

PROFESSIONAL ACCOUNTANTS ORDINANCE (Chapter 50)

It is hereby notified that a Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants ('the Institute'), having considered a complaint lodged by the Institute against Mr. Ang Wing Fung ('Ang') and Mr. Chan Kam Wah ('Chan') (collectively 'Respondents') under sections 34(1)(a)(vi) and 34(1)(a)(viii) of the Professional Accountants Ordinance, Chapter 50 ('the Ordinance'), found that the Respondents failed or neglected to observe, maintain or otherwise apply the fundamental principle of integrity in sections 100.5(a) and 110 of the Code of Ethics for Professional Accountants ('Code of Ethics') issued by the Institute, and the fundamental principle of professional behaviour in sections 100.5(e), 150 and 300.6 of the Code of Ethics.

The Committee further found the above breaches to be serious and such egregious and serious misconduct of the Respondents clearly falls below the standard expected of a professional accountant, amounting to professional misconduct.

W. Falcon Asset Management (Asia) Limited ('Falcon') was a licenced corporation under the Securities and Futures Ordinance, which carried out regulated activities. In 2019, the Securities and Futures Commission ('SFC') revoked the licence of Falcon due to its window-dressing of liquid capital and other failures, including providing the SFC with false or misleading information in its licence application and monthly financial returns.

The SFC also banned Ang, a former director of Falcon, and Chan, a former chief financial officer and company secretary, from re-entering the financial industry for life and three years, respectively, in connection with their roles in window-dressing the liquid capital of Falcon. The SFC found that Ang was the mastermind of the window-dressing scheme, and its operation was facilitated by Chan. In addition, the Respondents failed to notify the SFC of Falcon's insufficient liquid capital, and Ang failed to notify the SFC of his resignation as a director of Falcon. The SFC referred the matter to the Institute for action.

Under section 35(1) of the Ordinance, the said Disciplinary Committee ordered on 1 March 2022 that:—

- (i) the name of Ang Wing Fung and Chan Kam Wah be removed from the register of certified public accountants permanently and for three years, respectively, with effect from 12 April 2022; and
- (ii) the Respondents be reprimanded and ordered to pay the costs and expenses of the disciplinary proceedings of HK\$128,477 equally.

22 April 2022

Kelvin LEE *Legal Counsel, Hong Kong Institute  
of Certified Public Accountants*