

## APPLICATION ON PAPERS

**CONSENT ORDERS CHAIR OF THE ASSOCIATION OF  
CHARTERED CERTIFIED ACCOUNTANTS****REASONS FOR DECISION**

<b>In the matter of:</b>	<b>Mr Gabriel Chan Shek Chi</b>
<b>Considered on:</b>	<b>Monday, 17 April 2023</b>
<b>Location:</b>	<b>Meeting conducted remotely</b>
<b>Chair:</b>	<b>Ms Ilana Tessler</b>
<b>Legal Adviser:</b>	<b>Mr David Marshall</b>
<b>Summary:</b>	<b>Consent Order for Severe Reprimand and costs of £1,628.00 approved.</b>

1. The Chair noted that the respondent referred to himself in correspondence as 'Gabriel Chan' and therefore he is referred to as 'Mr Chan' in this determination, as he was in a determination of a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants (HKICPA).
2. The Chair considered a draft Consent Order signed by Mr Chan on 20 March 2023 and by ACCA on 03 April 2023. The matter was considered on the basis of documents only. Neither Mr Chan nor ACCA was present or represented.
3. The Chair had a main bundle of papers containing 79 pages, a detailed costs schedule of 2 pages and a simple costs schedule of one page.
4. The Chair noted that the signed Consent Order was introduced with the words 'The Association of Chartered Certified Accountants (ACCA) and **the Hong Kong Institute of Certified Public Accountants (HKICPA) (the Parties)**, agree as follows: ...' [emphasis added]
5. It was clear from the signatures and the nature of the agreement that the parties were in fact ACCA and Mr Chan, as would be expected. Having made enquiries

of ACCA, the Chair considered that this was an obvious slip that could be disregarded in the circumstances.

## **BACKGROUND AND ADMISSIONS**

6. Mr Chan has been a member of ACCA since 2002. He practises in Hong Kong and is regulated by HKICPA. HKICPA made a number of complaints against Mr Chan, his firm, and others about alleged deficiencies in their audit practice. These led to 'Resolution by agreement' orders in November 2021 and June 2022 and to a hearing by the Disciplinary Committee of HKICPA in April 2022.
7. Mr Chan admitted the following formal charge:

### **Allegation 1**

Pursuant to byelaw 8(a)(vi), Mr Chan Shek Chi is liable to disciplinary action by virtue of action taken against him on 27 November 2021, 04 April 2022 and 15 June 2022 by the HKICPA.

## **DECISION AND REASONS**

8. Having discounted the typographical error referred to above, the Chair was satisfied that there was a signed draft Consent Order setting out all the required matters: the relevant facts; the relevant failings and breaches; the proposed sanction and costs; and that Mr Chan understood that the proposed order would be considered by a Chair of the Disciplinary Committee.
9. The Chair was satisfied that the Investigating Officer had carried out an appropriate and thorough investigation and that there was a case to answer. The Chair was satisfied that it was appropriate to deal with the matter by way of a Consent Order rather than in a public hearing.
10. The Chair agreed that there was a case to answer and that there was a real prospect that a reasonable tribunal would find the Allegations proved.
11. Although there were three separate instances of disciplinary action taken by HKICPA, the Chair agreed that it was unlikely that this conduct would result in exclusion. With an immaterial exception, Mr Chan had a previously unblemished record over more than 20 years of ACCA membership. He had

fully cooperated with both the HKICPA and ACCA and had himself notified the disciplinary matters to ACCA. He had taken remedial action to remedy the deficiencies in practice which led to the sanctions imposed by HKICPA. It was significant that HKICPA was content to allow him to continue in practice.

12. The Chair was satisfied that the sanction of severe reprimand plus a fine met the public interest and was proportionate. Exclusion would be disproportionate.

### **COSTS**

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

### **ORDER**

14. The Chair studied the terms of the draft Consent Order but did not consider it necessary to recommend any amendments.
15. Accordingly, the Chair approved the attached Consent Order in full. In summary, Mr Chan shall:
  - (a) be severely reprimanded; and
  - (b) pay costs to ACCA in the sum of £1,628.

**Ms Ilana Tessler**  
**Chair**  
**17 April 2023**