

Year 6

Index of Reasons for Decisions regarding hearings held during the year 1st November 2018 to 31st October 2019 and handled by Accountants National Complaint Services Limited

Key

ALC = Admissions and Licensing Committee

AC = Appeal Committee

DC = Disciplinary Committee

RC = Review Committee

FC = Fitness Committee

<u>Name of Defendant</u>	<u>Date of order</u>	<u>Body</u>	<u>Type of hearing</u>	<u>Complaint/Issue</u>	<u>Outcome</u>
A	16 th October 2018 (for 3 days)	ICAEW	DC	<p>Complaint 1 – From July 2012 to November 2015, A failed to return client money to a client despite his request for his monies to be repaid.</p> <p>Complaint 2 – Between March 2012 and July 2012 A failed to hold client money in excess of £10,000 in a separate designated client money account.</p> <p>Complaint 3 – A settled the balance of invoices issued to two limited company clients with £88,030 of client money belonging to the individual directors of one of these companies, without their consent for their funds to be used in this way.</p>	<p>Complaints proved. Reprimand. £5,000 fine. £14,930 costs. Publicity of name.</p>
A2	20 th -22 nd March 2018 inclusive	ACCA	DC	<p>Complaint 1 – Between September 2015 and February 2016 failed to inform the board of Company A that he had not made pension contributions for staff for September to December 2015 inclusive.</p>	<p>Proved as misconduct.</p>
	Not yet listed	ACCA	AC	<p>Complaint 2 – Failed to notify the board and the external auditor of Company</p>	<p>Proved as misconduct.</p>

				A during January and February 2016 that there were outstanding creditors exceeding £34,000 with £20,000 over 90 days.	
				Complaint 3 – Made representations to the external business advisers of Company A in August and in September 2015 contrary to the advice of the Management and Finance Board on 12 th August 2015.	Proved as misconduct.
				Complaint 4 – Acquired a loan in December 2015 from a tenant and informed the trustees that the loan was for a different purpose, when seeking to have it repaid in January 2016.	Proved as dishonesty.
				Complaint 5 – Submitted two false emails to ACCA in October 2016 indicating that he had been in correspondence with the chairman of Company A, when in fact he had not.	Proved as dishonesty. Excluded from membership. Costs of £19,000. Appeal to be lodged.
B	15 th January 2019 14 th March 2019	ACCA	DC	(a) On 19 th April 2016, sent an email to colleague A confirming that she had passed the two examinations as set out in schedule 1 when, in fact, she had not. (b) Between 19 th May 2016 and 6 th October 2017, registered her training supervisor as Mr AB, male, date of birth 25.8.85, primary email address as “given”.	15 th January 2019 – Panel recused itself due to prejudicial material in ACCA’s papers. Adjourned to new panel.

				Alleged that the conduct under (a) and (b) was dishonest, contrary to the fundamental principle of integrity and amounts to misconduct.	
D	20 th February 2019	ACCA	DC	Between February 2017 and June 2017 failed to supply ACCA with information to enable ACCA to complete its monitoring process by his failure to respond to four items of correspondence.	
F2	Not yet listed	ACCA	ALC	Application for readmission following exclusion.	
J	Not yet listed	ICAEW	FC	Application for readmission following exclusion.	
L	31 st October 2016 Not yet re-listed	ACCA	DC	Complaint 1 – (a) Provided a personal guarantee for deposit contracts identified in schedules, but failed to satisfy as at 18 th August 2015; (b) Provided a guarantee for deposit contracts identified in schedules on behalf of a firm of chartered certified accountants, but failed to satisfy as at 18 th August 2015. L’s conduct in respect of (a) and (b) was dishonest. Complaint 2 – (a) Failed to account for client monies received in relation to contracts identified in schedules; (b) Failed to maintain accurate records and controls so as to show clearly client monies received, held and paid on account relating to contracts as per the schedules.	Case adjourned sine die. With the defendant being sent to prison in December 2018, our instructions have been terminated.

				Complaint 3 – Failed to cooperate fully with the investigation of a complaint in that L failed to respond to 12 items of ACCA correspondence.	
L2	Not yet listed	ICAEW	FC	Application for readmission, following bankruptcy.	Readmitted without need for hearing.
L3	Not yet listed	ACCA	DC	<p>Complaint 1 – For five consecutive tax years, submitted to Revenue, understatements of his tax liability.</p> <p>Complaint 2 – For six consecutive tax years, submitted to Revenue understatements of his firm’s liability to PAYE/NIC.</p> <p>Complaint 3 – Failed to notify ACCA of matters (1) and (2) above.</p> <p>Complaint 4 – Under (1) and (2) above was reckless or lacked integrity.</p>	
M	Not yet listed	ACCA	DC	<p>Complaint 1 – Made inaccurate representations in statements of affairs addressed to the creditors of three companies in liquidation as to the existence of other professional relationships with the directors. Such conduct alleged to be misconduct.</p> <p>Complaint 2 – Charged and/or drew unauthorised fees in relation to statements of affairs in respect of two companies in liquidation. Such conduct alleged to be dishonest or</p>	

in breach of the Fundamental Principle of Professional Competence.

Complaint 3 – Drew unauthorised remuneration as liquidator of a limited company, failed to refund within a reasonable time, the unauthorised remuneration drawn and failed to inform creditors that such remuneration had been drawn.

Such conduct alleged to be dishonest or contrary to the Fundamental Principle of Professional Competence and Due Care.

Complaint 4 – Failed to investigate or document an investigation in respect of whether there was a claim against the director of a limited company regarding the balance of an outstanding director’s loan account in the sum of £247,000.

Such conduct alleged to be misconduct.

	29 th May 2018	ACCA	Health Committee		Case adjourned for six months to enable the defendant to obtain medical treatment.
	31 st August 2018	ACCA	Health Committee		
P	Not yet listed	ACCA	ALC	Application for readmission following exclusion.	
P2	26 th /27 th March 2019	ICAEW	DC	In or around August 2015, P2 breached X’s internal confidentiality and privacy rules by transferring electronic files containing	

client information, which was the property of X, to his personal media devices.

R Not yet listed ICAEW DC

Complaint 1 – On 19th December 2011, in his capacity as finance director, approved the financial statements of W for the year ended 31st July 2011 when he had failed to obtain sufficient evidence to be satisfied that the accounts gave a true and fair view in respect of investments and intangible assets of £2.12m.

Complaint 2 – Between 20th October 2011 and 19th November 2012, in his capacity as finance director of W, failed to ensure that payments amounting to £102,726 to N and £112,400 to S were a proper use of company money and thereby were in the best interests of the company, contrary to his general duties as a director under the Companies Act 2006.

S 15th May 2019 ICAEW DC

Complaint 1 – Failed to obtain a bank letter confirming terms of opening client account.

Complaint 2 – Drew money from client account on 32 occasions without ensuring precise amount agreed by client.

Complaint 3 – Failed to pay client money immediately into a client bank account. Five

instances cited.

Complaint 4 – During three separate periods, failed to reconcile client account a least every five weeks.

Complaint 5 – On five occasions failed to correct differences identified on client account reconciliations.

Complaint 6 – Over a three-year period, failed to carry out an annual client money regulation compliance review.

V	Not yet listed	ACCA	ALC	Application for readmission following exclusion.	
W	24 th September 2018 (for 5 consecutive days)	ICAEW	DC	Complaint 1 – On or around January 2010 and December 2011 prepared CT600s for C Ltd and F Ltd and was dishonest in that he did not include the participator loan in accordance with Section 455 of the Corporation Tax Act 2010, Section 419 of the Income and Corporation Taxes Act 1988 and the Financial Reporting Standard for Smaller Entities 2008 and knew he was required to include the participator's loan.	Application to strike out dismissed. Appeal.
	13 th March 2019	ICAEW	AC	Complaint 2 – In or around January 2010 and December 2011 prepared sets of accounts for C Ltd and F Ltd and was dishonest in that (a) he did not include the participator's loan as required and (b) he	

knew that he had to include such loan.

Complaint 3 – On or about October 2006 and January 2012 prepared self-assessment tax returns for B and was dishonest in that (a) he declared self-employed income from a school as employed income knowing that it was from self-employment and (b) did not declare it as self-employed income to improperly reduce the NI liability of B.

In the alternative, he was reckless in the preparation of the self-assessment tax return.

Complaint 4 – On or around January 2010 and April 2011 prepared CT600s and was dishonest in that (a) in or around January 2010 when preparing the accounts and tax returns for C he (i) failed to declare the full income from C's invoices knowing what the income on those invoices was and/or (ii) included additional costs of £2,000 which he knew to be wrong; (b) in or around November 2010 when preparing the accounts and CT600 for FWF Ltd he (i) included £3,000-worth of unreceipted travel expense to ensure comparability with the previous year's figures and (ii) did so knowing that this amount was wrong and (c) in or around December 2004 when preparing the accounts and tax returns for Ms H (i) included 10,000

miles of business mileage to reduce the profit of the company and (ii) did so knowing the figure was wrong.

Complaint 5 – In or around December 2010 failed to comply with paragraphs 110.1 and 110.2 of the Code of Ethics when preparing the accounts for BDC Ltd and MAA in that he (a) included admin expenses in the accounts of BDCL which should have been recorded in the accounts of MAA and (b) improperly increased the amount of business miles claimed.

Complaint 6 – In or around December 2010 failed to comply with the Code of Ethics when preparing the CT600 for BDCL and the self-assessment tax return for MA to reflect incorrect information in the accounts.

Complaint 7 – In or around December 2011 failed to comply with the Code of Ethics when preparing the accounts for BDCL and MAA in that he (a) included admin expenses in the accounts of BDCL which should have been recorded in the accounts of MAA and (b) improperly increased the amount of business miles claimed.

Complaint 8 – In or around December 2011 failed to comply with the Code of Ethics when preparing the CT600 for BDCL and self-assessment tax return of

MA to reflect the incorrect information prepared in the accounts as set out above.

Complaint 9 – Failed to comply with the Code of Ethics when preparing the accounts of OBC Ltd in that he (a) included a general use of home charge of £1,000 under the heading 'Rent' for the year to February 2011 and (b) included a general use of home charge of £1,200 under the heading 'Rent' for the following year.

Complaint 10 – In or around June 2011 failed to comply with the Code of Ethics when preparing the CT600 for OBC Ltd to reflect the incorrect information prepared in the accounts as described above.