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News release

03 February 2020

Disciplinary Committee ordered Exclusion from ACCA membership*

On 11-14 November 2019, and concluding on 28-30 January 2020, the Disciplinary Committee of ACCA (the Association of Chartered Certified Accountants) found proved the following allegations against Mr Sohail Farooq Chaudhry of Grove Park, London, United Kingdom:

Allegation 1

- (a) On 20 November 2017, Sohail Farooq Chaudhry FCCA sent an email to ACCA's Monitoring Department which stated that the audit work in respect of those audit clients referred to in Schedule 1 was complete and ready for the audit opinions when he had already given those audit opinions.
- (b) Sohail Farooq Chaudhry FCCA's conduct in respect of 1(a) was:
 - (i) Dishonest, in that he knew that he had already given the audit opinions in respect of those files referred to in Schedule 1 at the time he sent the email of 20 November 2017

Allegation 2

- (a) Sohail Farooq Chaudhry FCCA, provided the audit file of Client B (as referred to in Schedule 1) which did not contain the audit report which had been signed by Sohail Farooq Chaudhry FCCA on 5 November 2017 to:
 - (i) PCP in connection with their review of the audit file of Client B dated 12 November 2017; and/or
 - (ii) A Senior Compliance Officer of ACCA during an ACCA Monitoring visit on 20 and 21 November 2017.

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(b) Sohail Farooq Chaudhry FCCA's conduct in respect of 2(a)(i) and 2(a)(ii) was:

- (i) Dishonest, in that he knew that he had signed the audit report of Client B on 5 November 2017 but did not include this in the file that was provided to ACCA's Senior Compliance Officer and/or PCP

Allegation 3

Between 31 May 2017 and 15 November 2017 Sohail Farooq Chaudhry FCCA failed to comply with an Order of the Admissions and Licensing Committee dated 29 July 2016 in that he signed those audit reports referred to in Schedule 1 before these had been reviewed by a training company, contrary to paragraph 3 of the Order.

Allegation 4

(a) On or around 13 January 2018, Sohail Farooq Chaudhry FCCA filed amended accounts of Client A for the year-ended 31 July 2016 at Companies House which were purportedly approved by the directors of Client A on 31 May 2017 and which contained an audit report which was purportedly signed by Sohail Farooq Chaudhry FCCA on 31 May 2017.

(b) Sohail Farooq Chaudhry FCCA's conduct in respect of 4(a) was:

- (i) Dishonest, in that he knew that the directors of Client A had not approved, and/or that he had not signed the audit report for, the amended annual accounts of Client A for the year-ended 31 July 2016 on 31 May 2017
- (iii) Contrary to the Fundamental Principle of Professional Competence and Due Care (as applicable in 2018).

Allegation 5

It is alleged that Sohail Farooq Chaudhry FCCA breached:

- (a) Regulation 13(2)(e) of the Global Practising Regulations (Annex 1, Appendix 1) (as applicable in 2017) in that he did not use the designation of “Statutory Auditor” or “Statutory Auditors” after the name of the firm in the audit report of Client A, as set out in Schedule 1;
- (b) Section 290.7 of the ACCA Code of Ethics and Conduct (as applicable in 2017) in that he did not document his evaluation of a self-review threat of using the services of a partner of a firm that provided tax and accountancy services to Client A as part of his firm’s audit team.

Allegation 6

- (a) It is alleged that Sohail Farooq Chaudhry FCCA signed the audit report in respect of Client A, as set out in Schedule 1, certifying that the audit was conducted in accordance with the International Standards on Auditing when, in fact, it had not been.
- (b) Sohail Farooq Chaudhry FCCA’s conduct in respect of 6(a) was:
 - (iii) Contrary to Regulation 13(1) of the Global Practising Regulations (Annex 1, Appendix 1) (as applicable in 2017).

Allegation 7

By reason of his conduct Sohail Farooq Chaudhry is:

- (a) Guilty of misconduct in respect of any or all of the matters set out at allegations 1 –6 above, pursuant to bye-law 8(a)(i)

The Disciplinary Committee ordered that Mr Sohail Farooq Chaudhry be excluded from ACCA membership and to pay costs to ACCA in the sum of £13,000.

Please note that this may be the subject of an appeal.

ACCA's regulations require ACCA to publish the Committee's findings and orders by way of a news release, as soon as practicable.

** An order made by the Disciplinary Committee shall take effect from the date of expiry of the Appeal Period referred to in the Appeal Regulations unless the Committee directs that the order should have immediate effect*

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About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants, offering business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

ACCA supports its **219,000** members and **527,000** students (including affiliates) in **179** countries, helping them to develop successful careers in accounting and business, with the skills required by employers. ACCA works through a network of **110** offices and centres and **7,571** Approved Employers worldwide, and **328** approved learning providers who provide high standards of learning and development.

Through its public interest remit, ACCA promotes appropriate regulation of accounting and conducts relevant research to ensure accountancy continues to grow in reputation and influence.

ACCA has introduced major innovations to its flagship qualification to ensure its members and future members continue to be the most valued, up to date and sought-after accountancy professionals globally.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. More information is here: www.accaglobal.com

