

**APPLICATION ON PAPERS
CONSENT ORDER CHAIR OF THE ASSOCIATION OF
CHARTERED CERTIFIED ACCOUNTANTS**

REASONS FOR DECISION

In the matter of: Mr William George Gibbs

Considered on: Wednesday, 24 November 2021

Chair: Mr Maurice Cohen

Legal adviser: Mr Alastair McFarlane

Outcome: Consent Order Approved

DOCUMENTS BEFORE THE COMMITTEE

1. The Chair received a bundle of papers, numbered pages 1-330, including a signed Consent Order.

ALLEGATIONS

Allegation 1

William George Gibbs failed on behalf of the Firm to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in that:

- (a) From 26 June 2017 to 08 June 2019, he did not put in place adequate steps to identify and assess the risks of money laundering and terrorist financing contrary to Regulation 18; and

ACCA



+44 (0)20 7059 5000



info@accaglobal.com



www.accaglobal.com



The Adelphi 1/11 John Adam Street London WC2N 6AU United Kingdom

- (b) From 08 June 2019 to 24 February 2021, he did not establish and maintain policies, controls and procedures to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken by the relevant person contrary to Regulation 19.

Allegation 2

By reason of the conduct set out in Allegation 1, William George Gibbs failed to comply with Section 82 (Anti-Money Laundering) of ACCA's Code of Ethics and Conduct (as applicable from 2017 to 2021).

Allegation 3

- (a) During the period 11 April 2019 to 18 November 2019, William George Gibbs failed to co-operate with ACCA in its AML monitoring process by not providing information to ACCA's AML department by the specified deadlines.
- (b) Mr Gibbs' conduct in respect of 3(a) was contrary to Regulation 14(2) of ACCA's Global Practising Regulations (as applicable in 2019).

Allegation 4

By reason of the conduct set out at allegations 1, 2 and 3 above, William George Gibbs is guilty of misconduct pursuant to byelaw 8(a)(i).

BACKGROUND

2. Mr Gibbs has been a member of ACCA since 1995 and a Fellow since 2000.
3. Mr Gibbs was the Money Laundering Reporting Officer ("the MRO") of the firm.
4. On 11 April 2019, ACCA informed Mr Gibbs and that the firm had been selected

for an Anti-Money Laundering (AML) on-site review.

5. Between April and July 2019, ACCA and the firm exchanged requests and documentation and on 17 July 2019, ACCA sent a report detailing the results of the AML visit to the firm.
6. The visit revealed evidence of non-compliance with AML controls, specifically that the firm did not have AML policies and procedures.
7. Between September 2019 and December 2019, ACCA sought details of the firm staff training programme, as well as seeking confirmation that the actions required in the AML report were undertaken. In December 2019, Mr Gibbs submitted the remaining AML training certificates of the firm's relevant employees.
8. In March 2021, Mr Gibbs provided ACCA with AML policies and procedures. ACCA accepted that the effect of this is that it no longer considered the firm to be non-compliant in respect of its AML obligations.

CHAIR'S DECISION

9. Under Regulation 8(8) of the Complaints and Disciplinary Regulations 2014, the Chair has to determine whether on the basis of the evidence before them, it is appropriate to approve or reject the draft Consent Order.
10. The Chair noted that under Regulation 8(12) they shall only reject the signed Consent Order if they are of the view that the admitted breaches would, more likely than not, result in exclusion from membership.
11. The Chair considered the seriousness of the breaches and the public interest, which includes the protection of the public, the maintenance of public confidence in the profession and the declaring and upholding of proper standards of conduct and performance. It balanced this against Mr Gibbs' interests and his previous good character, his admissions and his co-operation with ACCA. There was no suggestion of dishonesty.

12. The Chair noted the list of aggravating and mitigating factors advanced at paragraphs 12 and 13 of the draft Consent Order. They noted that Mr Gibbs was undergoing difficult personal circumstances at the time and that Mr Gibbs has undertaken extensive measures to ensure that he is compliant with money laundering regulations and obligations in the future.
13. The Chair had regard to ACCA's Guidance for Disciplinary Sanctions. They were satisfied that there had been early and genuine acceptance of the misconduct and that the risk to the public and profession from Mr Gibbs continuing as a member was low.
14. For the reasons set out above, the Chair was satisfied that the admitted breaches would be unlikely to result in exclusion from membership, and therefore there was no basis for them to reject the Consent Order under Regulation 8 (12). The Chair noted the proposed Consent Order and considering all the information before them was satisfied that it was an appropriate and proportionate disposal of this case.
15. The appropriate sanction is a severe reprimand with a fine of £6,000. In deciding that a fine of £6,000 is suitable as a financial sanction, the section in the Guidance headed "Additional guidance in relation to AML Allegations" has been considered. In particular, this states that under the Money Laundering Regulations, ACCA must effectively monitor its firms to ensure they comply with the requirements of the regulations by taking appropriate measures where irregularities have been uncovered. This includes ACCA taking effective, proportionate and deterrent disciplinary action under ACCA's bye laws and regulations, which may be punitive in effect.
16. The Chair had regard to the Guidance that divides the types of AML breaches into 'Very Serious', 'Serious' and 'Less Serious'. They were of the view that the Allegation falls in to the 'Serious' category given that the evidence shows that Mr Gibbs' conduct was 'reckless'.
17. While the Chair noted that in the Guidance the 'suggested' non-financial sanction is that of a severe reprimand, they accepted ACCA's position that a severe reprimand and a £6,000 fine proportionately reflects Mr Gibbs's conduct

and the public policy considerations.

ORDER

18. The Chair, pursuant to their powers under Regulation 8, made an Order in terms of the draft Consent Order, namely that Mr Gibbs be severely reprimanded, pay a fine of £6,000 and pay ACCA's costs of £2,035.50.

Mr Maurice Cohen
Chair
24 November 2021