

HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Harish Nakarja

Heard on: Wednesday 10 April 2019 and Thursday 11 April 2019.

Location: ACCA, The Adelphi, 1-11 John Adam Street, London, WC2N
6AU

Committee: Mr Maurice Cohen (Chairman)
Mr William Hay (Accountant)
Mr Jonathan Broad (Lay)

Legal Adviser: Mr Mark Ruffell (Legal Adviser)

Persons present

and capacity: Mrs Emily Healy-Howell (ACCA Case Presenter)
Mr Harish Nakarja (Affiliate)
Mr Yasin Patel (Counsel for Mr Harish Nakarja)
Mr Christopher Bando (ACCA Hearings Officer)

Summary Removed from the affiliate register.

Costs: £13,217.74

ACCA



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PRELIMINARY APPLICATIONS

1. The Committee had read and considered a Service Bundle, pages 1-20, and the Hearing Bundle, pages 1-184. Mr Harish Nakarja attended and was represented by Mr Yasin Patel.

ALLEGATIONS

2. The Allegations were read to Mr Nakarja and he denied all the Allegations.

Allegation 1

- (a) At any time between 26 May 2016 and 4 August 2017, Mr Harish Nakarja used Firm A's expenses account in order to book hotel rooms for personal use to the sum of £6,881.16 when he was not permitted to do so.
- (b) Mr Harish Nakarja's conduct in respect of the matters set out at 1(a) above was:
 - (i) Dishonest in that he was not permitted to use Firm A's expenses account for personal use;
 - (ii) Contrary to the Fundamental Principle of Integrity, as applicable between 2016 – 2017.

Allegation 2

- (a) At any time between 17 March 2014 and 26 July 2018, Mr Harish Nakarja breached Membership Regulation 6(2)(a) by implying he is a member of the Association and/or by using the Association's designatory letters ACCA and/or on his LinkedIn account, when in fact he was not a member or permitted to use the Association's designatory letters ACCA.

(b) Mr Harish Nakarja's conduct in respect of the matters set out at 2(a) above was:

- (i) Dishonest in that he knew any implication that he was a member of the Association was false; and/or
- (ii) Dishonest in that he knew he was not permitted to use the Association's designatory letters ACCA;
- (iii) Contrary to the Fundamental Principle of Integrity, as applicable between 2014 – 2018.

Allegation 3

(a) In light of any or all of the matters set out at 1(a), 1(b), 2(a) and/or 2(b), Mr Harish Nakarja is:

- (i) Guilty of misconduct pursuant to bye-law 8(a)(i); and/or
- (ii) Liable to disciplinary action pursuant to bye-law 8(a)(iii) in respect of 2(a) only.

3. At the start of the proceedings, Mrs Healy-Howell on behalf of ACCA, applied to withdraw Allegation 2 and amend Allegation 3 (to deleted references to Allegation 2), pursuant to Regulation 9(6) of the Complaints and Disciplinary Regulations 2019. Mrs Healy-Howell explained to the Committee that Mr Nakarja's previous employer was aware of his studies and qualification and therefore, there was no prospect of Allegation 2 being found proved. The Committee considered the application and agreed to Allegation 2 being withdrawn, and to removing references in Allegation 3, to Allegation 2 accordingly.

Allegation 1

- (a) At any time between 26 May 2016 and 4 August 2017, Mr Harish Nakarja used Firm A's expenses account in order to book hotel rooms for personal use to the sum of £6,881.16 when he was not permitted to do so.
- (b) Mr Harish Nakarja's conduct in respect of the matters set out at 1(a) above was:
 - (i) Dishonest in that he was not permitted to use Firm A's expenses account for personal use;
 - (ii) Contrary to the Fundamental Principle of Integrity, as applicable between 2016 – 2017.

Allegation 2

- (a) In light of any or all of the matters set out at 1(a) and/or 1(b), Mr Harish Nakarja is:
 - (i) Guilty of misconduct pursuant to bye-law 8(a)(i)

BRIEF BACKGROUND AS OPENED BY ACCA

- 4. Mr Nakarja is an ACCA affiliate. He registered as a student member of ACCA on 14 November 2008, and graduated on 2 August 2013. On 17 March 2014, Mr Nakarja commenced employment at Firm A as a Management Accountant.
- 5. Between 24 May 2016 and 18 May 2017, Mr Nakarja used Firm A's expenses account to make numerous unauthorised hotel bookings for his own personal use on numerous separate occasions, to the total of £6,881.16. The inappropriate use of the expenses account by Mr Nakarja came to light following an internal personal expenses report. When this was

first raised with Mr Nakarja, he denied being responsible for the bookings, both to Person 1 (Regional Financial Controller at Firm A) and to the manager of his line manager, Person 2. On 7 June 2017, Mr Nakarja was called into a meeting with Person 1, who had obtained further evidence that Mr Nakarja was the person responsible. Person 2 was also present. At the meeting, Mr Nakarja admitted to making the unauthorised hotel bookings for his own personal use. He told Person 2, that: *“he got away with it the first time so continued doing it.”* Mr Nakarja immediately resigned from Firm A and then emailed his resignation shortly thereafter. On 14 July 2017, Person 1 wrote to Mr Nakarja, confirming his resignation rather than him being subject to a formal gross misconduct process, and setting out the amount of money to be paid back to the firm. On 31 July 2017, Person 1 again wrote to Mr Nakarja, requesting payment of the monies owed. Mr Nakarja did not respond to the letters or arrange for payment to be made.

6. On 16 August 2017, a firm of solicitors instructed by Firm A, wrote to Mr Nakarja to attempt to retrieve the monies from Mr Nakarja. The solicitors subsequently commenced civil proceedings on behalf of Firm A against Mr Nakarja.
7. On 27 November 2017, ACCA received a complaint by Person 1, alleging that Mr Nakarja had made unauthorised hotel bookings using Firm A's expenses account for his own personal use, to the total sum of £6,881.16. Person 1 also alleged that Mr Nakarja, on gaining employment at Firm A, had held himself out to be a member of ACCA, which he was not entitled to do, given his affiliate status. On 27 November 2017, Mr Nakarja stated in a defence to civil proceedings: *‘This claim is being disputed as I have never made any fraudulent bookings nor have I ever admitted doing so. During my time at [Firm A] I had made the manager aware of my account being hacked and bookings under my name. At no point of my time at [Firm A] have I been approached by the employer to query any of transactions. The only bookings I have made for hotels were for business purposes and authorised by email or verbally by my manager (emails under [Firm A] email).’*

8. Mr Nakarja confirmed to Person 1 on 5 May 2018, that he had paid back, in full, the monies owed. Firm A subsequently ceased its civil proceedings against Mr Nakarja.
9. Following the completion of the County Court process, ACCA wrote to Mr Nakarja on 19 June 2018, in order to ask for his response to the allegations which had been made against him. Mr Nakarja sent a response to ACCA on 9 July 2018. In response to the allegation of fraudulent expenses, his explanation was as follows:

“Your letter states I admitted to the sums and resigned. This is not the case. Please find attached letter of resignation and a reply from Firm A stating they accept resignation. It mentioned I owed funds and it was the first time I’d heard of these sums oweing (sic) I had a verbal agreement with my manager that I’ll book these for discount and then pay. Although I’d resigned, I said for Firm A to send me the invoices it amounted to and not a spreadsheet and I can pay it off. Firm A sent me the invoices 2 weeks before the court case was due and I paid it off as they sent the invoices which I wanted to check I’d booked. No fraud was intended it was for the discount. Ask any of my employers I never have done any fraud in my life. I did it so I can get company discount – but I wasn’t going to pay a sum which was told to me without any proof of invoice.”

10. On 13 July 2018, the Investigations department at ACCA, once more, wrote to Mr Nakarja asking for his further response in relation to the allegations made against him. Mr Nakarja said that no disciplinary hearings were heard at the Firm and that he had resigned *“due to personal reason and travel.”* Mr Nakarja alleged that he was able to get a company discount:

:

“Firm A used to get rates at a discounted rate. All my correspondence is on my work email which I have no access to.”

“I paid back the full amounts oweing (sic). As mentioned I had a verbal agreement with my manager (no evidence as verbal) that I could use the system to book hotels for personal use as company rates were discounted

and that I'd pay back the company for all bookings made. I never said I wouldn't pay. I'd also mentioned to Person 1 that I will pay once I receive the invoices showing that the bookings were for me – it is not acceptable to send me a list of hotels without any evidence showing the hotel bookings are mine. Person 1 then sent this via post 2 weeks before the case was going to court and I paid the sums off. This was without admission of guilt.”

11. On 26 November 2018, Person 1 provided a witness statement in which he stated that:

“...use of the business account for personal use is not permitted...Mr Nakarja knew that he was not permitted to use the business account in the way that he did.”

12. On 12 March 2019, Person 3 confirmed that he never had any verbal agreement with Mr Nakarja to allow him to use the company account for personal expenses.

EVIDENCE GIVEN AT THE HEARING

13. Person 3 gave evidence and adopted the contents of his two witness statements. Person 3 was cross-examined by Mr Patel, on behalf of Mr Nakarja. Person 3 confirmed that he was unaware of the bookings until 6 June 2017. He denied having a verbal agreement with Mr Nakarja to allow Mr Nakarja to book the rooms in the company's name, and then for Mr Nakarja to reimburse the company. He stated that Mr Nakarja had never asked him for authorisation to book hotel rooms. He accepted that there would be finance team business lunches that he would authorise for the company to pay, having received authorisation himself from a Manager. He stated that he was not allowed to authorise the purchase of mobile telephones. He stated that Mr Nakarja obtained a telephone from the Kingston contract. He did not sign for it as he was not allowed to do so. He denied asking for a telephone to be delivered to a third party. He stated that no employee would book hotel accommodation in London. They would only

book hotels if they were going to an event out of London, such as the annual finance conference.

14. Person 1 gave evidence and adopted the contents of his witness statement. Person 1 was cross-examined by Mr Patel. Person 1 stated that the unauthorised bookings came to light, as the expenses claimed were greater than any other employee of Firm A including the CEO. Person 1 stated that Mr Nakarja told him that he did not know anything about the expenses. He said he had never accessed Firm B's booking system, and did not know how to get on to it. Person 1 went away to get further details from Firm B. It became clear that the bookings had been made by Mr Nakarja and he was called in for a meeting. At that meeting Mr Nakarja immediately admitted that he had made the bookings. Mr Nakarja asked if he could resign, rather than face gross misconduct proceedings, but was told that Firm A would move to gross misconduct proceedings. Mr Nakarja resigned immediately, by email, shortly after leaving the meeting and then broke off contact with Firm A. His resignation was accepted. He stated that it was untrue to suggest that Mr Nakarja had made the bookings with the knowledge of the company. Instead, Mr Nakarja stated that he had done it once, it did not show up and then carried on doing it, and the bookings were entirely down to him.
15. Person 2 gave evidence and adopted the contents of her witness statement. Person 2 was cross-examined by Mr Patel. Person 2 stated that she had worked for Firm A for 13 years. She was the line manager for Person 3 and Person 1 was her line manager. She that she had spoken to Person 3 when the expenses were first brought to her attention by Person 1, and Person 3 had no knowledge of the expenses claimed by Mr Nakarja. On the day of the meeting with Mr Nakarja, he admitted to Person 2 that he had made some of the bookings. She confirmed that, at the start of the meeting Mr Nakarja admitted that he had made the bookings. When asked why he had done this, he said that he had got away with it the first time, so continued doing so. Person 2 stated that she had not participated as a supervisor as required by ACCA, and had not received emails from ACCA, and had no

recollection of informing ACCA that she was his mentor. Person 2 stated that Mr Nakarja was dismissed at the meeting, meaning that Mr Nakarja had to return his belongings and would no longer be working in the same capacity.

16. Mr Nakarja gave evidence. He was [REDACTED] and studied at Middlesex University gaining a First Class Honours Degree. He had completed his ACCA examinations and only had to have his objectives signed off. He stated that Person 2 had been his Supervisor signing off his objectives. At Firm 1, he was a management accountant and explained the different contracts that the firm held. He said that when the team went out for a lunch, that one employee would have to pay for it, as it could not be claimed as expenses. They would then claim for it, and Person 3 would then authorise payment for it. He said that no one followed procedure at Firm A. He said that Person 3 had arranged for 2 telephones to be ordered, and that this did not follow Firm A's procedures. Mr Nakarja stated that the company would pay expenses below £200 without asking questions. He stated that he asked Person 3 if he could book hotels for his personal use, and he would then pay them off. He was told that this could happen by Person 3. He had showed the finance team his booking account with Firm B. He stated that one of the bookings was fraudulent. He stated that he was asked about the bookings. He told Person 1 and Person 2 in a meeting that he was authorised to make the bookings by Person 3. He said that he was already going to go travelling and so he resigned as he knew that they would not give him much time off work. He stated that he went travelling on 2 July 2017, when he went to the United States. He did not receive invoices from his firm on time so he could not accurately check the account. Thereafter, when he received the invoices he then paid them on the same day.

17. Mr Nakarja was cross-examined by Mrs Healy-Howell. Mr Nakarja stated that he was told by Person 3 that he could use Firm B's travel system, provided he paid them off. He resigned suddenly as he was annoyed that Person 3 had not told Person 1 and 2. He paid the bookings

when he received the invoices. He considered that all policies regarding expenses within Firm A were flawed.

18. In answer to questions from the Committee, Mr Nakarja stated that he booked rooms for himself, a friend or a cousin. He stated that he would get the cash from the others he booked for. He stated that two of the bookings were not personal, one was by another person and one was a genuine business expense, yet he still paid for them as he was worried about receiving a county court judgement. He also accepted that he did not mention that one of the bookings was a genuine business expense in his county court counterclaim. He accepted that he told Firm B that he was making a booking for someone from work when that was not in fact the case. He stated that he did not see any reason to pay anything on account as the bookings had been authorised by Person 3. He said that he hardly ever spoke to Person 2. Mr Nakarja said that Person 3 was happy for the debt to continue to increase each month as he told Person 3 that he wanted to be supplied with the relevant invoices.

19. Person 4 gave evidence as to Mr Nakarja's good character. He stated that Mr Nakarja had handled finances for voluntary organisations and there had never been any issues as to his integrity. He also had encouraged others to be honest.

20. Person 5 gave evidence as to Mr Nakarja's good character. He stated that he had known Mr Nakarja for more than 20 years. He stated that he was honest and professional. He always accounts for funds appropriately.

21. Mr Yasin Patel, Mr Nakarja's barrister, read character witness statements from Person 6, Person 7, Person 8 and Person 9.

SUBMISSIONS

22. Mrs Healy-Howell submitted that the suggestion that Mr Nakarja had been given permission to claim expenses without limit is unlikely, given that there

was no suggestion that any other employee had been granted this facility. She stated that the evidence of Person 2 and Person 3 was consistent with each other and the documentary evidence. There was no investigation into Person 3 because Mr Nakarja had not mentioned having permission from Person 3, on 7 June 2017. Furthermore, Mr Nakarja resigned rather than deny the allegations that he did not have permission. Mrs Healy-Howell submitted that Mr Nakarja's account changed from blaming his accounts being hacked and bookings being made by others, to accepting that he had made the bookings himself. She suggested that Mr Nakarja had added detail to his account when he gave evidence, including mentioning a third party knowing about his bookings who he had never been mentioned before. She stated that the inconsistencies in Mr Nakarja's account were because he was not telling the truth. Mrs Healy-Howell submitted that a person who had permission to run up expenses would have volunteered to make prompt payments. Instead, she submitted that Mr Nakarja had tried to avoid making payment until the County Court hearing was imminent. She stated that Mr Nakarja was dishonest, his conduct breached the Fundamental Principle of Integrity, and amounted to misconduct.

23. Mr Yasin Patel submitted that Mr Nakarja was acting on the orders of his superiors, and he was therefore not dishonest. He submitted that Person 1, Person 2, and Person 3 gave dishonest evidence. He stated that there were contradictions in their evidence and the witnesses had, in effect, lied about him admitting his guilt. He stated that Person 2 stated that Mr Nakarja was dismissed yet Person 1 stated that he had resigned. Mr Patel submitted that employees were required to pay for their lunches and then claim their expenses back, rather than Firm A paying for them. He stated that this was all a cover-up by Firm A for the breaches in its procedures. He stated that Mr Nakarja's evidence was consistent. Mr Nakarja had a positive good character, making him credible and less likely to have acted dishonestly.

DECISION ON ALLEGATIONS AND REASONS

24. The Committee accepted the advice of the Legal Adviser. The Committee considered the credibility of Person 3. The Committee noted that there may have been some inconsistencies between the evidence of Person 2 and Person 3 on matters that were not part of Allegation 1. However, both witnesses were consistent on Allegation 1, namely that bookings for personal travel and accommodation could not be booked using Firm B, paid for by Firm A and then repaid by an employee. The Committee noted that both Person 3 and Person 1 were shocked at the level of expenses that had been accrued by Mr Nakarja, when compared to other employees. Had Person 3 known about the expenses, as suggested by Mr Nakarja, then he would not have expressed surprise. The Committee considered that the way that Person 3 gave evidence, expressing a degree of outrage at the questions put to him, was consistent with him being an honest witness and being genuinely surprised at what was being suggested. The Committee considered that Person 3 was a credible witness.

25. The Committee considered the credibility of Person 1. The Committee noted that there was an email dated 7 June 2017, at 14:42 hrs that stated *'please accept this email as my resignation of as [sic] immediate effect starting 07.06.17...Apologies for any trouble caused.'* The Committee considered that, if Mr Nakarja had been summarily dismissed moments beforehand (as suggested by Mr Nakarja), then Mr Nakarja would not have sent an email resigning shortly afterwards, and apologised. The Committee considered that Mr Nakarja's apology was not for giving no notice, as stated in his evidence, but for his wrongdoing that he had admitted to at the earlier meeting, and for which he had tendered his resignation. The Committee were satisfied that Mr Nakarja resigned at the meeting on 7 June 2017, and then put his words into an email shortly afterwards. The Committee were satisfied that Mr Nakarja was not summarily dismissed at the meeting on 7 June 2017. Person 1 was criticised for there being no notes of that meeting. However, the letter of 14 July 2017 that was sent to Mr Nakarja, was consistent with the account given by Person 1, of what took place on 7 June 2017. The Committee considered that Person 1 was a credible witness, concerning what was said by Mr Nakarja at the meeting on 7 June 2017.

26. The Committee considered the credibility of Person 2. The Committee noted that her evidence as to what was said, both before and during the meeting, and considered that it remained consistent with the evidence of Person 1 and Person 3. The Committee considered that the way that Person 2 gave evidence was persuasive. The Committee considered that Person 2 was a credible witness.
27. The Committee considered the credibility of Mr Nakarja. The Committee noted that Mr Nakarja told Firm B, when he made the booking on 10 April 2017, that it was for work purposes, yet in evidence he accepted that the booking was made for personal use. The Committee noted that, in evidence, Mr Nakarja stated when he had booked rooms for friends, they had reimbursed him with the money. Yet when he finally agreed that the amount that was owed was £6,881.16, he then requested a payment plan for 24 months.
28. The Committee noted the contradiction in Mr Nakarja's evidence that, if he was to be believed in his assertion that there was a persistent ignoring of Firm A's policies, then he took advantage to benefit from the flawed practices, rather than rejecting them. Mr Nakarja had repeated, in evidence, that if bookings were made for less than a certain level, then they would be automatically paid without authorisation being needed. The Committee did not accept that it was credible for two different managers to be aware that a personal debt to the firm had run up to £6,881.16, and then to not do anything about it. The Committee recalled the evidence that the expenses were far greater than those claimed by any other employee, and only came to light following the installation of new accounting software.
29. The Committee recalled that Mr Nakarja had been shown a list of bookings on 7 June 2017, and provided with a copy of the list on 14 July 2017. At no stage did Mr Nakarja make an offer of payment for the sums that he did not dispute. This was despite Mr Nakarja stating, in evidence, that when he stayed in hotels booked by him with friends and or family, that they

reimbursed him. The Committee did not find it credible to suggest that Mr Nakarja could not have made such an offer prior to being sent the invoices.

30. The Committee noted that Mr Nakarja failed to correspond with Firm A until after the civil claim commenced against him.

31. The Committee noted that Mr Nakarja replied in his defence to the civil claim that he resigned, as he had another job to go to, but in evidence he suggested that he resigned as he wanted to go travelling. Later on it was suggested on his behalf that he was unfairly dismissed. Within the defence, Mr Nakarja further stated that *'at no point of my time at Firm A have I been approached by the employer to query any of the transactions'* yet in evidence Mr Nakarja was adamant that Person 3 and another manager were both aware of these transactions, and he discussed with them the bookings that related to him.

32. The Committee noted that Mr Nakarja had stated in his defence to the civil claim that *'the only bookings I have made were for business purposes...'* but this was contradicted by his evidence to the Committee, where in all but two of the bookings, he had admitted that they were for personal activities outside of his business duties.

33. The Committee noted that Mr Nakarja claimed to have refused to pay the sum owed to Firm A, as he wanted to check the invoices for accuracies, yet when the invoices came, he told the Committee that he saw two inaccuracies but still paid the whole amount owed. The Committee did not consider that 'fear of obtaining a County Court Judgement' was a credible reason for not disputing a genuine business booking that had been wrongly claimed by Firm A. If he had the evidence, then he could have challenged it, if his evidence on this matter was truthful. The Committee considered that Mr Nakarja's actions were consistent with someone who was attempting to put off paying, who knew that he would not be believed at the County Court, so then made payment.

34. The Committee took account of the evidence of the character witnesses that suggested that Mr Nakarja had a reputation for being honest and acting with integrity.

35. The Committee concluded that the numerous contradictions in Mr Nakarja's evidence led them to the firm conclusion that he had lied about what had taken place in his evidence to the Committee. The Committee were satisfied that Person 1, Person 2 and Person 3 were telling the truth that Mr Nakarja did not have permission to book travel expenses via Firm B.

ALLEGATION 1(a)

36. The Committee was satisfied that Mr Nakarja did not have permission to book personal travel expenses via Firm B. The Committee found Allegation 1(a) was proved.

ALLEGATION 1(b)(i)

37. The Committee was satisfied that Mr Nakarja was using Firm A's expense account for personal use without permission, which was dishonest by the standards of ordinary people. The Committee found that Allegation 1(b)(i) was proved.

ALLEGATION 1(b)(ii)

38. The Committee was satisfied that Mr Nakarja was using Firm A's expense account for personal use without permission, which was contrary to the Fundamental Principle of Integrity, as applicable between 2016 – 2017. The Committee found that Allegation 1(b)(ii) was proved.

ALLEGATION 2

39. The Committee considered that the findings in relation to Allegation 1 were serious, and in its judgement amounted to misconduct. The Committee found that Allegation 2a(i) was proved.

SANCTION SUBMISSIONS

40. Mrs Healy-Howell submitted that the Committee should have regard to the Guidance for Disciplinary Sanctions. Mr Nakarja had no previous disciplinary findings recorded against him.

41. Mr Patel submitted that Mr Nakarja had paid the money back, and he had lost his job. He had a significant positive good character prior to these matters, and was held in high regard, since the allegation occurred, with his new employer. As a result of the findings, it was likely that he would lose his current employment. He asked for the Committee to show leniency. He submitted that a reprimand would be an appropriate sanction.

SANCTION DECISION AND REASONS

42. The Committee accepted the advice of the Legal Adviser and had regard to the Guidance for Disciplinary Sanctions. The Committee considered as aggravating factors: there was repeated conduct which did not cease until it was discovered; there was a lack of understanding of the allegations; there were delays in paying back the money, which caused Firm A the time and expense of recovery. In addition, the character and integrity of employees of Firm A had been attacked in order for Mr Nakarja to maintain his fabricated account. Mr Nakarja had abused the trust that Firm A had placed in him by giving access to the expense account. The Committee considered that there were mitigating features in that Mr Nakarja; repaid the sums; no members of the public were harmed by his actions; he had moved on with a positive employment record; he had been of previous good character; and had no previous regulatory history.

43. The Committee considered that no further action and admonishment were insufficient sanctions.
44. The Committee considered that the conduct was not the result of misfortune, and it was a deliberate disregard of professional obligations and his employer's policy. The misconduct took place over an extended period and only stopped when it was discovered by his employer. There had been no acceptance by Mr Nakarja that the misconduct had been committed. There had been inconvenience and loss caused to the employer. Therefore, a reprimand was not an appropriate or proportionate sanction.
45. The Committee considered whether a severe reprimand was an appropriate sanction. The Committee noted that the conduct was intentional, could have harmed the reputation of the profession had it gone unnoticed, could have caused financial harm to the company, there was no insight and no expression of remorse, and was repeated and not an isolated incident. The corrective steps regarding payment were only made when faced with court action. The Committee considered that a severe reprimand was an insufficient sanction.
46. The Committee noted that the misconduct was a serious departure from the standards expected of an affiliate, and involved dishonesty. Mr Nakarja had abused the trust placed in him, and lacked insight into what had happened and the conduct continued over time, persistent denial of misconduct. The Committee considered that Mr Nakarja's character witnesses carried some weight, and weighed up the likelihood of him losing his current position. However, the Committee had regard to *Bolton v. Law Society [1993] EWCA Civ 32 paras 14 & 16*. The Committee noted that the public is entitled to expect a high degree of probity from a professional who has undertaken to abide by a code of ethics, and whether the mitigation advanced was so remarkable or exceptional that it warranted anything other than removal from the affiliate register. The Committee considered the allegations were very serious, and the mitigation unexceptional. The Committee considered that the only appropriate sanction was removal from the affiliate register.

COSTS AND REASONS

47. Mrs Healy-Howell applied for costs in the sum of £13,217.74. Mr Patel did not challenge the amount applied for, but urged the Committee to have regard to the statement of financial position and the limits to Mr Nakarja's ability to pay.

48. The Committee considered that the sum applied for by ACCA was reasonable and proportionate. The Committee made an order that Mr Nakarja pay £13,217.74 in costs.

EFFECTIVE DATE OF ORDER

49. The Committee directed that the order should take effect at the expiry of the appeal period referred to in the Appeal regulations.

Mr Maurice Cohen
Chairman
11 April 2019