五千四百六十五元。

胡先生是公會專業資格課程的註冊學生。他於二零一九年及二零二零年期間，在一間會計師事務所擔任高級審計員。於二零二零年三月，事務所對其員工提交的考試成績進行抽查，揭發胡先生偽造二零一九年六月及十二月的專業資格課程考試報告，並遞交予事務所。該事務所其後解雇胡先生，並向公會報告此事。

經考慮所得的資料，公會根據《專業會計師附例》(第 50A 章) 第 34(1)(d) 條向胡先生作出投訴。

紀律委員會認為胡先生兩次偽造考試成績，實屬嚴重失當行為，而胡先生缺乏誠信並有意作出誤導。經考慮有關情況後，紀律委員會根據附例第 35(1) 條向胡先生作出上述的裁決。

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/>

– 完 –

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。公會會員逾 46,000 名、學生人數逾 16,000。

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：

薩嘉俊

助理公共關係經理

直線電話：2287 7002

電子郵箱：media@hkiipa.org.hk

IN THE MATTER OF

A Complaint made under by-law 34(2) of the Professional Accountants By-Laws (Cap. 50A) (the “**By-Laws**”)

BETWEEN

The Registrar of the Hong Kong Institute
of Certified Public Accountants

COMPLAINANT

AND

Mr. Hu Yi (registered student no. S045468)

RESPONDENT

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

Members: Mr. CHAN, Che Chung, Conrad (Chairman)
Ms. CHEUNG, Chiu Nam, Cerman
Mr. LEE, Hung Sang
Mr. POGSON, Timothy Keith
Mr. CHAN, Ting Bond, Michael

ORDER AND REASONS FOR DECISION

1. This is a complaint made by the Registrar (the “**Complainant**”) of the Hong Kong Institute of Certified Public Accountants (the “**Institute**”) against Mr. Hu Yi, whose name is on the register of registered students kept by the Registrar of the Institute (the “**Respondent**”).
2. Particulars of the Complaint as set out in a letter from the Registrar to the Council of the Institute dated 30 June 2021 (the “**Complaint**”) are as follows:

BACKGROUND

- (1) The Respondent is a registered student member of the Qualification Program (“**QP**”) of the Institute. At the relevant time in 2019 and 2020, he was an audit senior of a CPA firm (the “**Firm**”).

- (2) It was alleged that the Respondent had provided falsified Examination Status Reports to the Firm. On 23 March 2020, representatives of the Firm interviewed the Respondent. During the interview, the Respondent admitted that he had falsified the said Examination Status Reports by altering their contents. On the same day, the Firm dismissed the Respondent. Subsequently, the Firm reported the matter to the Institute.

THE COMPLAINT

- (3) Section 34(1)(d) of the Professional Accountants By-laws, Cap 50A, Laws of Hong Kong (“By-Laws”) applies to the Respondent as he was guilty of a conduct which renders him unfit to become a certified public accountant, by falsifying the Examination Status Reports as at 22 August 2019 and 25 February 2020 for the June and December 2019 Qualification Program examinations and submitted the same to the Firm.

FACTS AND CIRCUMSTANCES IN SUPPORT OF THE COMPLAINT

- (4) The Firm requested staff members who had participated in relevant professional examinations, including the Institute’s QP examinations, to upload their examination results to the Firm’s internal online platform. The Firm obtained the authorization of those staff members and requested the relevant examination results from the Institute, to perform spot checks on the results provided by those staff members.
- (5) The Respondent uploaded his examination results for the June and December 2019 QP examination sessions contained in 2 Examination Status Reports, as at 22 August 2019 and 25 February 2020 respectively, to the internal online platform on 23 August 2019 and 5 March 2020.
- (6) The Firm checked the results submitted by the Respondent and found that they were different from those provided by the Institute. The discrepancies are summarized below:

QP Examination Session	Results provided by the Respondent to the Firm	Results issued by the Institute
June 2019 (Examination Status Report as at 22 Aug 2019)	Module A – Financial Reporting (exam): Fail Module B – Corporate Financing (exam): Pass Module B – Corporate Financing (overall): Pass	Module A - Financial Reporting (exam): Absent Module B – Corporate Financing (exam): Fail Module B – Corporate Financing (overall): Fail
December 2019 (Examination Status Report as at 25 Feb 2020)	Module A– Financial Reporting (exam): Pass Module A– Financial Reporting (overall): Pass Module C – Business Assurance (exam): Pass Module C – Business Assurance (overall): Pass	Module A - Financial Reporting (exam): Absent Module A - Financial Reporting (overall): Fail Module C – Business Assurance (exam): Absent Module C – Business Assurance (overall): Fail

- (7) The alterations made in the 22 August 2019 Examination Status Report in relation to the results of Module B in the June 2019 session were also repeated in the 25 February 2020 Examination Status Report.

EVENTS PRIOR TO THE COMMENCEMENT OF THE PROCEEDINGS

3. In an email addressed to the Institute on 12 May 2020, the Respondent provided explanations of his conduct to the Institute and pleaded for leniency:
 - (1) He has a strict father. He wanted to make his father happy with the fake transcripts. He “never thought of submitting the faked transcript to [the Firm]” but “mistakenly submitted that fake transcript which [he] originally thought to pass to [his] family, [he] messed 2 transcript version...”. He regretted his actions and said he had "paid serious consequences for [his] actions".
 - (2) He never deceived his client or employer at work. He had been hard working and had never received any complaints while he was working with the Firm. His performance score was at the top level at his grade.
 - (3) He did not obtain any economic benefits from the fake exam results because the Firm only grants QP rewards when one has passed all the examinations.
 - (4) He asked the Institute not to cancel his studentship.
4. By a letter dated 12 April 2021, the Respondent was invited to provide further explanations of his deliberate acts of falsifying the Examination Status Reports but no reply has been received.

THE PROCEEDINGS

5. The Notice of Commencement of Proceedings and procedural timetable was issued to the parties on 10 September 2021.
6. The Respondent made a formal admission of the Complaint on 6 December 2021 and the parties have on the same day made joint application to this Committee that on the basis of the Respondent’s admission of the Complaint, the procedures as set out in Rules 17 to 30 of the Disciplinary Committee Proceedings Rules are not necessary and should be dispensed with. This was approved by this Committee. At the same time, this Committee directed the parties to make written submissions as to sanctions and costs.
7. By a letter dated 14 January 2022, the Complainant has made its written submission to this Committee as to its proposed sanctions of penalty and costs. On the same day, the Respondent also made a submission purportedly on mitigation.

DECISION

8. In considering the proper Order to be made in this case, the Disciplinary Committee (“**this Committee**”) has had regard to all the aforesaid matters, including the particulars in support of the Complaint, the Respondent’s personal circumstances, the conduct of the Complainant and the Respondent throughout the proceedings, and the email dated 12 May 2020 from the Respondent in relation to his plea of mitigation.
9. By-law 35 sets out the sanctioning powers of this Committee which can be exercised in regards to a registered student.
10. The Complainant has submitted that this case involves a serious breach of integrity and honesty, which is one of the fundamental requirements of the profession.
11. The Complainant has drawn the attention of this Committee to the following:
 - (1) The Respondent submitted two different false Examination Status Reports to his former employer (on 23 August 2019 and 5 March 2020 respectively).
 - (2) On the second occasion when the Respondent submitted the false examination results, he had repeated the alteration of the false examination results from the previous submission (ie. in relation to Module B in the June 2019 QP Examination Session). This was presumably to ensure consistency between the two false Examination Status Reports submitted.
 - (3) Therefore, the Respondent knowingly and chose to continue to submit the false examination results for a second time.
 - (4) Had it not been for the spot check conducted by the Respondent's former employer, it may not have been known by the former employer that the Respondent had in fact failed/was absent in various examination sessions.
12. The Complainant has also identified the following previous disciplinary decisions for this Committee’s reference:
 - (1) **D-15-1053C (Chan Wone Yee (“Chan”))**: In this case, Chan was a registered student of the Institute. She had falsified a reference letter purportedly issued by her former employer and used the letter to successfully apply for a job as an accounts clerk. Her new employer found out about the false letter. Chan was subsequently convicted at the Magistrates Court of "obtaining pecuniary advantage by deception" under the Theft Ordinance. The Disciplinary Committee found proven that i) Chan had been convicted of an offence in Hong Kong involving dishonesty, and ii) she had been guilty of conduct which rendered her unfit to become a CPA.

- (a) It is worthy to note at paragraph 18 of this decision, the Disciplinary Committee cited the leading case of *Bolton v. Law Society* [1994] 1 WLR 512, which stated that (*per* Sir Thomas Bingham MR):

"Any solicitor who is shown to have discharged his professional duties with anything less than complete integrity, probity and trustworthiness must expect severe sanctions to be imposed upon him by the Solicitors Disciplinary Tribunal The most serious involves proven dishonesty, whether or not leading to criminal proceedings and criminal penalties. In such cases the tribunal has almost invariably, no matter how strong the mitigation advanced for the solicitor, ordered that he be struck off the Roll of Solicitors."

- (b) The Disciplinary Committee considered that the same principles as highlighted in *Bolton* above applies to accountants as they do to solicitors.
- (c) The Disciplinary Committee ordered that Chan be declared unfit to remain as a registered student and that the Registrar remove her name from the register of registered students pursuant to By-law 35(1)(i).
- (2) **D-07-0287H (Law Chui Ting ("Law"))**: Law was a registered student of the Institute. She was required to attend workshops as part of the QP module. However, Law failed to attend a workshop, and claimed that she was unwell on that day and further submitted a forged receipt from a medical centre to the Institute in support. The Disciplinary Committee ordered that Law be declared unfit to remain as a registered student and that the Registrar remove her name from the register of registered students pursuant to By-law 35(1)(i).

13. It is submitted by the Complainant that the present case is similar to the cases of Chan and Law above, as they all involve a breach of integrity and honesty by student members of the Institute, by committing acts involving the falsification of documents.
14. This Committee has also considered the purported plea of mitigation by the Respondent by his email dated 14 January 2022 that, in short:
- (1) He did not obtain any pecuniary advantage by deception nor was he looking for any financial reward nor could he gain any financial benefit by passing on false results. He also did not cause any financial loss to the Firm.

- (2) He was dismissed by the Firm and had been without financial resources for some time. He was asking this Committee to take into account his actual financial situation.
15. This Committee considered that honesty and integrity are the very pillars essential to uphold the standard of the accounting profession. The falsification of examination results on two occasions by the Respondent demonstrated serious misconduct. It is clear from the facts that the Respondent lacked honesty and integrity, and clearly had the intention to mislead.
16. After due and careful deliberations, this Committee has come to a unanimous decision that the Respondent's name should be removed from the register of registered students.
17. As to costs, this Committee has considered the purported mitigating factors as raised by the Respondent in his email dated 14 January 2022. However, given the grave nature and seriousness of this case, this Committee accepted the figures set out in the Statement of Costs dated 14 January 2022 as submitted by the Complainant and ordered the Respondent to pay the entirety of the costs of these proceedings.

SANCTIONS AND COSTS

18. In the circumstances, this Committee orders as follows:
 - (1) **THAT** in accordance with By-law 35(1) of the By-Laws, the Respondent, Mr. Hu Yi, be declared unfit to remain as a registered student and advise the Registrar to remove his name from the register of registered students; and
 - (2) **THAT** the Respondent pays the costs and expenses of and incidental to the proceedings of the Complainant in the sum of HK\$55,465 under By-law 35(1) of the By-Laws.

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

Dated the 18th day of February 2022

Mr. CHAN, Che Chung, Conrad
(Chairman)

Mr. CHAN, Ting Bond, Michael
(Member)

Ms. CHEUNG, Chiu Nam, Cermain
(Member)

Mr. LEE, Hung Sang
(Member)

Mr. POGSON, Timothy Keith
(Member)