

## STATEMENT OF DISCIPLINARY ACTION

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### A. The Disciplinary Action

1. Pursuant to section 37CA of the Accounting and Financial Reporting Council Ordinance (Cap. 588) (**AFRCO**), the Accounting and Financial Reporting Council (**AFRC**) has:
  - 1.1. publicly reprimanded Mr Tang Yue Nam (**Tang**);
  - 1.2. suspended Tang's registration with the Hong Kong Institute of Certified Public Accountants (**HKICPA**) for **18 months**;
  - 1.3. cancelled Tang's practising certificate;
  - 1.4. ordered that Tang not be issued with a practising certificate for **18 months**;
  - 1.5. imposed a pecuniary penalty of **HK\$200,000** against Tang; and
  - 1.6. ordered Tang to pay the costs and expenses of, and incidental to, the investigation, in the sum of **HK\$37,606**.
2. This disciplinary action was taken in relation to Tang's failures to comply, without reasonable excuse, with the statutory requirements imposed by the AFRC's Inspection Department and the Investigation & Compliance Department pursuant to sections 20ZZC(1) and 20ZZJ(1) of the AFRCO. These constitute professional irregularities pursuant to section 3B(1)(e) of the AFRCO, which in turn constitute CPA misconduct pursuant to section 37AA(1)(a) of the AFRCO.

### B. Summary of Facts

3. Tang is currently a member of the HKICPA<sup>1</sup> and a practising certificate holder<sup>2</sup>. He was first registered as a member of the HKICPA in 2016 and first issued with a practising certificate in 2020. Since then, he has been practising on a part-time basis.
4. On 24 December 2024, the AFRC's Inspection Department sent a letter to Tang pursuant to section 20ZZC(1) of the AFRCO, which required Tang to provide specified information and documents for an inspection on compliance with the Guidelines on Anti-Money Laundering and Counter-Terrorist Financing for Professional Accountants (**AML Guidelines**) for the 12 months ended 30 November 2024 (**Inspection Requirement**).
5. Tang acknowledged receipt of the Inspection Requirement by email on 6 January 2025, but failed to provide the items specified in the Inspection Requirement by

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<sup>1</sup> Membership number: A43769

<sup>2</sup> Practising certificate number: P07506

the deadline of 24 January 2025. Tang failed to produce those items despite:

- 5.1. the AFRC's repeated efforts to follow up between 27 January 2025 and 10 February 2025, including seven telephone calls and seven emails;
  - 5.2. Tang agreeing during a telephone call on 4 February 2025 to provide the requested information and documents; and
  - 5.3. the AFRC sending Tang a final warning letter on 10 February 2025, noting Tang's non-compliance with the Inspection Requirement and warning him that non-compliance may result in disciplinary action.
6. On 19 May 2025, the AFRC's Investigation and Compliance Department sent a letter to Tang pursuant to section 20ZZJ(1) of the AFRCO, which required Tang to provide specified information and documents as part of an investigation into his non-compliance with the Inspection Requirement (**Investigation Requirement**).
  7. Tang acknowledged receipt of the Investigation Requirement by telephone and email on 22 May 2025, and stated in a letter of the same date that he would provide the items specified in the Investigation Requirement. However, he failed to provide those items by the deadline of 2 June 2025. He has still not produced those items to date, despite the AFRC sending Tang a final warning letter on 6 June 2025, noting Tang's non-compliance with the Investigation Requirement and warning him that the AFRC may impose sanctions for non-compliance.
  8. Tang has not provided the AFRC with any reasonable excuse for his non-compliance with the two statutory requirements, and the AFRC has not otherwise identified any reasonable excuse for his non-compliance.

### **C. Summary of Findings**

9. The AFRC finds that Tang failed to comply, without reasonable excuse, with the Inspection and Investigation Requirements imposed by the AFRC under sections 20ZZC(1) and 20ZZJ(1) of the AFRCO.

### **D. Conclusion**

10. Having considered all relevant circumstances, the AFRC is of the view that, by failing to comply with the Inspection and Investigation Requirements, Tang has committed professional irregularities under section 3B(1)(e) of the AFRCO, and is therefore guilty of CPA misconduct pursuant to section 37AA(1)(a) of the AFRCO.
11. In deciding the sanctions, the AFRC has had regard to its Sanctions Policy for Professional Persons and Guidelines for Exercising the Power to Impose a Pecuniary Penalty for Professional Persons, and has taken into account all relevant circumstances, including the following:

- 11.1. The AFRC regards Tang's misconduct as very serious. It is essential that recipients of the AFRC's statutory requirements comply with those requirements, in order for the AFRC to exercise its regulatory functions.
- 11.2. Tang demonstrated an intentional and blatant disregard for two separate statutory requirements.
- 11.3. At the time the AFRC issued its Decision Notice in December 2025, Tang's non-compliance had been continuing since the original deadlines of 24 January 2025 (for the Inspection Requirement) and 2 June 2025 (for the Investigation Requirement).
- 11.4. Tang's non-compliance with the Inspection Requirement has had a significant impact, by preventing the AFRC from inspecting his practice unit and therefore monitoring compliance with the AML Guidelines.
- 11.5. Tang's non-compliance with the Investigation Requirement hindered the AFRC's efforts to ascertain whether Tang had any reasonable excuse for not complying with the Inspection Requirement.
- 11.6. Tang had a clean disciplinary record with the HKICPA and AFRC at the time of the misconduct.