

Press Release

17 March 2026

Court of Appeal dismisses applications of Chiang Sham Lam Anthony and Anthony S. L. Chiang & Co. for leave to appeal and stay of execution

The Court of Appeal has on 12 March 2026 dismissed the applications by Mr Chiang Sham Lam Anthony (**Chiang**) and Anthony S. L. Chiang & Co. (**ASLC & Co**) (together, **Regulatees**) for (i) leave to appeal against the determination of the Accounting and Financial Reporting Review Tribunal (**AFRRT**) dated 21 May 2025 and (ii) a stay of execution of the decision notices issued by the Accounting and Financial Reporting Council (**AFRC**) on 18 June 2024 pending determination of the appeal. The Court of Appeal further ordered the Regulatees to pay the AFRC's costs of the applications.

The AFRRT had earlier upheld the AFRC's disciplinary decision to impose sanctions against the Regulatees, including the suspension of the firm's and individual's registrations for three years, cancellation and non-issuance of practising certificate for three years, public reprimands, and pecuniary penalties totalling HK\$500,000. These sanctions stemmed from the Regulatees' serious breaches of fundamental auditor independence requirements over 22 years, as well as failure to maintain an effective quality control system to ensure independence. The AFRC found that, from 1999 to 2021, Chiang and ASLC & Co audited the financial statements of five private companies whilst Chiang himself, or his family members, held various roles, including director and company secretary, and had direct financial interests, in those companies over various periods.

The Court of Appeal fully endorsed the reasoning of the AFRC's disciplinary decision and the AFRRT's determination, and found no basis for granting leave to appeal to interfere with the sanctions. The Court of Appeal's refusal to grant a stay pending determination of the leave application means that the sanctions are not postponed by the Regulatees' applications. Accordingly, the AFRC's sanctions, including the three-year suspension orders imposed on the Regulatees from 22 May 2025 to 21 May 2028, remain fully effective.

Commenting on the decision, Ms Hester Leung, Head of Discipline, said, "The Court of Appeal's decision affirms that the AFRC's disciplinary decision was firmly grounded and fully justified. Auditor independence is the cornerstone of audit quality, and the AFRC will continue to take decisive action to uphold the integrity of the profession."

The Court of Appeal's judgment dated 12 March 2026 can be accessed [here](#).

The AFRRT's determination dated 21 May 2025 can be accessed [here](#).

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About the Accounting and Financial Reporting Council

The Accounting and Financial Reporting Council (**AFRC**) is an independent body established under the Accounting and Financial Reporting Council Ordinance. As an independent regulator, the AFRC leads the accounting profession by upholding professional standards, safeguarding the public interest, and promoting the profession's healthy development.

For more information about the statutory functions of the AFRC, please visit www.afrc.org.hk.

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