

APPLICATION ON PAPERS

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Dickson Chan Chi Kwong

Considered on: Tuesday, 06 December 2022

Location: ACCA, The Adelphi, 1-11 John Adam Street,
London, WC2N 6AU. Virtual hearing using Microsoft
Teams

Chair: HH Graham White

Legal Adviser: Mr David Marshall

Summary: Consent order approved: reprimand

Costs: Mr Chan to pay £800 towards ACCA's costs

1. The Chair considered a draft Consent Order signed by Mr Chan Chi Kwong, (also described as Dickson Chan Chi Kwong) on 14 November 2022 and by ACCA on 21 November 2022. The matter was considered on the basis of documents only. Neither Mr Chi Kwong nor ACCA was present or represented.
2. The Chair had a signed Consent Order of 4 pages and a bundle of papers containing 104 pages.

BACKGROUND AND ADMISSIONS

3. Mr Chan Chi Kwong has been a member of ACCA since 2000 and a fellow since 2005. He practised in Hong Kong and was also a member of the Hong

ACCA



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Kong Institute of Certified Public Accountants ('HKICPA'). On 11 June 2021 HKICPA took regulatory action against him, and another, for *'their failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute'*. The conduct complained of was issuing an accountant's report for a solicitor's firm which did not comply with the relevant Accountant's Report Rules and a HKICPA Practice Note. It was found that they did not perform adequate procedures to identify irregularities in relation to client money. Mr Chan accepted the facts and the non-compliance and was reprimanded and ordered to pay a financial penalty and costs.

4. In the ACCA proceedings, Mr Chan Chi Kwong admitted the following allegations:

Allegation 1

Pursuant to bye-law 8(a)(vi), Mr Dickson Chan Chi Kwong is liable to disciplinary action by virtue of the action taken against him on 11 June 2021 by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Allegation 2

- a) *Mr Dickson Chan Chi Kwong failed to promptly notify ACCA that he had been disciplined by HKICPA as set out in Allegation 1, contrary to bye-law 10(b).*
- b) *In relation to the facts in Allegation 2(a), Mr Dickson Chan Chi Kwong is liable to disciplinary action and guilty of misconduct pursuant to bye-law 8(a)(i).*

DECISION AND REASONS

5. The Chair was satisfied that there was a signed draft order setting out all the required matters and that Mr Chan Chi Kwong understood that the proposed order would be considered by a Consent Order Chair.
6. The Chair was satisfied that the Investigating Officer had carried out an appropriate and thorough investigation and that there was a case to answer. He was satisfied that it was appropriate to deal with the matter by way of a Consent Order rather than in a public hearing. While it was in the public interest

to mark the admitted misconduct, public concern about this case would not be so great that a full public hearing was required.

7. The Chair agreed that Allegation 2 (failing to notify the sanction) amounted to misconduct and not just liability to disciplinary action. Failing to notify a matter which may require the regulator to take disciplinary action is a potentially serious matter. The Chair had regard to the aggravating and mitigating factors set out in the signed draft Consent Order and agreed with them. Mr Chan Chi Kwong had made an early and genuine acceptance of the facts and there was no continuing risk to the public as remedial steps had been taken. The sanction of reprimand was appropriate.
8. The Chair considered whether it was more likely than not that if the matter went to a hearing, the admitted breaches would result in exclusion from membership. The Chair was satisfied that the matters alleged, while significant, were not sufficiently serious that they could justify a sanction of exclusion.
9. The Chair studied the terms of the draft Consent Order but did not consider it necessary to recommend any amendments.

COSTS

10. The Chair considered that ACCA was entitled to its costs in principle and that the amount claimed, which was agreed, was reasonable.

ORDER

11. Accordingly, the Chair approved the draft Consent Order in full. In summary, Mr Dickson Chan Chi Kwong shall:
 - (a) be reprimanded; and
 - (b) pay costs to ACCA in the sum of £800.

HH Graham White
Chair
06 December 2022